



January 13, 2026

Mr. Tony Lafata, Village Clerk
Village of Loch Lloyd, Missouri
16897 Highland Ridge
Village of Loch Lloyd, Missouri 64012

Dear Tony:

We have enclosed five bound copies and one unbound copy of the financial statements, together with our Independent Auditor's Report, for the Village of Loch Lloyd, Missouri, for the year ended June 30, 2025. We have also enclosed five copies of the Report to Management and our Communication with Those Charged with Governance.

You are reminded that a copy of your reviewed financial statements should be forwarded to the State Auditor's Office as soon as possible in lieu of preparing Form F-65 (MO-2). The address is as follows:

Office of the State Auditor
PO Box 869
Jefferson City, Missouri 65102

It is a pleasure to be of continued service to the Village.

Sincerely,

A handwritten signature in blue ink that reads 'Mike'.

Michael E. Groszek, CPA
TROUTT, BEEMAN & CO., P.C.

MEG/ksk

Enclosures

VILLAGE OF LOCH LLOYD, MISSOURI
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

TOGETHER WITH
INDEPENDENT AUDITORS' REPORT

VILLAGE OF LOCH LLOYD, MISSOURI

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Village of Loch Lloyd, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Village of Loch Lloyd, Missouri, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Village of Loch Lloyd, Missouri's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Village of Loch Lloyd, Missouri, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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 Statements section of our report. We are required to be independent of Village of Loch Lloyd, Missouri, 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 audit opinions.

Responsibilities of Management for the Financial Statements

The Village of Loch Lloyd, Missouri's 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, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Village of Loch Lloyd, Missouri's ability to continue as a going concern for fifteen months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 GAAS 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 statements.

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 statements, 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 statements.
- 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 Village of Loch Lloyd, Missouri'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 statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Village of Loch Lloyd, Missouri'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 18-19 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Management has omitted the management 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 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. The auditor's opinion on the basic financial statements is not affected by the missing information.

Twitt, Beeman & Co., P.C.
Harrisonville, Missouri
January 13, 2026

VILLAGE OF LOCH LLOYD, MISSOURI
STATEMENT OF NET POSITION
JUNE 30, 2025

	Primary Government
	Governmental Activities
ASSETS	
Cash and equivalents	\$ 167,962
Restricted cash and cash equivalents	506,998
Receivables	57,465
Prepaid expenses	5,138
Capital assets:	
Warning siren	31,799
Equipment	140,591
Infrastructure	37,476
Less: accumulated depreciation	(132,234)
Total capital assets	77,632
Total assets	\$ 815,195
LIABILITIES	
Accounts payable and other accrued liabilities	\$ 19,366
NET POSITION	
Net investment in capital assets	77,632
Restricted for,	
Road and capital projects	511,285
Unrestricted	206,912
Total net position	795,829
Total liabilities and net position	\$ 815,195

See accompanying notes.

**VILLAGE OF LOCH LLOYD, MISSOURI
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position Primary Government</u>
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities Total</u>	
Primary government,				
General government	\$ 345,522	\$ 258,958	\$ -	\$ (86,564)
Roads	218,130	-	91,907	(126,223)
Total governmental activities and primary government	\$ 563,652	\$ 258,958	\$ 91,907	(212,787)
General revenues:				
Taxes,				
Sales and use taxes				211,576
Investment earnings				20,599
Loss on disposal of asset				(5,000)
Total general revenues				227,175
Change in net position				14,388
Net position - beginning				781,441
Net position - ending				\$ 795,829

See accompanying notes.

**VILLAGE OF LOCH LLOYD, MISSOURI
BALANCE SHEET--
GOVERNMENTAL FUNDS
JUNE 30, 2025**

	<u>General Fund</u>	<u>Road Tax Fund</u>	<u>Total Governmental Funds</u>
<u>ASSETS</u>			
ASSETS:			
Cash and cash equivalents	\$ 167,962	\$ -	\$ 167,962
Restricted cash and cash equivalents	-	506,998	506,998
Accounts receivable	53,178	4,287	57,465
Prepaid expenses	5,138	-	5,138
Total assets	\$ 226,278	\$ 511,285	\$ 737,563
<u>LIABILITIES AND FUND BALANCES</u>			
LIABILITIES:			
Accounts payable	\$ 18,063	\$ -	\$ 18,063
Escrow payable	1,303	-	1,303
Total liabilities	19,366	-	19,366
FUND BALANCE:			
Restricted for,			
Road and capital projects	-	511,285	511,285
Unassigned	206,912	-	206,912
Total fund balances	206,912	511,285	718,197
Total liabilities and fund balance	\$ 226,278	\$ 511,285	\$ 737,563

See accompanying notes

**VILLAGE OF LOCH LLOYD, MISSOURI
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2025**

Fund balances - total governmental funds \$ 718,197

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.

