

**CINCINNATUS CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUNDS**

Audited Financial Statements

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Port, Kashdin & McSherry
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Cincinnati Central School District

We have audited the accompanying financial statements of the Extraclassroom Activity Funds of Cincinnati Central School District, which comprise the Statement of Assets and Fund Balance – Cash Basis as of June 30, 2020, and the related Statements of Cash Receipts, Cash Disbursements, and Changes in Fund Balance – 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 of 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.

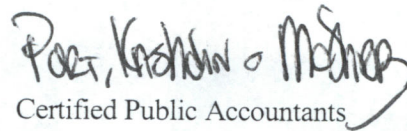
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective assets and fund balance of the Extraclassroom Activity Funds of the District as of June 30, 2020, and the cash receipts, cash disbursements, and changes in fund balance, for the year then ended 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 statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.


Certified Public Accountants

October 8, 2020
Cortland, New York

CINCINNATUS CENTRAL SCHOOL DISTRICT

Extraclassroom Activity Funds

Statement of Assets, Liabilities and Fund Equity - Cash Basis

June 30, 2020

ASSETS

Cash	\$	65,784
Certificates of Deposit		<u>16,787</u>
Total Assets	\$	<u>82,571</u>

LIABILITIES AND FUND EQUITY

Liabilities

New York State Sales Tax Liability	\$	920
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Fund Equity

High School		52,445
Middle School		<u>29,206</u>

Total Liabilities and Fund Equity	\$	<u>82,571</u>
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CINCINNATUS CENTRAL SCHOOL DISTRICT

Extraclassroom Activity Funds – High School Statement of Cash Receipts and Disbursements For the Year Ended June 30, 2020

Activities	Balance July 1, 2019	Cash Receipts	Cash Disbursements	Balance June 30, 2020
Art Club	\$ 1,040	\$ 380	\$ 279	\$ 1,141
Athletic Association	2,399	2,147	1,312	3,234
After Prom	127	-	127	-
Cheerleading	2,534	846	320	3,060
Class of 2020	3,619	36,807	35,570	4,856
Class of 2021	3,008	6,880	3,465	6,423
Class of 2022	1,040	1,180	600	1,620
Class of 2023	-	678	-	678
Drama Club	5,869	7,177	7,553	5,493
French Club	4,858	2,692	2,692	4,858
Music Council	1,347	3,481	3,332	1,496
National Honor Society	774	1,074	1,075	773
Sales Tax Holding Account	1,015	678	989	704
Science Club	1,477	-	-	1,477
Spanish Club	4,114	-	-	4,114
Student Senate	5,897	7,199	5,205	7,891
Yearbook	1,325	4,616	610	5,331
Total Extraclassroom Activities Funds	\$ 40,443	\$ 75,835	\$ 63,129	\$ 53,149

CINCINNATUS CENTRAL SCHOOL DISTRICT

**Extraclassroom Activity Funds – Elementary School
Statement of Cash Receipts and Disbursements
For the Year Ended June 30, 2020**

<u>Activities</u>	<u>Balance July 1, 2019</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2020</u>
Middle School Student Council	\$ 17,842	\$ 28,746	\$ 17,382	\$ 29,206
Sales Tax Holding Account	<u>112</u>	<u>159</u>	<u>55</u>	<u>216</u>
Total Extraclassroom Activities Funds	<u>\$ 17,954</u>	<u>\$ 28,905</u>	<u>\$ 17,437</u>	<u>\$ 29,422</u>

CINCINNATUS CENTRAL SCHOOL DISTRICT

Extraclassroom Activity Funds

Notes to Financial Statements

June 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Student Extraclassroom Activity Funds of the Cincinnatus Central School District represent funds of the students of the District. The Board of Education exercises general oversight of these funds. The extraclassroom activity funds are independent of the District with respect to its financial transactions, and designation of student management. However, the total amount of the extraclassroom funds is included within the Trust and Agency Fund in the District's general purpose financial statements.

Student Extraclassroom Activity Funds included in this report were formed only for educational and school service purposes in accordance with District rules and regulations for the conduct, operations, and maintenance of Extraclassroom activities.

The books and records of the Cincinnatus Central School District Extraclassroom Activity Funds are maintained on the cash basis of accounting, and the Statement of Cash Receipts, Cash Disbursements, and Changes in Fund Balance 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 statements.

NOTE 2 - CASH AND INVESTMENTS – CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE AND FOREIGN CURRENCY RISKS

The Student Extraclassroom Activity Funds cash and cash equivalents consist of cash on hand and demand deposits. New York State law governs the School District's investment policies. Resources must be deposited in Federal Deposit Insurance Company (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. Investments, if any, are stated at fair value.

Custodial risk is the risk that in the event of a bank failure, the Student Extraclassroom Activity Fund's deposits may not be returned to it. While the Student Extraclassroom Activity Funds do not have a specific policy for custodial credit risk, New York State statutes govern the Cincinnatus Central School District's investment policies, as discussed previously in these notes. Governmental Accounting Standards Board Statement Number 40 directs that deposits be disclosed as exposed to custodial credit risk if they are not covered by depository insurance, and the deposits are either uncollateralized or collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

The Student Extraclassroom Activity Fund's aggregate bank balances of \$82,571 are either insured or collateralized with securities held by the pledging financial institution in the District's name.

CINCINNATUS CENTRAL SCHOOL DISTRICT

Extraclassroom Activity Funds Notes to Financial Statements June 30, 2020

NOTE 2 - CASH AND INVESTMENTS – CUSTODIAL CREDIT, CONCENTRATION OF CREDIT, INTEREST RATE AND FOREIGN CURRENCY RISKS (Continued)

The Student Extraclassroom Activity Fund has few investments (certificates of deposit), and chooses to disclose its investments by specifically identifying each. The District's investment policy for these investments is also governed by New York State statutes. Investments are stated at fair value, and are categorized as either:

1. Insured or registered, or investments held by the District or by the District's agent in the District's name, or
2. Uninsured and unregistered, with investments held by the financial institution's trust department in the District's name, or
3. Uninsured and unregistered, with investments held by the financial institution or its trust department, but not in the District's name.

<u>Cost</u>	<u>Carrying Amount Fair Value</u>	<u>Type of Investment</u>	<u>Category</u>
\$ 16,787	\$ 16,787	Certificate of Deposit	(1)

The District does not typically purchase investments for long enough duration to cause it to believe that it is exposed to any material interest rate risk.

The District does not typically purchase investments denominated in a foreign currency, and is not exposed to foreign currency risk.

NOTE 3 - ACTIVITY INFORMATION

The Sales Tax Holding Account is paid to New York State on a quarterly basis. The District treasurer removes the sales tax collected from each activity fund and records it in this account. The activity funds are shown net of any sales tax collected.

NOTE 4 - SUBSEQUENT EVENTS

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through October 8, 2020, the date the financials were available to be issued.