

**KENSINGTON POLICE PROTECTION
AND COMMUNITY SERVICES DISTRICT**

Report to the Board of Directors

**For the Fiscal Year Ended
June 30, 2020**



KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

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Board of Directors
Kensington Police Protection and Community Services District
Kensington, California

We are pleased to present this report related to our audit of the financial statements of the Kensington Police Protection and Community Services District (District) as of and for the year ended June 30, 2020. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the District's financial reporting process.

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the District.

Very truly yours,

Murrieta, California
March 31, 2021

Required Communications

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

Required Communications

For the Fiscal Year Ended June 30, 2020

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Area	Comments
Our Responsibilities with Regard to the Financial Statement Audit	Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated October 15, 2020. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.
Overview of the Planned Scope and Timing of the Financial Statement Audit	An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions and the account-type of areas tested. There were no changes to the planned scope and timing of our audit testwork.
Accounting Policies and Practices	<p>Accounting Policies and Practices Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. During our audit, no such circumstances were noted.</p> <p>Adoption of, or Change in, Significant Accounting Policies or Their Application Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The District did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.</p> <p>Significant or Unusual Transactions We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.</p> <p>Management's Judgments and Accounting Estimates Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgement. No such significant accounting estimates were noted or estimate applications were changed from the previous year.</p>
Audit Adjustments	Audit adjustments are summarized in the attached Summary of Adjusting Journal Entries .
Uncorrected Misstatements	We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

Required Communications

For the Fiscal Year Ended June 30, 2020

Area	Comments
Discussions With Management	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 auditor. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.
Disagreements With Management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations With Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed With Management	No significant issues arising from the audit were discussed or the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	No significant difficulties were encountered in performing our audit.
Required Supplementary Information	<p>We applied certain limited procedures to the:</p> <ol style="list-style-type: none">1. Management's Discussion and Analysis2. Budget to Actual Comparison3. Required Pension Plan Disclosures4. Required OPEB Plan Disclosures <p>Which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.</p>

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

Summary of Adjusting Journal Entries

KENSINGTON POLICE PROTECTION AND COMMUNITY SERVICES DISTRICT

*Summary of Adjusting Journal Entries
For the Fiscal Year Ended June 30, 2020*

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1			
To account for Transfer from the General Fund			
152	Bond Assessment Receivable	27,770.00	
905	Operating Transfer - Out	27,770.00	
391	Retained Earnings - Bond		27,770.00
705	Operating Transfer - In		27,770.00
Total		55,540.00	55,540.00
Adjusting Journal Entries JE # 2			
To Capitalize Community Center CIP			
172	Community Center Building	214,953.70	
188	Construction in Progress		214,953.70
Total		214,953.70	214,953.70
Adjusting Journal Entries JE # 3			
To expense unreconciled Community Center CIP			
646	Community Center Repairs	5,470.76	
188	Construction in Progress		5,470.76
Total		5,470.76	5,470.76
Adjusting Journal Entries JE # 4			
To adjust depreciation expense for over depreciated assets			
189	Accumulated Depreciation	6,346.00	
899	Depreciation Expense		6,346.00
Total		6,346.00	6,346.00
	Total Adjusting Journal Entries	282,310.46	282,310.46
	Total All Journal Entries	282,310.46	282,310.46