77,632

Net Position of Governmental Activities in the Statement of Net Position \$ 795,829

**VILLAGE OF LOCH LLOYD, MISSOURI
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE --
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	Road Tax Fund	Total Governmental Funds
REVENUES:			
Intergovernmental	\$ -	\$ 91,907	\$ 91,907
Sales and use tax	211,576	-	211,576
Building permits	200,636	-	200,636
Rezoning reimbursement	54,322	-	54,322
Fireworks license	4,000	-	4,000
Interest	313	20,286	20,599
	<u>470,847</u>	<u>112,193</u>	<u>583,040</u>
EXPENDITURES:			
Current expenditures,			
General government:			
Plan review	151,209	-	151,209
Rezoning expense	45,607	-	45,607
Contract labor	5,608	-	5,608
Election expense	8,185	-	8,185
Emergency Satellite Radio Service	1,742	-	1,742
Insurance	3,913	-	3,913
Professional fees	98,265	-	98,265
Repairs and maintenance	4,818	-	4,818
Office	110	-	110
Emergency planning	7,500	-	7,500
Dues	1,639	-	1,639
Land master plan	2,443	-	2,443
Miscellaneous	9,238	25	9,263
Capital outlay	-	217,168	217,168
	<u>340,277</u>	<u>217,193</u>	<u>557,470</u>
Excess (deficit) of revenues over expenditures	<u>130,570</u>	<u>(105,000)</u>	<u>25,570</u>
FUND BALANCE - beginning	<u>76,342</u>	<u>616,285</u>	<u>692,627</u>
FUND BALANCE - ending	<u>\$ 206,912</u>	<u>\$ 511,285</u>	<u>\$ 718,197</u>

See accompanying notes

VILLAGE OF LOCH LLOYD, MISSOURI
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds \$ 25,570

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. This is the amount by which capital outlays, which are over the capitalization threshold, exceeded depreciation in the current period:

Capital outlay	217,168
Capital outlay expensed	(217,168)
Depreciation expense	(6,182)
Loss on disposal of asset	<u>(5,000)</u>
	<u>(11,182)</u>

Change in Net Position of governmental activities in the Statement of Activities \$ 14,388

See accompanying notes

VILLAGE OF LOCH LLOYD, MISSOURI

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the Village of Loch Lloyd, Missouri (the Village), have been prepared in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below:

Reporting Entity: The Village of Loch Lloyd, Missouri, located in northwestern Cass County, Missouri, was incorporated on September 3, 2003. The Village operates under an elected, five-member, Board of Trustees.

The accompanying financial statements present the Village's primary government and any component unit. Management has considered all potential component units and has determined there are no component units that should be blended into or discretely presented with the Village's financial statements.

Government-Wide Statements: The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity. The statements distinguish between governmental and business-type activities. The Village does not have any business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Village's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program receipts, including all taxes, are presented as general revenues.

Measurement Focus, Basis of Accounting, and Basis of Presentation: The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when they occur and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recognized when a liability is incurred, as under accrual accounting.

VILLAGE OF LOCH LLOYD, MISSOURI

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued):

However, claims and judgments, are reported only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Governmental funds are used to account for the Village's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred.

Sales taxes, motor fuel, franchise taxes, permits, interest, and special assessments are susceptible to accrual. Sales taxes collected and held by the state at year-end on behalf of the Village are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the Village and are recognized as revenue at that time.

Governmental funds utilized by the Village include the following funds:

The General Fund is the main operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund.

The Road Tax Fund accounts for taxes collected and other resources to be used for road and bridge projects within the Village and operation and maintenance of the Village's streets, curbs, etc.

Budgets: Budgets for the Village Fund are prepared and adopted on the cash basis (budget basis) for all governmental funds. Any revisions that alter the total expenditures of any fund must be approved by the Board of Trustees. The fund level constitutes the Village's legal level of budgetary control. Reported budgeting amounts are originally adopted or amended by Trustee resolution. Annual operating budgets are adopted for General Fund and Road Tax Fund. Appropriations lapse at fiscal year-end, but may be re-appropriated in the following fiscal year.

VILLAGE OF LOCH LLOYD, MISSOURI

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Budgets (Continued):

Cash and Investments: Missouri state law permits the Village to invest in prime money market instruments and securities, such as U.S. Government obligations, repurchase agreements, Missouri bank certificates of deposit, demand accounts, and savings accounts. As of June 30, 2025, the Village had cash in demand deposits, money markets and certificates of deposit.

Restricted Cash: Cash has been restricted for purpose of future road projects and maintenance.

