



November 8, 2024

To the Members of the Board of Trustees  
and Management of Westlake Academy,

We have audited the financial statements of the Westlake Academy (the "Academy"), for the year ended June 30, 2024, and have issued our report thereon dated **November 8, 2024**. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility under Government Auditing Standards**

As communicated in our engagement letter dated August 7, 2024, our responsibility, as described by professional standards, is to plan and perform our audit to form and express an opinion 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 Westlake Academy 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 and material weaknesses, and other matters noted during our audit in a separate letter to you dated November 8, 2024.

## **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.

In relation to the nonattest services provided, such as preparation of the financial statements and supporting schedules, the Academy has assigned an individual with adequate skills, knowledge, and experience to oversee this service.

## **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 Westlake Academy is included in Note I to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during the year ended June 30, 2024. 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.

The most sensitive accounting estimates affecting the financial statements are the estimates inherent within the projection of the future pension obligation used to calculate the net pension liability.

Management's estimates inherent within the projection of future pension obligation are based on experience studies and observations by the actuaries hired by TRS. We evaluated the key factors and assumptions used to develop these estimates and determined they appeared reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

## *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Westlake Academy's financial statements relate to capital assets and long-term debt.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **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. There were no uncorrected misstatements.

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 following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management: see Exhibit 1.

### **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 Westlake Academy'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 November 8, 2024.

### **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.

### **Modification of the Auditor's Report**

Our audit opinion includes an emphasis-of-a-matter paragraph. As discussed in Note 5.H to the financial statements, there was a restatement of beginning net position within governmental type activities to properly reflect the implementation of GASB-87 and changes to right to use assets in the prior year.

### **Other Significant Findings or Issues**

In the normal course of our professional association with the Westlake Academy, 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 Westlake Academy's auditors.

### **Other Information in Documents Containing Audited Financial Statements (if applicable)**

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Westlake Academy's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This report is intended solely for the information and use of the governing body and management of the Westlake Academy and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Brooks Watson & Co." in a cursive, slightly stylized font.

BrooksWatson & Co., PLLC

## Exhibit 1

### Audit Journal Entries

The following entries were proposed from the result of audit procedures and accepted by management.

Account	Description	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>			
To defer revenue revenue received beyond 60 days from year-end. Record as of 6/30/24 and reverse as of 7/1/24.			
199-00-00-000-00-000-5812	GEN OP FOUNDATION SCHOOL PRGM	31,551.00	
199-2310cpa	DEFERRED REVENUE		31,551.00
<b>Total</b>		<b><u>31,551.00</u></b>	<b><u>31,551.00</u></b>

### Reclassification Entries

The following entries are reclassifying entries recorded for reporting purposes and are not required entries to be recorded by the Academy.

Account	Description	Debit	Credit
<b>Reclassifying Journal Entries JE # 1000</b>			
To reclass lease payments			
199-71-00-001-99-000-6523	CAPITAL LEASE INTEREST	12,173.00	
199-71-00-001-99-000-6512	GEN OP 1-TO-1 IPAD INITIATIVE PRINCIPAL		12,173.00
<b>Total</b>		<b><u>12,173.00</u></b>	<b><u>12,173.00</u></b>

### **Reclassifying Journal Entries JE # 1001**

To reclass net deficit cash for reporting purposes.

197-1110	TRNSP CASH & CASH EQUIVALENTS	53,373.94	
198-1110	ATH CASH & CASH EQUIVALENTS	28,867.88	
199-1262	GEN OP DUE FROM SP REVENUE FND	178,079.91	
224-1110	IDEA-B FORMULA CASH & CASH EQUIVALENTS	30,208.04	
410-1110	IMA CASH & CASH EQUIVALENTS	16,842.73	
484-1110	LOCAL GRNTS CASH & CASH EQUIVALENTS	48,787.32	
197-2171	DT GENERAL FUND		53,373.94
198-2171	DT GENERAL FUND		28,867.88
199-1110	GEN OP CASH & CASH EQUIVALENTS		178,079.91
224-2171	DT GENERAL FUND		30,208.04
410-2171	INSTR MAT DUE TO GEN FND		16,842.73
484-2171	DT GENERAL FUND		48,787.32
<b>Total</b>		<b><u>356,159.82</u></b>	<b><u>356,159.82</u></b>

**Reclassifying Journal Entries JE # 1002**

Reclass cash reconciling items to Payables and Accruals

199-1110	GEN OP CASH & CASH EQUIVALENTS	31,977.28	
199-1110	GEN OP CASH & CASH EQUIVALENTS	201,780.48	
199-1110	GEN OP CASH & CASH EQUIVALENTS	26,660.07	
199-1110	GEN OP CASH & CASH EQUIVALENTS	27,057.51	
199-1110	GEN OP CASH & CASH EQUIVALENTS	24,847.64	
199-1110	GEN OP CASH & CASH EQUIVALENTS	180.78	
199-00-2155	GEN OP TRS MEMBER CONTRIB (EE)		3,775.33
199-00-2155.02	GEN OP TRS STAT MIN CONTRIB (ER)		14,573.21
199-00-2155.04	GEN OP TRS-CARE CONTRIB (EE/ER)		3,795.29
199-00-2155.06	GEN OP TRS PEN SRCHG CONTRIB (ER)		505.64
199-00-2155.06	GEN OP TRS PEN SRCHG CONTRIB (ER)		505.64
199-00-2155.07	GEN OP TRS-CARE PEN SRCHG CONTRIB (ER)		535.00
199-00-2155.08	GEN OP TRS PUB EDUC ER CONTRIB (ER)		10,274.43
199-00-2155CPA	TRS YE Adjustment		180.78
199-00-2161	GEN OP ACCRUED WAGES PAYABLE		201,780.48
199-2110	GEN OP ACCOUNTS PAYABLE		31,977.28
199-2155	GEN OP TEACHER RETIREMENT		22,359.14
199-2155	GEN OP TEACHER RETIREMENT		22,241.54
<b>Total</b>		<b>312,503.76</b>	<b>312,503.76</b>