

NORTH ROSE - WOLCOTT CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

FINANCIAL REPORT

For Year Ended June 30, 2016

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

Shareholders:

Raymond F. Wager, CPA
Thomas J. Lauffer, CPA
Thomas C. Zuber, CPA

Members of
American Institute of
Certified Public Accountants
and
New York State Society of
Certified Public Accountants

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, 2016 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, 2016, 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.

A handwritten signature in black ink that reads "Raymond F. Wager, CPA, P.C." The signature is written in a cursive style with a large initial 'R'.

January 9, 2017

NORTH ROSE - WOLCOTT CENTRAL SCHOOL DISTRICT

Extraclassroom Activity Funds

Statement of Cash Receipts and Disbursements

For Year Ended June 30, 2016

High School:	Cash Balance July 1, 2015	Receipts	Disburse- ments	Cash Balance June 30, 2016
Class of 2015	\$ 996	\$ -	\$ -	\$ 996
Class of 2016	3,940	7,118	11,041	17
Class of 2017	3,109	2,085	458	4,736
Class of 2018	1,447	5,290	3,729	3,008
Class of 2019	-	3,447	2,171	1,276
Activities Account	3,583	6,049	7,363	2,269
Art Club	6,122	1,003	767	6,358
AV Club	543	-	141	402
Band Fund	2,362	240	280	2,322
Choir	1,547	-	78	1,469
Cougar Cupboard	4,795	-	858	3,937
Dramatic Productions	1,390	-	-	1,390
FBLA	513	400	376	537
Interact Club	280	198	208	270
Meteorology Club	649	-	649	-
Music Productions	6,202	9,472	5,449	10,225
NHS	326	1,071	1,215	182
Outdoor Club	-	579	89	490
School Store	4,532	5,028	4,649	4,911
Ski Club	1,162	-	-	1,162
Student Athlete Association	4,396	19,817	16,218	7,995
Student Council	4,602	6,875	5,959	5,518
Tax	1,597	4,344	4,805	1,136
Varsity Club	3,935	5,941	5,902	3,974
Yearbook Club	9,675	20,610	21,141	9,144
Total High School	\$ 67,703	\$ 99,567	\$ 93,546	\$ 73,724

<u>Middle School:</u>	<u>Cash Balance</u> <u>July 1, 2015</u>	<u>Receipts</u>	<u>Disburse-</u> <u>ments</u>	<u>Cash Balance</u> <u>June 30, 2016</u>
AV	\$ 649	\$ -	\$ 130	\$ 519
AV Charitable Acc't	165	-	65	100
Choir	6,276	4,002	2,670	7,608
Treasurer's Club	478	223	268	433
Foreign Language	1,277	-	359	918
Health Club	144	-	24	120
Honor's Charitable	3	-	-	3
Honor's Trip	1,659	26,730	27,546	843
LTD Charitable	980	-	-	980
National Jr. Honor Society	565	3,218	3,077	706
Science Club	36	-	-	36
Student Council	4,853	20,737	16,269	9,321
Tax	1,281	1,724	1,503	1,502
Wrestling Club	195	423	461	157
Yearbook	13,985	5,044	8,413	10,616
Total Middle School	\$ 32,546	\$ 62,101	\$ 60,785	\$ 33,862
 <u>North Rose Elementary:</u>				
Student Council	\$ 15,401	\$ 2,299	\$ 4,245	\$ 13,455
 GRAND TOTAL	\$ 115,650	\$ 163,967	\$ 158,576	\$ 121,041

NORTH ROSE - WOLCOTT CENTRAL SCHOOL DISTRICT

EXTRACLASSROOM ACTIVITY FUNDS

NOTES TO FINANCIAL STATEMENT

June 30, 2016

(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 four checking accounts. The balance in these accounts is fully covered by FDIC Insurance or NCUA insurance.

NORTH ROSE - WOLCOTT CENTRAL SCHOOL DISTRICT

EXTRACLASROOM 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, 2016. 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:

Current Year Deficiencies in Internal Control –

Profit & Loss Statements

Our examination revealed that some of the items listed on the Varsity Club and Yearbook profit and loss statements could not always be traced to the general ledger.

The items appearing on the profit and loss statements should be traceable to the general ledger maintained by the Central Treasurer.

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 2015-2016 fiscal year:

<u>High School</u>	<u>Middle School</u>
Dramatic Productions	Honor's Charitable
Class of 2015	LTD Charitable
Ski Club	Science 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:

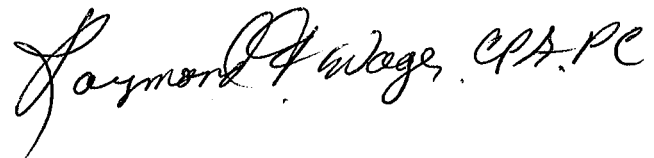
1. All of the fundraising activities in the High School Musical Production Club were properly approved during the 2015-2016 fiscal year.
2. For those items tested, the Middle School Student Council and the Middle School Honor's Trip did not pay sales tax on the purchase of items intended for resale.

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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.



January 9, 2017