Accounts Receivable: Accounts receivable at June 30, 2025, consist of intergovernmental revenues receivable, permits receivable, taxes receivable and other miscellaneous receivables. The Village deems all accounts receivable collectible at June 30, 2025, and therefore, no allowance for doubtful accounts is necessary.

Capital Assets: All capital assets are valued at historical cost or estimated historical cost if actual cost is unavailable. Capital assets are defined as assets with a cost of \$500 or more and an expected useful life in excess of more than one year. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. All reported capital assets are depreciated except land and construction in process. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following estimated lives as follows:

Infrastructure	40 years
Buildings	30 years
Warning sirens	20 years
Equipment	5-10 years

Interfund Activity: During the course of normal operations, the Village has transactions between funds, including expenditures and transfers of resources to provide services and construct assets. Legally authorized transfers are treated as operating transfers and are included in the results of operations of the Governmental Funds.

VILLAGE OF LOCH LLOYD, MISSOURI

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Net Position - Government-Wide Statements: Net Position is displayed in three components:

- a. Net investment in capital assets: Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- b. Restricted net position: Consists of net position restricted by Village legislation for capital improvements.
- c. Unrestricted net position: All other net position that does not meet the definition of "restricted" or "net investment in capital assets."

It is the Village's policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Equity: In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The classifications of fund balance are Nonspendable, Restricted, Committed, Assigned, and Unassigned. Nonspendable and Restricted fund balances represent the restricted classifications and Committed, Assigned, and Unassigned represent the unrestricted classifications.

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

Restricted fund balance - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

VILLAGE OF LOCH LLOYD, MISSOURI

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Fund Equity (Continued):

Committed fund balance - These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions or ordinances of the Board of Trustees—the Village’s highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the Board of Trustees removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance - This classification reflects the amounts constrained by the Village’s “intent” to be used for specific purposes, but are neither restricted nor committed. The Board of Trustees and the Village Clerk have the authority to assign amounts to be used for specific purposes. Assigned fund balance include all remaining amounts (except negative balances) that are reported in the governmental funds, other than the General Fund, that are not classified as non-spendable and are neither restricted, nor committed.

Unassigned fund balance - This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Village’s policy to use externally restricted resources first, then unrestricted resources—committed, assigned, and unassigned—in order, as needed.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and revenue and expenses during the reporting period. Actual results could differ from those estimates.

VILLAGE OF LOCH LLOYD, MISSOURI

NOTES TO FINANCIAL STATEMENTS

2. DEPOSITS:

At June 30, 2025, cash balances were comprised of demand deposits, money markets and certificates of deposit. As required by law, the depository banks are to pledge securities in addition to Federal Deposit Insurance Corporation (FDIC) insurance or obtain surety bonds to equal the amount on deposit at all times. The Village's deposits at June 30, 2025, had bank balances of \$777,594. At June 30, 2025, the Village's cash and cash equivalents consisted of the following:

Demand deposits	\$	167,962
Money market		16,201
Certificates of Deposit		<u>490,797</u>
	\$	<u><u>674,960</u></u>

Deposits and investments of the City are reflected in the government-wide financial statements as follows:

Cash and cash equivalents	\$	167,962
Restricted cash and cash equivalents		<u>506,998</u>
	\$	<u><u>674,960</u></u>

Custodial Credit Risk:

Custodial credit risk is the risk that, in the event of the failure of a counterparty, the Village will not be able to recover the value of the investments, collateral securities, or deposits that are in the possession of the counterparty. The Village requires that deposits be covered by adequate pledged collateral. At June 30, 2025, the bank balances were fully insured.

VILLAGE OF LOCH LLOYD, MISSOURI

NOTES TO FINANCIAL STATEMENTS

3. PROPERTY AND EQUIPMENT:

Capital asset activity for the year ended June 30, 2025:

	<u>Balance at July 1, 2024</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance at June 30, 2025</u>
Capital assets not being depreciated,				
Construction in progress	\$ 5,000	\$ -	\$ 5,000	\$ -
Capital assets being depreciated:				
Warning siren	\$ 31,799	\$ -	\$ -	\$ 31,799
Equipment	140,591	-	-	140,591
Infrastructure	<u>37,476</u>	<u>-</u>	<u>-</u>	<u>37,476</u>
Total being depreciated	<u>209,866</u>	<u>-</u>	<u>-</u>	<u>209,866</u>
Less accumulated depreciation for:				
Warning siren	21,363	2,395	-	23,758
Equipment	95,361	2,850	-	98,211
Infrastructure	<u>9,328</u>	<u>937</u>	<u>-</u>	<u>10,265</u>
Total accumulated depreciation	<u>126,052</u>	<u>6,182</u>	<u>-</u>	<u>132,234</u>
Capital assets being depreciated, net	<u>83,814</u>	<u>(6,182)</u>	<u>-</u>	<u>77,632</u>
Capital assets, net	<u>\$ 88,814</u>	<u>\$ (6,182)</u>	<u>\$ 5,000</u>	<u>\$ 77,632</u>

