



PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

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INDEPENDENT AUDITOR'S REPORT

To the Members of the School Board
Fremont School District
Fremont, New Hampshire

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of the Fremont School District as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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 opinions 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 opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and aggregate remaining fund information of the Fremont School District as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparison for the general, food service, and grants funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Management's Discussion and Analysis - Management has omitted a Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

*Fremont School District
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Required Supplementary Information - Accounting principles generally accepted in the United States of America require that the Schedule of Funding Progress for Other Postemployment Benefit Plan (page 27) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information - Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fremont School District's basic financial statements. The individual fund financial schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund financial schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

May 11, 2015

*Blodzik & Sanderson
Professional Association*

**SCHEDULE 1
FREMONT SCHOOL DISTRICT
Major General Fund
Schedule of Estimated and Actual Revenues (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2014**

	Estimated	Actual	Variance Positive (Negative)
School district assessment:			
Current appropriation	\$ 7,946,081	\$ 7,946,081	\$ -
Other local sources:			
Tuition	14,700	15,417	717
Investment income	550	126	(424)
Impact fees	12,000	12,000	-
Miscellaneous	3,712	112,462	108,750
Total from other local sources	30,962	140,005	109,043
State sources:			
Adequacy aid (grant)	1,729,299	1,729,298	(1)
Adequacy aid (tax)	874,301	874,301	-
School building aid	88,019	88,019	-
Catastrophic aid	35,000	45,654	10,654
Other state aid	-	12,435	12,435
Total from state sources	2,726,619	2,749,707	23,088
Federal sources:			
Medicaid	50,000	70,362	20,362
Other	4,800	-	(4,800)
Total from federal sources	54,800	70,362	15,562
Other financing sources:			
Transfers in	-	3,090	3,090
Total revenues and other financing sources	10,758,462	\$ 10,909,245	\$ 150,783
Fund balance used to reduce school district assessment	199,910		
Total revenues, other financing sources, and use of fund balance	\$ 10,958,372		

SCHEDULE 2
FREMONT SCHOOL DISTRICT
Major General Fund

Schedule of Appropriations, Expenditures, and Encumbrances (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2014

	Encumbered from Prior Year	Appropriations	Expenditures	Encumbered to Subsequent Year	Variance Positive (Negative)
Current:					
Instruction:					
Regular programs	\$ -	\$ 6,188,903	\$ 6,090,803	\$ 83,325	\$ 14,775
Special programs	1,973	1,351,485	1,342,520	-	10,938
Other	-	52,454	49,540	330	2,584
Total instruction	1,973	7,592,842	7,482,863	83,655	28,297
Support services:					
Student	52	658,889	607,922	-	51,019
Instructional staff	6,407	226,966	208,158	6,538	18,677
General administration	3,891	128,645	107,034	-	25,502
Executive administration	983	646,394	627,361	-	20,016
School administration	614	377,397	365,829	7,458	4,724
Operation and maintenance of plant	14,043	417,384	381,594	8,950	40,883
Student transportation	-	617,230	614,694	-	2,536
Total support services	25,990	3,072,905	2,912,592	22,946	163,357
Debt service:					
Principal of long-term debt	-	265,000	265,000	-	-
Interest on long-term debt	-	17,625	17,625	-	-
Total debt service	-	282,625	282,625	-	-
Other financing uses:					
Transfers out	-	10,000	10,000	-	-
Total appropriations, expenditures, other financing uses, and encumbrances	\$ 27,963	\$ 10,958,372	\$ 10,688,080	\$ 106,601	\$ 191,654

SCHEDULE 3
FREMONT SCHOOL DISTRICT
Major General Fund

Schedule of Changes in Unassigned Fund Balance (Non-GAAP Budgetary Basis)
For the Fiscal Year Ended June 30, 2014

Unassigned fund balance, beginning	\$ 352,937
Changes:	
Fund balance used to reduce school district assessment	(199,910)
2013-2014 Budget summary:	
Revenue surplus (Schedule 1)	\$ 150,783
Unexpended balance of appropriations (Schedule 2)	191,654
2013-2014 Budget surplus	342,437
Unassigned fund balance	\$ 495,464

SCHEDULE 4
FREMONT SCHOOL DISTRICT
Ellis School Student Activities Fund
Schedule of Changes in Student Activities Fund
For the Fiscal Year Ended June 30, 2014

Balance, beginning	Additions	Deductions	Balance, ending
\$ 17,683	\$ 79,808	\$ 77,315	\$ 20,176