

**SPACKENKILL UNION FREE SCHOOL DISTRICT**

**Extraclassroom Activity Funds  
Financial Statements  
For the Year Ended June 30, 2017  
Together with  
Independent Auditor's Report**

**Bonadio & Co., LLP**  
Certified Public Accountants

## **INDEPENDENT AUDITOR'S REPORT**

October 11, 2017

To the Board of Education of the  
Spackenkill Union Free School District:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Spackenkill Union Free School District's (School District) Extraclassroom Activity Funds which comprise the statement of cash and fund balance - cash basis as of June 30, 2017, and the related statement of cash receipts and cash disbursements - cash basis for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

## **INDEPENDENT AUDITOR'S REPORT (Continued)**

### **Auditor's Responsibility (continued)**

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### **Basis for Qualified Opinion**

Insufficient accounting controls are exercised over cash receipts at the point of collection to the time of submission to the Central Treasurer. Accordingly, we were unable to obtain sufficient audit evidence over such receipts beyond the amounts recorded.

### **Qualified Opinion**

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the cash and fund balance of the Spackenkill Union Free School District's Extraclassroom Activity Funds as of June 30, 2017, and the cash receipts and cash disbursements for the year then ended, in accordance with the cash basis of accounting described in Note 1.

### **Basis of Accounting**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

**SPACKENKILL UNION FREE SCHOOL DISTRICT**

**EXTRACLASSROOM ACTIVITY FUNDS  
STATEMENT OF CASH AND FUND BALANCE- CASH BASIS  
JUNE 30, 2017**

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**ASSETS**

CASH	\$ 84,391
TOTAL ASSETS	<u>\$ 84,391</u>

**FUND BALANCES**

FUND BALANCES	\$ 84,391
TOTAL FUND BALANCES	<u>\$ 84,391</u>

The accompanying notes are an integral part of these financial statements.

**SPACKENKILL UNION FREE SCHOOL DISTRICT**

**EXTRACLASROOM ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Fund Balance</u> <u>July 01, 2016</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Fund Balance</u> <u>June 30, 2017</u>
<b>SPACKENKILL HIGH SCHOOL</b>				
Art Club	\$ 901	\$ 537	\$ 330	\$ 1,108
Athletics Club	403	369	510	262
Chess Club	41	-	26	15
Class of 2015	1,201	-	1,201	-
Class of 2016	1,048	-	1,048	-
Class of 2017	6,774	15,222	21,843	153
Class of 2018	1,865	11,314	12,869	310
Class of 2019	907	7,272	4,350	3,829
Class of 2020	-	5,073	3,253	1,820
Computer	-	42	-	42
Contrast	592	-	-	592
Current Events - Debate Club	195	-	-	195
Drama	11,334	25,666	14,503	22,497
Environmental	2,318	-	-	2,318
F. A. H. I.R	234	-	-	234
French Club	816	309	116	1,009
GSA	234	-	-	234
Leo Club	2,636	2,643	3,505	1,774
Math League	859	6,012	5,815	1,056
National HS	2,158	1,135	17	3,276
Pegasus	154	-	-	154
Photography	687	250	-	937
S.A.D.D.	2,133	882	313	2,702
School Store	1,962	980	870	2,072
Science Club	457	3,773	2,879	1,351
Ski Club	1,345	6,620	5,290	2,675
Student Government	9,154	3,738	3,805	9,087
YAR	624	-	-	624
Yearbook	12,897	13,484	15,721	10,660
	<u>12,897</u>	<u>13,484</u>	<u>15,721</u>	<u>10,660</u>
Sub-total - Spackenkill High School	<u>\$ 63,929</u>	<u>\$ 105,321</u>	<u>\$ 98,264</u>	<u>\$ 70,986</u>

(Continued)

**SPACKENKILL UNION FREE SCHOOL DISTRICT**

**EXTRACLASSROOM ACTIVITY FUNDS  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - CASH BASIS  
FOR THE YEAR ENDED JUNE 30, 2017  
(Continued)**

	<u>Fund Balance July 01, 2016</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Fund Balance June 30, 2017</u>
<b>TODD MIDDLE SCHOOL</b>				
Bookbag	\$ 705	\$ 2,241	\$ 2,243	\$ 703
Drama	1,762	2,023	2,150	1,635
Student Government	11,044	9,732	12,155	8,621
Yearbook	<u>601</u>	<u>1,845</u>	<u>-</u>	<u>2,446</u>
Sub-total - Todd Middle School	<u>14,112</u>	<u>15,841</u>	<u>16,548</u>	<u>13,405</u>
Sub-total - Spackenkill High School	<u>63,929</u>	<u>105,321</u>	<u>98,264</u>	<u>70,986</u>
Total All Schools	<u>\$ 78,041</u>	<u>\$ 121,162</u>	<u>\$ 114,812</u>	<u>\$ 84,391</u>

The accompanying notes are an integral part of these financial statements.

# SPACKENKILL UNION FREE SCHOOL DISTRICT

## EXTRACLASSROOM ACTIVITY FUNDS NOTES TO FINANCIAL STATEMENTS JUNE 30, 2017

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Accounting**

The financial statements of the Spackenkill Union Free School District's (District) Extraclassroom Activity Funds are prepared on the cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. The cash basis of accounting, therefore, does not recognize receivables and payables, inventories, long-lived assets, and accrued income and expenses, which would be recognized under accounting principles generally accepted in the United States of America. The more significant principles and policies used by the District are described below.

#### **Reporting Entity**

The transactions of the Extraclassroom Activity Funds are included in the reporting entity of the District. Such transactions are included in the combined financial statements of the District and reported in the Trust and Agency Fund as restricted cash and extraclassroom activity fund balance. Exclusion from the District's financial statements, due to their nature and significance of their relationship with the primary government, would cause the reporting entity's financial statements to be misleading or incomplete.

The Extraclassroom Activity Funds of the District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the District with respect to its financial transactions and the designation of student management. The activities included in this report were formed only for educational and school activity purposes in accordance with District rules and regulations for the conduct, operation, and maintenance of the Extraclassroom Activities.

#### **Cash**

The District's cash consists of cash on hand, demand deposits, and savings accounts. New York State law governs the District's investment policies. Resources must be deposited in FDIC-insured commercial banks or trust companies located within the State. Permissible investments include obligations of the United States Treasury, United States Agencies, repurchase agreements and obligations of New York State or its localities. Collateral is required for demand and time deposits and certificates of deposit not covered by FDIC insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of New York State or its localities.

Demand deposits at year end were entirely covered by FDIC. At June 30, 2017, cash balances are entirely composed of cash on hand and demand deposit accounts.

#### **Equity Classification - Fund Balance**

Unrestricted fund balance consists of the portion of fund balance that has not been designated or reserved.