Depreciation expense was charged as follows in the Statement of Activities:

General government	\$ 5,245
Road and street	<u>937</u>
	<u>\$ 6,182</u>

VILLAGE OF LOCH LLOYD, MISSOURI

NOTES TO FINANCIAL STATEMENTS

4. INTERGOVERNMENTAL REVENUE:

Intergovernmental revenue during the year ended June 30, 2025, consisted of the following:

Missouri Department of Revenue:	
Motor Vehicle Sales Tax	\$ 9,859
Motor Vehicle Fuel Tax	35,185
Motor Vehicle Increase Fees	3,925
	<u>48,969</u>
County,	
Special Road Use Tax	<u>42,938</u>
	<u>\$ 91,907</u>

5. RISK MANAGEMENT:

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Village carries commercial insurance. There have been no significant losses in the past fiscal year.

6. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY:

For the year ended June 30, 2025, in violation with Missouri state statutes, the Village's actual expenditures are greater than the budgeted expenditures by \$207,121 in the General Fund.

For the year ended June 30, 2025, the Village did not approve a budget for the Road Tax Fund, which resulted in a Missouri Statue violation.

7. TAX REVENUES:

Tax revenues for the year ended June 30, 2025, are as follows:

Sales tax	108,559
Use tax	<u>103,017</u>
	<u>\$ 211,576</u>

8. EVALUATION OF SUBSEQUENT EVENTS:

The Village has evaluated subsequent events through January 13, 2026, the date on which the financial statements were available to be issued.

VILLAGE OF LOCH LLOYD, MISSOURI

BUDGETARY COMPARISON SCHEDULE --GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Sales and use tax	\$ 62,000	\$ 62,000	\$ 211,576	\$ 149,576
Building permits	72,000	72,000	200,636	128,636
Rezoning reimbursement	-	-	54,322	54,322
Fireworks license	4,000	4,000	4,000	-
Interest	460	460	313	(147)
	<u>138,460</u>	<u>138,460</u>	<u>470,847</u>	<u>332,387</u>
EXPENDITURES:				
Current expenditures,				
General government:				
Plan review	43,200	43,200	151,209	108,009
Rezoning expense	-	-	45,607	45,607
Contract labor	4,500	4,500	5,608	1,108
Election expense	2,000	2,000	8,185	6,185
Emergency Satellite Radio Service	1,900	1,900	1,742	(158)
Insurance	4,200	4,200	3,913	(287)
Professional fees	32,500	32,500	98,265	65,765
Repairs and maintenance	-	-	4,818	4,818
Office	350	350	110	(240)
Emergency planning	5,000	7,500	7,500	-
Dues	1,700	1,700	1,639	(61)
Land master plan	21,000	21,000	2,443	(18,557)
Miscellaneous	14,306	14,306	9,238	(5,068)
	<u>130,656</u>	<u>133,156</u>	<u>340,277</u>	<u>207,121</u>
Excess (deficit) of revenues over expenditures	<u>7,804</u>	<u>5,304</u>	<u>130,570</u>	<u>125,266</u>
Net change in fund balance	<u>\$ 7,804</u>	<u>\$ 5,304</u>	<u>130,570</u>	<u>\$ 125,266</u>
FUND BALANCE - beginning			<u>76,342</u>	
FUND BALANCE - ending			<u>\$ 206,912</u>	

VILLAGE OF LOCH LLOYD, MISSOURI

BUDGETARY COMPARISON SCHEDULE --ROAD TAX FUND
FOR THE YEAR ENDED JUNE 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 91,907	\$ 91,907
Interest	-	-	20,286	20,286
	-	-	112,193	112,193
EXPENDITURES:				
Current expenditures, General government, Miscellaneous	-	-	25	25
Capital outlay	-	-	217,168	217,168
	-	-	217,193	217,193
Deficit of revenues over expenditures	-	-	(105,000)	(105,000)
FUND BALANCE - beginning			616,285	
FUND BALANCE - ending			\$ 511,285	

* Budget was not approved in fiscal period 2025.

VILLAGE OF LOCH LLOYD, MISSOURI

REPORT TO MANAGEMENT



January 13, 2026

To the Board of Trustees
Village of Loch Lloyd, Missouri

In planning and performing our audit of the basic financial statements of the Village of Loch Lloyd, Missouri (the Village), as of and for year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the Village's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Village's internal control. Accordingly, we do not express an opinion on the effectiveness of the Village's internal control over financial reporting.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, significant deficiencies or material weaknesses may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A reasonable possibility exists when the likelihood of an event occurring is either reasonably possible or probable as defined as follows:

- *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.
- *Probable.* The future event or events are likely to occur.

