

**LYNDONVILLE CENTRAL SCHOOL DISTRICT**  
**EXTRACLASSROOM ACTIVITY FUNDS**  
**FINANCIAL REPORT**

**For Year Ended June 30, 2021**



**MENGEL METZGER BARR & CO. LLP**

*Certified Public Accountants*

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## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Lyndonville Central School District, New York

We have audited the accompanying statement of cash receipts and disbursements of the Extraclassroom Activity Funds of the Lyndonville Central School District for the year ended June 30, 2021 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 Lyndonville Central School District for the year ended June 30, 2021, 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.

*Mengel, Metzger, Barw & Co. LLP*

Rochester, New York  
January 7, 2022

**LYNDONVILLE CENTRAL SCHOOL DISTRICT**  
**EXTRACLASSROOM ACTIVITY FUNDS**  
**STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS**

**For Year Ended June 30, 2021**

	<b>Cash Balance</b>				<b>Cash Balance</b>
	<b><u>July 01, 2020</u></b>	<b><u>Receipts</u></b>	<b><u>Disbursements</u></b>		<b><u>June 30, 2021</u></b>
Class of 2019	\$ 227	\$ -	\$ -		\$ 227
Class of 2020	1,378	-	1,378		-
Class of 2021	3,498	1,628	3,475		1,651
Class of 2022	2,289	4,863	4,962		2,190
Class of 2023	333	-	-		333
Class of 2024	2,252	-	124		2,128
Class of 2025	192	-	-		192
Class of 2026	-	265	-		265
Cheerleading	1,713	-	-		1,713
Baseball	3,159	-	-		3,159
Wrestling	4,412	1,590	4,103		1,899
Academic Decathlon	49	-	-		49
Agriculture/Technology	435	-	-		435
High School Student Council	1,308	24	872		460
Junior High Honor Society	381	-	-		381
Leo Club	385	-	-		385
Life Skills	15	-	-		15
National Honor Society	222	-	-		222
Sales Tax	1,366	219	629		956
Spanish/ Diversity	560	-	-		560
Yearbook	4,562	6,513	219		10,856
<b>TOTAL</b>	<b><u>\$ 28,736</u></b>	<b><u>\$ 15,102</u></b>	<b><u>\$ 15,762</u></b>		<b><u>\$ 28,076</u></b>

(See accompanying notes to financial statement)

**LYNDONVILLE CENTRAL SCHOOL DISTRICT**

**EXTRACLASROOM ACTIVITY FUNDS**

**NOTES TO FINANCIAL STATEMENT**

**June 30, 2021**

**(Note 1)      Accounting Policy:**

The transactions of the Extraclassroom Activity Funds are considered part of the reporting entity of the Lyndonville Central School District. Consequently, the cash balances are included in the financial statements of the School District as part of the Custodial Fund.

The accounts of the Extraclassroom Activity Funds of the Lyndonville 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 one checking account. The balance in this account is fully covered by FDIC Insurance.

**(Note 3)      COVID-19**

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risk to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, limited activities and student involvement in the Extraclassroom activities and transactions have resulted from the date of closure through the end of the 2020-21 fiscal year.

## LYNDONVILLE CENTRAL SCHOOL DISTRICT

### EXTRACLASSROOM ACTIVITY FUNDS

### AUDITORS' FINDINGS AND EVALUATION

We have examined the statement of cash receipts and disbursements of the Lyndonville Central School District's Extraclassroom Activity Funds for the year ended June 30, 2021. 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. In particular, cash being handled by numerous students and faculty advisors at various functions provides an atmosphere of limited control over those receipts.

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.

#### **Current Year Deficiencies in Internal Control:**

##### **Disbursements –**

Our examination of selected disbursement transactions revealed one instance in the Class of 2024 in which meeting minutes were not included to support a donation.

In an effort to improve internal accounting control all donations should be supported with meeting minutes of the respective organization indicating approval by a majority of its members.

##### **Profit and Loss Statements –**

Our examination revealed one instance in the Student Council in which the profit and loss statement was not signed by the Student Treasurer.

In an effort to improve internal accounting control over fund-raising events, we recommend the Student Treasurer together with the Faculty Advisor prepare and sign profit and loss statements at the conclusion of each fund-raiser.

**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 2020-21 school year:

Class of 2019	Agriculture/Technology
Class of 2023	Junior High Honor Society
Class of 2025	Leo Club
Cheerleading	Life Skills
Baseball	National Honor Society
Academic Decathlon	Spanish/Diversity

We recommend the status of these clubs be reviewed. If no future financial transactions are anticipated, they should be closed in accordance with the Board of Education policy.

**Prior Year Recommendation:**

We are pleased to report that the following prior year recommendation had been implemented to our satisfaction:

1. For those items tested, sales tax was not paid 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.

*Mengel, Metzger, Barw & Co. LLP*

Rochester, New York  
January 7, 2022