

LONG LAKE CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

AUDITED FINANCIAL STATEMENTS

June 30, 2018

**LONG LAKE CENTRAL SCHOOL DISTRICT
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JUNE 30, 2018

EXTRACLASSROOM ACTIVITY FUNDS

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Long Lake Central School District

We have audited the accompanying financial statements of the Extraclassroom Activity Fund of the Long Lake Central School District, which comprise the statement of assets, liabilities, and fund equity – cash basis as of June 30, 2018, and the related statement of revenues, expenditures, and changes in fund equity – 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 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 Fund'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 Fund'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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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, it was impracticable to extend our audit of such receipts beyond the amounts recorded.

LARRY REECE CPA, P.C.
CERTIFIED PUBLIC ACCOUNTANT

Qualified Opinion

In our opinion, except for the 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 assets, liabilities, and fund equity – cash basis of the Extraclassroom Activity Fund of Long Lake Central School District at June 30, 2017, and its revenues, expenditures, and changes in fund equity – cash basis for the year then ended on the 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule on page 6 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects of any adjustments that might have been determined to be necessary had we been able to perform adequate auditing procedures in regard to the receipts referred to in the opinion paragraphs, the information is fairly stated in all material respects in relation to the financial statements as a whole.

 CPA, P.C.

October 8, 2018

Potsdam, New York

**LONG LAKE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
STATEMENT OF ASSETS, LIABILITIES, AND FUND EQUITY - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2018**

<u>Assets</u>	
Cash	<u>\$ 7,945</u>
Total Assets	<u><u>\$ 7,945</u></u>
Fund Equity	
Assigned	<u>\$ 7,945</u>
Total Liabilities and Fund Equity	<u><u>\$ 7,945</u></u>

The Accompanying Notes are an Integral Part of These Financial Statements

**LONG LAKE CENTRAL SCHOOL DISTRICT
EXTRACLASROOM ACTIVITY FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND EQUITY - CASH BASIS
For the Year Ended June 30, 2018**

Revenues	
Charges for Services, Sale of Property, and Miscellaneous	\$ 10,729
Total Revenues	<u>\$ 10,729</u>
Expenditures	
Instruction - Club Activities	\$ 8,952
Total Expenditures	<u>\$ 8,952</u>
(Excess) Expenditures Over Revenues	\$ 1,777
Fund Equity, Beginning of year	<u>6,168</u>
Fund Equity, End of year	<u><u>\$ 7,945</u></u>

The Accompanying Notes are an Integral Part of These Financial Statements

LONG LAKE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS
NOTES TO FINANCIAL STATEMENTS
June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Operations

The transactions of the Extraclassroom Activity Fund are considered part of the reporting entity of Long Lake Central School District.

The Board of Education makes rules and regulations for the conduct, operation, and maintenance of the Extraclassroom Activity Fund and for the safeguarding, accounting, and auditing of all monies received and derived therefrom.

Basis of Accounting

The books and records of the School District's Extraclassroom Activity Fund are maintained on the cash basis of accounting, which is another comprehensive basis of accounting. Under this basis of accounting, revenues are recognized when cash is received, and expenditures are recognized when cash is disbursed.

Cash and Cash Equivalents

The Fund's cash and cash equivalents consist of cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Corporation (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 the State and its municipalities and Districts.

NOTE 2 – CUSTODIAL CREDIT RISK

Custodial credit risk is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. As of June 30, 2018, the School District's Extraclassroom total bank balances of \$ 7,945 were included in the third party collateral arrangement with Wilmington Trust.

**LONG LAKE CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
SUPPLEMENTAL SCHEDULE OF CASH RECEIPTS AND
DISBURSEMENTS - CASH BASIS**

For the Year Ended June 30, 2018

<u>Activities</u>	<u>Cash and Fund Equity 7/1/17</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Cash and Fund Equity 6/30/18</u>
Allocated Interest	\$ -	\$ -	\$ -	\$ -
Electrathon Club	821	2,087	1,909	999
Sales Tax	159	386	129	416
People for People	-	65	-	65
Green Team	-	4,036	3,976	60
Student Council	1,880	1,577	1,619	1,838
Yearbook Club	3,308	2,578	1,319	4,567
TOTAL	\$ <u>6,168</u>	\$ <u>10,729</u>	\$ <u>8,952</u>	\$ <u>7,945</u>