We consider the following deficiency in the Village's internal control to be material weakness:

Fund Accounting and Presentation: In 2024, the Village moved from presenting and accounting for the restricted cash and restricted fund balance related to the road tax monies in the General Fund to a separate newly created fund, the Road Tax Fund. While the current year activity related to this determination was accounted for properly, opening balance sheet balances were not corrected. This resulted in a delay of the audit as we requested those balances to be corrected prior to the start of the audit. Ultimately, a one-sided equity entry was required to correct the equity of the General Fund and the Road Tax funds. We suggest that the Village prepare and review reporting by fund or classification on a monthly basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies in the Village's internal control to be a significant deficiency:

Permit and Rezoning Revenue: We noted that the listing of building permit listing provided by the Village's vendor did not agree to the building permits issued as reported in the trial balance. A reconciliation was performed and it was determined that some permits were not collected. We suggest that the Village perform a routine reconciliation of permits issued to permits reported in revenue.

We noted that rezoning revenue was reported in incorrect accounts such as miscellaneous income and rezoning expense. We also noted that rezoning permits are not reported when services are provided. Rezoning permit revenue should be recorded when the services are provided by Confluence on behalf of the Village. As a result of this, there is a lag from when expenditures are incurred by Village and when revenues are reported by the Village. Last, there is no reconciliation done to ensure that eligible expenditures related to applications are properly invoiced. Invoices from Confluence related to application fees should be routinely reconciled to invoices issued on behalf of the Village by Confluence. Currently, no such reconciliation is taking place by the Village.

For both revenue sources, a process should be put in place to ensure that revenue is recognized properly. This includes, but is not limited to, recording revenue transactions timely and reconciling expenditures to revenue.

Budgets: The Village did not approve a budget for the Road Tax fund as required by Missouri state statute. As such, unbudgeted expenditures were incurred in the current year totaling \$217,193. These expenditures were approved by the Board of Trustees. Additionally, we noted that the General fund had actual expenditures greater than budgeted expenditures of \$207,121, which is not in accordance with Missouri statutes.

We suggest that the Village prepare budgets for each fund on an annual basis, review budgetary comparisons monthly and make amendments for significant events or changes throughout the year.

Financial Statement Preparation: Current auditing standards require us to inform you that the Village does not have personnel with certified expertise to prepare financial statements and related footnote disclosures in accordance with generally accepted accounting principles.

We understand that management does not find it cost effective to hire personnel on a full-time basis with this expertise.

This communication is intended solely for the information and use of management, the Board of Trustees, and the Village, and is not intended to be and should not be used by anyone other than these specified parties.

Twitt, Beeman & Co., P.C.

Harrisonville, Missouri

January 13, 2026

VILLAGE OF LOCH LLOYD, MISSOURI

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE



January 13, 2026

To the Board of Trustees
Village of Loch Lloyd, Missouri

We have audited the financial statements of the Village of Loch Lloyd, Missouri, as of and for the year ended June 30, 2025, and have issued our report thereon dated January 13, 2026. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated October 8, 2025, our responsibility, as described by professional standards, is to form and express opinions about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of Village of Loch Lloyd, Missouri, solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings regarding significant control deficiencies over financial reporting noted during our audit in a separate letter to you dated January 13, 2026.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Significant Risks Identified

We have identified the following significant risks:

Improper revenue recognition is considered an inherent risk according to *Generally Accepted Auditing Standard* (GAAS).

Management override of controls is considered an inherent risk according to GAAS.

The risk of improper spending or the use of unapproved vendors.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Village of Loch Lloyd, Missouri, is included in Note 1 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2025. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. There were no significant sensitive accounting estimates made by management in the current year.

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. There were no significant sensitive disclosures affecting the Village of Loch Lloyd, Missouri's financial statements.

Significant Difficulties Encountered during the Audit

Although we ultimately received full cooperation of management and believe that we were given direct and unrestricted access to Village's books and records, as we disclosed in the management letter, we encountered significant difficulties in performing and completing the audit process. Principally, these difficulties related to the management of two funds within Quickbooks. The trial balances that was provided did not have all current and prior activity properly allocated to the respective fund. This resulted in corrections that were required to be made by the Village prior to the start of the audit and a significant journal entry to balance the funds appropriately.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. All identified misstatements were corrected by management.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The attached schedule summarizes the material misstatements that we identified as a result of our audit procedures and were brought to the attention of, and corrected by, management.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Village of Loch Lloyd, Missouri's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the attached letter dated January 13, 2026.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with the Village, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Village's auditors.

This report is intended solely for the information and use of the Board of Trustees, and management of the Village of Loch Lloyd, Missouri, and is not intended to be and should not be used by anyone other than these specified parties.

