



## INDEPENDENT AUDITOR'S REPORT

Board of Education  
Valley R-VI School District  
Caledonia, Missouri

We have audited the accompanying cash-basis financial statements of the governmental activities and each major fund of Valley R-VI School District (the "District") as of and for the year ended June 30, 2014, which collectively comprise the District's 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 cash basis of accounting described in Note 1. This includes determining that the cash basis of accounting is an acceptable basis of accounting 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 the 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of 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 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.

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 cash-basis financial position of the governmental activities and each major fund of Valley R-VI School District as of June 30, 2014 and the respective changes in cash-basis financial position thereof for the year then ended in conformity with the basis of accounting described in Note 1.

**Basis of Accounting**

We draw attention to Note 1 of the financial statements that describes the basis of accounting. The financial statements are 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 opinions are not modified with respect to this matter.

**Report on Supplementary and Other Information**

Our audit was performed for the purpose of forming opinions on the financial statements as a whole that collectively comprise the District’s financial statements. The accompanying budgetary comparison information, schedule of expenditures by object and management’s discussion and analysis are presented for purposes of additional analysis and are not a required part of the financial statements.

The budgetary comparison information and the schedule of expenditures by object presented on pages 25 to 28 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 financial statements or to the 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 financial statements as a whole on the basis of accounting described in Note 1.

Management’s discussion and analysis on pages 3 to 8 has not been subjected to the auditing procedures applied in the audit of the financial statements, and accordingly, we do not express an opinion or provide any assurance on such information.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2014, 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. 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 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.

*Catlett & Associates, LLC*

Saint Peters, Missouri  
November 17, 2014

**Valley R-VI School District**  
**Statement of Receipts, Disbursements and Changes in Fund Balance – Cash Basis**  
**All Governmental Funds**  
**Year Ended June 30, 2014**

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Capital Projects Fund</b>	<b>Total</b>
<b>CASH RECEIPTS</b>				
Local receipts	\$ 1,003,148	\$ 208,304	\$ 177,580	\$ 1,389,032
County receipts	272,016	10,323	93,951	376,290
State receipts	495,930	1,843,012	-	2,338,942
Federal receipts	173,046	180,661	-	353,707
Other receipts	-	68,922	-	68,922
<b>TOTAL CASH RECEIPTS</b>	<b>1,944,140</b>	<b>2,311,222</b>	<b>271,531</b>	<b>4,526,893</b>
<b>CASH DISBURSEMENTS</b>				
Instruction	267,117	1,906,512	-	2,173,629
Attendance and social work services	28,784	57,832	-	86,616
Guidance	1,388	76,825	-	78,213
Health services	29,123	-	-	29,123
Professional development	25,786	2,766	-	28,552
Media services	23,182	81,837	-	105,019
Board of Education services	38,582	-	-	38,582
Executive administration	90,631	93,195	1,023	184,849
Building level administration	39,900	80,365	3,069	123,334
Business, fiscal, internal services	243	-	-	243
Operation of plant	590,882	-	391	591,273
Security services	4,307	-	-	4,307
Pupil transportation	276,444	11,242	41,898	329,584
Food services	226,796	-	3,060	229,856
Community services	19,936	648	-	20,584
Capital outlay	-	-	244,460	244,460
Principal and interest	-	-	39,501	39,501
<b>TOTAL CASH DISBURSEMENTS</b>	<b>1,663,101</b>	<b>2,311,222</b>	<b>333,402</b>	<b>4,307,725</b>
Cash receipts in excess of (less than) cash disbursements	281,039	-	(61,871)	219,168
<b>OTHER FINANCING SOURCES (USES)</b>				
Proceeds from lease certificates of participation	-	-	106,000	106,000
Proceeds from the sale of property	-	-	2,210	2,210
Transfers	(162,326)	-	162,326	-
<b>FUND BALANCE - Beginning of Year</b>	<b>1,517,773</b>	<b>-</b>	<b>571,025</b>	<b>2,088,798</b>
<b>FUND BALANCE - End of Year</b>	<b>\$ 1,636,486</b>	<b>\$ -</b>	<b>\$ 779,690</b>	<b>\$ 2,416,176</b>

The notes to the financial statements are an integral part of this statement.