

**BERNE-KNOX-WESTERLO CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
FINANCIAL REPORT
JUNE 30, 2024**

**BERNE-KNOX-WESTERLO CENTRAL SCHOOL DISTRICT
EXTRACLASROOM ACTIVITY FUND**

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BUSINESS
ADVISORS
AND CPAS

INDEPENDENT AUDITOR'S REPORT

To the President and Members of
the Board of Education of the
Berne-Knox-Westerlo Central School District

Qualified Opinion

We have audited the accompanying statement of cash receipts, disbursements and cash balances of the Extraclassroom Activity Fund of Berne-Knox-Westerlo Central School District, as of and for the year ended June 30, 2024, and the related note to the financial statement.

In our opinion, except for the possible effects of the matter discussed in the Basis for Qualified Opinion paragraph, the financial statement referred to above presents fairly, in all material respects, the cash receipts, disbursements and cash balances of the Extraclassroom Activity Funds of Berne-Knox-Westerlo Central School District as of and for the year ended June 30, 2024, in accordance with the cash basis of accounting described in Note 1.

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, we were unable to obtain sufficient audit evidence over such receipts beyond the amounts recorded.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Prior Period Financial Statement

The opening cash balances as of July 1, 2023, included in the statement of cash receipts, disbursements and cash balances - cash basis as of and for the year-ended June 30, 2024, were audited by Bonadio & Co., LLP., as part of their audit of the June 30, 2023 financial statement of the Extraclassroom Activity Fund, and whose report dated October 30, 2023, expressed an unqualified opinion on that statement.

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting as 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 a financial statement that is free from material misstatement, whether due to fraud or error.

Basis of Accounting

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

Auditor's Responsibilities for the Audit of the Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statement.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statement.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Mengel, Metzger, Bar & Co. LLP

Latham, NY
October 24, 2024

BERNE-KNOX-WESTERLO CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CASH BALANCES
AS OF AND FOR THE YEAR ENDED JUNE 30, 2024

<u>Activities and Clubs</u>	<u>Balance July 1, 2023</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance June 30, 2024</u>
BUILDERS CLUB	\$ 222	\$ -	\$ 222	\$ -
CLASS OF 2022	260	-	260	-
CLASS OF 2023	893	-	893	-
CLASS OF 2024	3,307	4,126	5,951	1,482
CLASS OF 2025	7,476	14,789	12,485	9,780
CLASS OF 2026	2,574	6,647	4,503	4,718
CLASS OF 2027	-	5,854	375	5,479
THEATRE TROUPE	2,330	6,335	819	7,846
FOREIGN LANGUAGE	4,086	44	-	4,130
HIGH SCHOOL MUSIC	8,088	5,181	8,747	4,522
KEY CLUB	419	-	419	-
MEMOIR - YEARBOOK	669	1,497	-	2,166
NATIONAL HONOR SOCIETY - HS	175	313	266	222
JR NATIONAL HONOR SOCIETY	572	577	219	930
STUDENT SENATE	1,179	1,131	-	2,310
ORIENTEERING CLUB	114	-	114	-
FFA-FUTURE FARMERS OF AMERICA	7,609	33,044	25,232	15,421
CONSERVATION CLUB	40	-	-	40
SALES TAX PAYABLE	1,364	2,323	2,175	1,512
Grand Totals	<u>\$ 41,377</u>	<u>\$ 81,861</u>	<u>\$ 62,680</u>	<u>\$ 60,558</u>

The June 30, 2024 balance is as follows:

Checking Account	\$ 60,558
Savings Account	-
	<u>\$ 60,558</u>

See accompanying note to financial statement.

BERNE-KNOX-WESTERLO CENTRAL SCHOOL DISTRICT
EXTRACLASSROOM ACTIVITY FUND
NOTE TO FINANCIAL STATEMENT
JUNE 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Extraclassroom Activity Fund of the Berne-Knox-Westerlo Central School District represents funds of the students of the District. The Board of Education exercises general oversight of this fund. The Extraclassroom Activity Fund is independent of the District with respect to its financial transactions, and the designation of student management. Separate financial statements are issued for this fund. The District also reports this fund in its financial statements, within its special revenue fund, in accordance with Government Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*.

The accompanying financial statement of the Berne-Knox-Westerlo Central School District's Extraclassroom Activity Fund has been prepared on the cash receipts and disbursements basis of accounting, which is a basis of accounting other than generally accepted accounting principles. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and non-cash transactions are not recognized. The cash basis differs from generally accepted accounting principles primarily because the effects of receivables outstanding from fundraising activities and obligations for expenses unpaid at the date of the financial statement are not included in the financial statement.