Troutt, Beeman & Co., P.C.

TROUTT, BEEMAN & CO., P.C.
Harrisonville, Missouri

Client: **5392 - VILLAGE OF LOCH LLOYD, MISSOURI**
 Engagement: **2025 - VILLAGE OF LOCH LLOYD, MISSOURI**
 Period Ending: **6/30/2025**
 Trial Balance: **TB - Government Fund Trial Balance**
 Workpaper: **3520.00 - COMBINED AJE RJE GW**
 Fund Level: **Fund**
 Index: **010, 050, 100, 099**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 201				
To remove GASB 34 entries from General Fund related to capital assets (AJE 208 from PY and CY unadj balances)				
		R		
010-1110	Retained Earnings		59,729.00	
010-1700	Accumulated Depreciation		117,661.00	
050-1110	Retained Earnings		29,085.00	
050-1700	Accumulated Depreciation		8,391.00	
010-1400	Construction in Progress			5,000.00
010-1500	Equipment - Other			39,496.00
010-1501	Warning Siren			31,799.00
010-1503	Community Radios			44,278.00
010-1504	Emergency Preparad. Facility			56,817.00
050-1601	Access Road			37,476.00
Total			214,866.00	214,866.00
Adjusting Journal Entries JE # 202				
To move equity to appropriate fund. Must be one-sided entry to correct balances.				
		R		
050-1110	Retained Earnings		451,140.00	
010-1110	Retained Earnings			451,140.00
Total			451,140.00	451,140.00
Adjusting Journal Entries JE # 203				
To record cash balances to the correct account. (Client recorded 12182025)				
		R		
010-9999	Transfers		2,436.00	
050-1015	Certificate of Deposit - 4046		799.00	
050-1016	Cert of Deposit - Road		1,637.00	
010-1015	CD 4046			799.00
010-1016	CD Road			1,637.00
050-9999	Transfers			2,436.00
Total			4,872.00	4,872.00
Adjusting Journal Entries JE # 204				
To record receipts related to permits & rezoning received in July 2025 for services prior to YE.				
		B-02		
010-1200	Accounts Receivable		16,690.00	
010-4000	Building Permits			10,000.00
010-4043	Rezoning Fees			6,690.00
Total			16,690.00	16,690.00
Adjusting Journal Entries JE # 205				
Reverse 2024 AJE 206 to remove AR that has been collected.				
		B-02		
010-4100	Miscellaneous		14,895.00	
050-4020	Motor Fuel Tax		2,804.00	
050-4030	Motor Vehicle Fee Increases		275.00	
050-4040	Motor Vehicle Sales Tax		866.00	
010-1200	Accounts Receivable			14,895.00
050-1200	Accounts Receivable			3,945.00
Total			18,840.00	18,840.00
Adjusting Journal Entries JE # 206				
To correct YE AP for balances paid from FY 2024 (\$8676) and remove prepay for fireworks.				
		K-01		
010-1301	Prepaid Fireworks		12,540.00	
010-2000	Accounts Payable		12,540.00	
010-6050	Plan Review		8,676.00	
010-2000	Accounts Payable			8,676.00
010-2000	Accounts Payable			12,540.00
010-8010	Other Expenses			12,540.00
Total			33,756.00	33,756.00
Adjusting Journal Entries JE # 207				
To adjust prepaid fireworks for deposits made by other municipalities.				
		U-07		
010-6175	Fireworks Expense		9,405.00	
010-1301	Prepaid Fireworks			9,405.00
Total			9,405.00	9,405.00
Adjusting Journal Entries JE # 208				
Client proposed entry to move interest income to appropriate fund. (Client recorded 12182025)				
		3005.02c		
010-7010	Interest Income		2,436.00	
050-9999	Transfers		2,436.00	
010-9999	Transfers			2,436.00
050-7010	Interest Income			2,436.00
Total			4,872.00	4,872.00

