

NORTH ROSE - WOLCOTT CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

FINANCIAL REPORT

For Year Ended June 30, 2018

Raymond F. Wager, CPA, P.C.
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

To the Board of Education
North Rose-Wolcott Central School District, New York

We have audited the accompanying statement of cash receipts and disbursements of the Extraclassroom Activity Funds of the North Rose-Wolcott Central School District for the year ended June 30, 2018 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement 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 statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement 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 statement is free from misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statement 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 District'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 statement.

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

Internal accounting controls are limited over the cash receipts from 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.

Qualified Opinion

In our opinion, except for the possible effects of the matter discussed in the basis for qualified opinion paragraph, the financial statement referred to in the first paragraph presents fairly, in all material respects, the cash receipts and disbursements of the Extraclassroom Activity Funds of North Rose-Wolcott Central School District for the year ended June 30, 2018, in accordance with the cash basis of accounting as described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. This financial statement is 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.

Raymond F. Wager, CPA, PC

Rochester, New York
January 4, 2019

NORTH ROSE - WOLCOTT CENTRAL SCHOOL DISTRICT

Extraclassroom Activity Funds

Statement of Cash Receipts and Disbursements

For Year Ended June 30, 2018

<u>High School:</u>	<u>Cash Balance</u> <u>July 1, 2017</u>	<u>Receipts</u>	<u>Disburse-</u> <u>ments</u>	<u>Cash Balance</u> <u>June 30, 2018</u>
Class of 2017	\$ 681	\$ -	\$ -	\$ 681
Class of 2018	4,092	11,953	13,526	2,519
Class of 2019	1,757	2,881	2,993	1,645
Class of 2020	635	1,318	197	1,756
Class of 2021	-	884	242	642
Activities Account	1,041	6,202	5,962	1,281
Art Club	5,841	747	646	5,942
AV Club	588	250	752	86
Band Fund	2,542	-	15	2,527
Choir	2,194	596	1,683	1,107
Cougar Cupboard	3,524	-	147	3,377
Dramatic Productions	1,390	-	-	1,390
FBLA	389	951	671	669
Interact Club	270	-	-	270
Music Productions	11,701	4,730	6,633	9,798
NHS	199	1,793	934	1,058
Outdoor Club	529	714	1,008	235
School Store	4,755	1,286	1,886	4,155
Science Club	76	337	294	119
Ski Club	1,162	-	-	1,162
Student Athlete Association	9,206	679	4,656	5,229
Student Council	7,117	1,614	1,924	6,807
Tax	1,494	1,625	1,726	1,393
Varsity Club	4,928	4,460	5,852	3,536
Yearbook Club	8,323	19,803	20,722	7,404
Total High School	\$ 74,434	\$ 62,823	\$ 72,469	\$ 64,788

<u>Middle School:</u>	Cash Balance <u>July 1, 2017</u>	<u>Receipts</u>	Disburse- <u>ments</u>	Cash Balance <u>June 30, 2018</u>
AV	\$ 1,976	\$ 1,318	\$ 734	\$ 2,560
AV Charitable	100	-	100	-
Choir	8,041	3,672	4,445	7,268
Treasurer's Club	406	351	54	703
Foreign Language	918	-	239	679
Health Club	120	-	-	120
Honor's Trip	442	32,641	32,483	600
LTD Charitable	980	-	-	980
National Jr. Honor Society	662	1,786	2,092	356
Student Council	13,167	19,801	18,096	14,872
Tax	1,156	1,391	1,443	1,104
Wrestling Club	158	-	-	158
Yearbook	10,616	2,801	4,001	9,416
Total Middle School	<u>\$ 38,742</u>	<u>\$ 63,761</u>	<u>\$ 63,687</u>	<u>\$ 38,816</u>
<u>North Rose Elementary:</u>				
Student Council	<u>\$ 7,644</u>	<u>\$ 1,542</u>	<u>\$ 2,743</u>	<u>\$ 6,443</u>
GRAND TOTAL	<u>\$ 120,820</u>	<u>\$ 128,126</u>	<u>\$ 138,899</u>	<u>\$ 110,047</u>

NORTH ROSE - WOLCOTT CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

NOTES TO FINANCIAL STATEMENT

June 30, 2018

(Note 1) Accounting Policy:

The transactions of the Extraclassroom Activity Funds are considered part of the reporting entity of the North Rose-Wolcott Central School District. Consequently, the cash balances are included in the financial statements of the School District as part of the Trust and Agency Fund.

The accounts of the Extraclassroom Activity Funds of the North Rose-Wolcott Central School District are maintained on a cash basis, and the statement of cash receipts and disbursements reflects only cash received and disbursed. Therefore, receivables and payables, inventories, long-lived assets, and accrued income and expenses, which would be recognized under generally accepted accounting principles, and which may be material in amount, are not recognized in the accompanying financial statement.

(Note 2) Cash and Cash Equivalents:

Cash and cash equivalents is comprised of three checking accounts and one savings account. The balance in these accounts is fully covered by FDIC Insurance or NCUA insurance.

NORTH ROSE - WOLCOTT CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

AUDITORS' FINDINGS AND EVALUATION

We have examined the statement of cash receipts and disbursements of the North Rose-Wolcott Central School District's Extraclassroom Activity Funds for the year ended June 30, 2018. As part of our examination, we made a study and evaluation of the system of internal accounting control to the extent we deemed necessary to render our opinion.

There are inherent limitations in considering the potential effectiveness of any system of internal accounting control. Human errors, mistakes of judgment and misunderstanding of instructions limit the effectiveness of any control system.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

High School:

Prior Year Deficiency Pending Corrective Action –

Reconciliation of Sales

Our examination revealed that a reconciliation of tickets sold to total cash collected was not prepared for the NHS February Dance.

We recommend a reconciliation of items/tickets sold to total cash collected be prepared when applicable.

Current Year Deficiencies in Internal Control –

Varsity Club

During the course of our examination, we noted that concession sales for the Varsity Club were not individually deposited from the corresponding athletic event. In addition, there were some instances where a reconciliation of items sold to total cash collected was not prepared.

In an effort to enhance internal controls, we recommend a reconciliation of items sold to the cash collected be prepared and turned into the Central Treasurer with the cash deposit. In addition, we recommend that concession sales be deposited separately for each athletic event.

Other Item:

The following item is not considered to be a deficiency in internal control, however, we consider it an other item which we would like to communicate to you as follows:

Inactive Clubs –

As indicated on the statement of cash receipts and disbursements, the following clubs were financially inactive during the 2017-2018 fiscal year:

<u>High School</u>	<u>Middle School</u>
Class of 2017	Health Club
Dramatic Productions	LTD Charitable
Interact Club	Wrestling Club
Ski Club	

We recommend the status of these clubs be reviewed. If future financial activity is not anticipated, they should be closed in accordance with the Board of Education policy.

Prior Year Recommendations:

We are pleased to report that the following prior year recommendations have been implemented to our satisfaction:

1. Items included on the profit and loss statements tested in the High School Yearbook and Varsity Club could be traced to the general ledger.
2. A reconciliation of tickets sold to total cash collected was prepared for the Outdoor Club’s Halloween Party.
3. A reconciliation of sales to total cash collected was prepared for all fundraisers examined at the Middle School.

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We wish to express our appreciation to all client personnel for the courtesies extended to us during the course of our examination.



Rochester, New York
January 4, 2019