

## REQUIRED COMMUNICATIONS

October 17, 2017

To the Board of Education  
Knob Noster R-VIII School District

We have audited the modified cash basis financial statements of the governmental activities and each major fund of Knob Noster R-VIII School District for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated June 24, 2016. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Findings

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Knob Noster R-VIII School District are described in Note A to the financial statements. No new accounting policies were adopted and the application of all other existing policies was not changed during the year ended June 30, 2017. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

#### *Difficulties Encountered in Performing the Audit*

We encountered no difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements included on the attached schedule.

#### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated October 17, 2017.

### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We were engaged to report on the supplementary information which accompanies the financial statements. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

### Restriction on Use

This information is intended solely for the use of the administration and the Board of Education and is not intended to be and should not be used by anyone other than these specified parties.

*Westbrook & Co., P.C.*

Westbrook & Co., P.C.

Client **3704 - Knob Noster R-VIII School District**  
 Engagement **3704 - KNOB NOSTER R-VIII SCHOOL DISTRICT**  
 Period Ending **6/30/2017**  
 Trial Balance **TB**  
 Workpaper **140.1 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>		<b>700.10</b>		
To reclass state assessed utilities based upon tax levy				
001-0000-1111-000-000	CASH IN BANK		448,136.76	
004-0000-5221-000-000	STATE ASSESSED RAILROAD AND UTILITY		448,136.76	
001-0000-5221-000-000	Railroad & Utility			448,136.76
004-0000-1111-000-000	CASH IN BANK			448,136.76
<b>Total</b>			<u><u>896,273.52</u></u>	<u><u>896,273.52</u></u>
<b>Adjusting Journal Entries JE # 2</b>		<b>410.80</b>		
To record interest on MOSIP account				
001-0000-1143-000-000	INVESTMENT		15,810.40	
001-0000-5141-000-000	Earning on Investments			15,810.40
<b>Total</b>			<u><u>15,810.40</u></u>	<u><u>15,810.40</u></u>