Adjusting Journal Entries JE # 209	U-04		
To record prepaid expenses.			
010-1300 Prepaid Insurance		2,003.00	
010-6180 Insurance			2,003.00
Total		<u><u>2,003.00</u></u>	<u><u>2,003.00</u></u>
Adjusting Journal Entries JE # 210	U-02		
Move deposits posted to rezoning expense to revenue.			
010-6332 Rezoning expense		13,866.00	
010-4043 Rezoning Fees			13,866.00
Total		<u><u>13,866.00</u></u>	<u><u>13,866.00</u></u>
Adjusting Journal Entries JE # 211	S-05		
HOA conditional permit for Kayak was reported as a deduction to rezoning expense. This AJE corrects transaction to proper account.			
010-6332 Rezoning expense		1,950.00	
010-4000 Building Permits			1,950.00
Total		<u><u>1,950.00</u></u>	<u><u>1,950.00</u></u>
Adjusting Journal Entries JE # 212	S-04		
Permits that were not collected on in the year or collected on after YE and not recorded as AR. 2421-G, 2423-G, 2523-G, 2533-R.			
010-1200 Accounts Receivable		3,100.00	
010-4000 Building Permits			3,100.00
Total		<u><u>3,100.00</u></u>	<u><u>3,100.00</u></u>
Adjusting Journal Entries JE # 213	S-05		
Rezone permit posted to misc income. Moved to permit revenue for reporting.			
010-4100 Miscellaneous		1,808.00	
010-4043 Rezoning Fees			1,808.00
Total		<u><u>1,808.00</u></u>	<u><u>1,808.00</u></u>
Total Adjusting Journal Entries		<u><u>777,168.00</u></u>	<u><u>777,168.00</u></u>
Reclassifying Journal Entries			
Reclassifying Journal Entries JE # 302	S-05		
Reclass PY AR from Misc to Rezoning Revenue (\$5 i/m variance)			
010-4043 Rezoning Fees		3,163.00	
010-4100 Miscellaneous			3,163.00
Total		<u><u>3,163.00</u></u>	<u><u>3,163.00</u></u>
Total Reclassifying Journal Entries		<u><u>3,163.00</u></u>	<u><u>3,163.00</u></u>
GASB Entries			
GASB Entries JE # 401	1200.05		
To record PY GW entries			
099-1500 Equipment - Other		39,496.00	
099-1501 Warning Siren		31,799.00	
099-1503 Community Radios		44,278.00	
099-1504 Emergency Preparad. Facility		56,817.00	
099-1505 CIP		5,000.00	
099-1601 Access Road		37,476.00	
099-1700 Accum. Depreciation Gen			116,724.00
099-1701 Accum. Dep - Road			9,328.00
099-3000 GW BAL EQUITY - GW			88,814.00
Total		<u><u>214,866.00</u></u>	<u><u>214,866.00</u></u>
GASB Entries JE # 402	E-01		
To record removal of CIP (state asset). To record CY depreciation in GW funds.			
099-6150 DEPRECIATION Gen		5,245.00	
099-6151 DEPRECIATION ROAD		937.00	
099-7000 Gain/Loss of Disposal of asset		5,000.00	
099-1505 CIP			5,000.00
099-1700 Accum. Depreciation Gen			5,245.00
099-1701 Accum. Dep - Road			937.00
Total		<u><u>11,182.00</u></u>	<u><u>11,182.00</u></u>
Total GASB Entries		<u><u>226,048.00</u></u>	<u><u>226,048.00</u></u>
Total All Journal Entries		<u><u>1,006,379.00</u></u>	<u><u>1,006,379.00</u></u>



January 13, 2026

Troutt, Beeman & Co., P.C.
1212 Locust
Harrisonville, Missouri 64701

This representation letter is provided in connection with your audit of the financial statements of the Village of Loch Lloyd, Missouri as of June 30, 2025 and for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the basic financial statements present fairly, in all material respects, the financial position and results of operations, of the various opinion units of Village of Loch Lloyd, Missouri in conformity with accounting principles generally accepted for governments in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information such that, in the light of surrounding circumstances, 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 statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of January 13, 2026.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated October 8, 2025, for the preparation and fair presentation of the financial statements of the various opinion units referred to above in accordance with U.S. GAAP.
- The financial statements referred to above have been fairly presented in accordance with U.S. GAAP and include all properly classified funds and notes to the basic financial statements.
- We acknowledge our responsibility 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of U.S. GAAP.

- The effects of uncorrected misstatements summarized in the attached schedule and aggregated by you during the current engagement are immaterial, both individually and in the aggregate, to the applicable opinion units and to the financial statements as a whole.
- We acknowledge our responsibility for compliance with the laws, regulations, and provisions of contracts and grant agreements.
- We have reviewed, approved, and taken responsibility for the financial statements and related notes.
- We have a process to track the status of audit findings and recommendations.
- We have identified and communicated to you all previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- The methods, data, and significant assumptions used by us in making accounting estimates and their related disclosures, are appropriate to achieve recognition, measurement, or disclosure that is reasonable in the context of the applicable financial reporting framework.
- All funds and activities are properly classified.
- All funds that meet the quantitative criteria in GASB Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, GASB Statement No. 37, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments: Omnibus as amended, and GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users.
- All components of net position, nonspendable fund balance, and restricted, committed, assigned, and unassigned fund balance are properly classified and, if applicable, approved.
- Our policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position/fund balance are available is appropriately disclosed and net position/fund balance is properly recognized under the policy.
- All revenues within the statement of activities have been properly classified as program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- All expenses have been properly classified in or allocated to functions and programs in the statement of activities, and allocations, if any, have been made on a reasonable basis.
- All interfund and intra-entity transactions and balances have been properly classified and reported.
- Special items and extraordinary items have been properly classified and reported.
- Deposit and investment risks have been properly and fully disclosed.
- Capital assets, including infrastructure assets, are properly capitalized, reported, and if applicable, depreciated.
- All required supplementary information is measured and presented within the prescribed guidelines.
- With regard to investments and other instruments reported at fair value:

