



## **INDEPENDENT AUDITORS' REPORT**

Board of Education  
Laclede County R-I School District  
Conway, Missouri

We have audited the basic financial statements of the governmental activities and each major fund of the Laclede County R-I School District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the 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 the modified cash basis of accounting described in Note A; this includes determining that the modified 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.

### **Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditors' 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 District'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 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 statements.

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities and each major fund of Laclede County R-I School District as of June 30, 2018, and the respective changes in the modified cash basis financial position thereof for the year then ended, in conformity with the basis of accounting described in Note A.

### **Basis of Accounting**

We draw attention to Note A 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 opinion is not modified with respect to that matter.

### **Disclaimer of Opinion on Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The budgetary comparison information on pages 27-31, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### **Other Financial Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Laclede County R-I School District's basic financial statements. The data contained under Other Financial Information, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

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The Other Financial Information and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*KPM CPAs, PC*

KPM CPAs, PC  
Springfield, Missouri  
October 24, 2018

LACLEDE COUNTY R-I SCHOOL DISTRICT  
STATEMENT OF RECEIPTS, DISBURSEMENTS AND CHANGES IN FUND BALANCES –  
GOVERNMENTAL FUNDS – MODIFIED CASH BASIS  
Year Ended June 30, 2018

	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total Governmental Funds
<b>RECEIPTS</b>					
Local	\$ 1,304,930	\$ 729,097	\$ 192,046	\$ 129,244	\$ 2,355,317
County	89,875	33,559	12,122	19,617	155,173
State	1,023,850	2,714,532	-	-	3,738,382
Federal	271,438	527,354	-	1,204,960	2,003,752
Other	-	202,740	-	-	202,740
<b>TOTAL RECEIPTS</b>	<b>2,690,093</b>	<b>4,207,282</b>	<b>204,168</b>	<b>1,353,821</b>	<b>8,455,364</b>
<b>DISBURSEMENTS</b>					
Instruction	823,852	3,474,641	-	25,718	4,324,211
Student services	87,023	106,926	-	-	193,949
Instructional staff support	37,366	140,839	-	-	178,205
Building administration	107,729	282,112	-	-	389,841
General administration	250,100	101,791	-	-	351,891
Operation of plant	561,224	-	-	-	561,224
Transportation	411,095	21,583	-	28,223	460,901
Food service	378,762	-	-	-	378,762
Community services	62,539	79,390	-	-	141,929
Facilities acquisition and construction	-	-	-	3,203,721	3,203,721
Debt service	-	-	165,290	1,241	166,531
<b>TOTAL DISBURSEMENTS</b>	<b>2,719,690</b>	<b>4,207,282</b>	<b>165,290</b>	<b>3,258,903</b>	<b>10,351,165</b>
<b>EXCESS (DEFICIT) OF RECEIPTS OVER DISBURSEMENTS</b>	<b>(29,597)</b>	<b>-</b>	<b>38,878</b>	<b>(1,905,082)</b>	<b>(1,895,801)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Sale of school buses	-	-	-	875	875
Sale of other property	-	-	-	5,657	5,657
Operating transfers in	-	-	-	135,075	135,075
Operating transfers (out)	(135,075)	-	-	-	(135,075)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(135,075)</b>	<b>-</b>	<b>-</b>	<b>141,607</b>	<b>6,532</b>
<b>EXCESS (DEFICIT) OF RECEIPTS AND OTHER SOURCES OVER DISBURSEMENTS AND OTHER (USES)</b>	<b>(164,672)</b>	<b>-</b>	<b>38,878</b>	<b>(1,763,475)</b>	<b>(1,889,269)</b>
FUND BALANCE, July 1, 2017	1,690,885	-	66,828	2,576,221	4,333,934
FUND BALANCE, June 30, 2018	\$ 1,526,213	\$ -	\$ 105,706	\$ 812,746	\$ 2,444,665

See accompanying notes