

**SPACKENKILL UNION FREE SCHOOL DISTRICT**

**Extraclassroom Activity Funds  
Financial Statements  
For the Year Ended June 30, 2018  
Together with  
Independent Auditor's Report**

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

## **INDEPENDENT AUDITOR'S REPORT**

October 11, 2018

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, 2018, 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.

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## **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, 2018, 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.

**SPAKENKILL UNION FREE SCHOOL DISTRICT**

**EXTRACLASROOM ACTIVITY FUNDS**

**STATEMENT OF CASH AND FUND BALANCE – CASH BASIS**

**JUNE 30, 2018**

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**ASSETS**

RESTRICTED CASH \$90,507

TOTAL ASSETS \$90,507

**FUND BALANCE**

RESTRICTED FUND BALANCE \$90,507

TOTAL FUND BALANCE \$90,507

**SPACKENKILL UNION FREE SCHOOL DISTRICT**

**EXTRACLASSROOM ACTIVITY FUNDS**

**STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS - CASH BASIS**

**JUNE 30, 2018**

	<u>Fund Balance</u> <u>July 01, 2017</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Fund Balance</u> <u>June 30, 2018</u>
<b>SPACKENKILL HIGH SCHOOL</b>				
Art Club	\$ 1,108	\$ 213	\$ 329	\$ 992
Athletics Club	264	-	75	189
Chess Club	15	-	-	15
Class of 2017	153	-	153	-
Class of 2018	310	29,082	29,392	-
Class of 2019	3,829	12,770	12,937	3,662
Class of 2020	1,820	3,815	2,112	3,523
Class of 2021	-	913	252	661
Computer	42	-	-	42
Contrast	592	-	26	566
Current Events - Debate Club	195	-	-	195
Drama	22,497	23,160	21,547	24,110
Environmental	2,318	-	-	2,318
F. A. H. I.R	234	-	-	234
French Club	1,009	1,223	792	1,440
GSA	234	-	-	234
Leo Club	1,774	5,184	4,439	2,519
Math League	1,056	7,414	6,875	1,595
National HS	3,276	1,307	1,139	3,444
Pegasus	154	-	-	154
Photography	937	-	-	937
S.A.D.D.	2,702	57	261	2,498
School Store	2,072	2,012	1,504	2,580
Science Club	1,351	2,402	2,586	1,167
Ski Club	2,675	2,885	4,310	1,250
Student Government	9,084	11,224	11,419	8,889
YAR	624	-	115	509
Yearbook	10,660	13,995	10,795	13,860
	<u>10,660</u>	<u>13,995</u>	<u>10,795</u>	<u>13,860</u>
Sub-total - Spackenkill High School	\$ 70,985	\$ 117,656	\$ 111,058	\$ 77,583

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**SPACKENKILL UNION FREE SCHOOL DISTRICT**

**EXTRACLASSROOM ACTIVITY FUNDS**

**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS - CASH BASIS**

**JUNE 30, 2018**

(Continued)

	<u>Fund Balance July 01, 2017</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Fund Balance June 30, 2018</u>
<b>TODD MIDDLE SCHOOL</b>				
Bookbag	\$ 703	\$ 3,652	\$ 3,327	\$ 1,028
Drama	1,635	2,272	1,274	2,633
Student Government	8,621	9,983	10,857	7,747
Yearbook	<u>2,446</u>	<u>1,249</u>	<u>2,179</u>	<u>1,516</u>
Sub-total - Todd Middle School	<u>13,405</u>	<u>17,156</u>	<u>17,637</u>	<u>12,924</u>
Sub-total - Spackenkill High School	<u>70,985</u>	<u>117,656</u>	<u>111,058</u>	<u>77,583</u>
Total All Schools	<u>\$ 84,390</u>	<u>\$ 134,812</u>	<u>\$ 128,695</u>	<u>\$ 90,507</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, 2018

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Accounting**

The financial statements of the Spackenkill Union Free School District's (School 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 School District are described below.

#### **Reporting Entity**

The transactions of the Extraclassroom Activity Funds are included in the reporting entity of the School District. Such transactions are included in the combined financial statements of the School District and reported in the Trust and Agency Fund as restricted cash and extraclassroom activity fund balance. Exclusion from the School 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 School District represent funds of the students of the School District. The Board of Education exercises general oversight of these funds. The Extraclassroom Activity Funds are independent of the School 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 School District's cash consists of cash on hand, demand deposits, and savings accounts. New York State law governs the School 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, 2018, 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.