- The underlying assumptions are reasonable and they appropriately reflect management’s intent and ability to carry out its stated courses of action.
- The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.
- The disclosures related to fair values are complete, adequate, and in conformity with U.S. GAAP.
- There are no subsequent events that require adjustments to the fair value measurements and disclosures included in the financial statements.
- We have conducted a comprehensive risk assessment and disclosed all material concentrations and constraints in accordance with GASB Statement No. 102, Certain Risk Disclosures. These disclosures provide sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government’s vulnerability to the risk of a substantial impact associated with the concentration or constraint, if applicable.
- We have evaluated the concentrations and constraints, including those that occur subsequent to the statement of net position date but before the financial statements are issued and have been properly disclosed in the financial statements as subsequent events.
- With regard to the preparation of the financial statements and related notes and depreciation expense schedules performed by you, we have performed the following:
 - Made all management decisions and performed all management functions;
 - Assigned a competent individual to oversee the services;
 - Evaluated the adequacy of the services performed;
 - Evaluated and accepted responsibility for the result of the service performed; and
 - Established and maintained internal controls, including monitoring ongoing activities.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements of the various opinion units referred to above, such as records, documentation, meeting minutes, and other matters;
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have provided to you our analysis of the entity’s ability to continue as a going concern, including significant conditions and events present, and if necessary, our analysis of management’s plans, and our ability to achieve those plans.
- We have no knowledge of any allegations of fraud, or suspected fraud that affects the entity and involves:
 - Management;
 - Employees who have significant roles in internal control; or

- Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, vendors, regulators, or others.
- We are not aware of any pending or threatened litigation and claims whose effects should be considered when preparing the financial statements and we have not consulted legal counsel concerning litigation or claims.
- We have provided views on your reported audit findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.
- We have received communication from regulatory agencies concerning the noncompliance with or deficiency in accounting, internal control, or financial reporting practices and we are currently in resolution regarding the matter.
- The Village of Loch Lloyd, Missouri has no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
- We have disclosed to you all guarantees, whether written or oral, under which Village of Loch Lloyd, Missouri is contingently liable.
- We have disclosed to you all significant estimates and material concentrations known to management that are required to be disclosed in accordance with GASB Statement No. 62 (GASB-62), *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets or geographic areas for which events could occur that would significantly disrupt normal finances within the next year.
- We have identified and disclosed to you the laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
- There are no:
 - Violations or possible violations of laws or regulations, or provisions of contracts or grant agreements whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, including applicable budget laws and regulations.
 - Unasserted claims or assessments that our lawyer has advised are probable of assertion and must be disclosed in accordance with GASB-62.
 - Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by GASB-62.
 - Continuing disclosure consent decree agreements or filings with the Securities and Exchange Commission and we have filed updates on a timely basis in accordance with the agreements (Rule 240, 15c2-12).
- Village of Loch Lloyd, Missouri has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral, except as disclosed to you.
- We have complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

Charles Etherington

01/14/2026

(Chairperson)

Anthony Lafata

01/13/2026

(Treasurer)

Default

Final Audit Report

January 14, 2026

Created:	January 13, 2026
By:	Troutt Beeman & Co., P.C.(kkonruff@tbco.net)
Status:	ESigned
Transaction ID:	D4D8TE6MGX7M19EXEE2UNP6YU0
Documents:	Rep Letter.pdf

"Default" History

- 👁 Document emailed to Chuck (lltrusteechuck@gmail.com) for signature
1/13/2026 15:26:58 PM Central Standard Time
- 👁 Document emailed to Tony(villageoflltrustee@gmail.com) for signature
1/13/2026 15:26:58 PM Central Standard Time
- 👁 Document viewed by Tony(villageoflltrustee@gmail.com)
1/13/2026 16:11:25 PM Central Standard Time - IP address: 70.94.17.58
- ✍ Document e-signed by Tony(villageoflltrustee@gmail.com)
Signature Date: 1/13/2026 16:11:49 PM Central Standard Time - IP address: 70.94.17.58
- 👁 Document viewed by Chuck (lltrusteechuck@gmail.com)
1/14/2026 15:14:58 PM Central Standard Time - IP address: 108.167.66.111
- ✍ Document e-signed by Chuck (lltrusteechuck@gmail.com)
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