

Town of Friendship, Arkansas

Financial and Compliance Report

December 31, 2023

LEGISLATIVE JOINT AUDITING COMMITTEE



TOWN OF FRIENDSHIP, ARKANSAS
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FOR THE YEAR ENDED DECEMBER 31, 2023

Financial and Compliance Report

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Arkansas

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Sen. John Payton
Senate Vice Chair



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Legislative Auditor

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LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Friendship, Arkansas Officials and Council Members
Legislative Joint Auditing Committee

A priority of Arkansas Legislative Audit is to assist local government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of local governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to cash basis financial information and compliance with certain state laws and accepted accounting practices for the Town of Friendship, Arkansas, as of and for the year ended December 31, 2023, and have issued our report thereon dated October 4, 2024. Management of the Town is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The commentary contained in this section relates to the following officials who held office during 2023:

Mayor: Stewart Norris (appointed February 6, 2023)
William Garrett (resigned January 2, 2023)
Recorder/Treasurer: Malinda Clark

We evaluated the Town's compliance with certain state laws concerning general and district court accounting, budgeting, purchasing, and investing and depositing of public funds.

During our evaluation, nothing came to our attention that would warrant disclosure in this report.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local Town government, state executive and oversight management, and other parties as required by Arkansas Code, and is not intended to be and should not be used by anyone other than these specified parties. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in dark ink, appearing to read "Kevin White".

Kevin William White, CPA, JD
Legislative Auditor

Little Rock, Arkansas
October 4, 2024
LOM306223

TOWN OF FRIENDSHIP, ARKANSAS
 SCHEDULE OF FINANCIAL INFORMATION
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (UNAUDITED)

Schedule 1

	General Fund	Special Revenue Funds
Cash Balance, January 1, 2023	\$ 37,423	\$ 99,052
Receipts:		
State aid	2,402	13,328
Property taxes	9,687	2,742
Franchise fees	5,326	
Sales taxes	22,544	
Other	2,613	166
Total Receipts	42,572	16,236
Disbursements:		
General government	15,884	
Highways and streets		4,310
Recreation and culture	3,416	
Social services	19,759	
Total Disbursements	39,059	4,310
Cash Balance, December 31, 2023	\$ 40,936	\$ 110,978

TOWN OF FRIENDSHIP, ARKANSAS
 COMBINING SCHEDULE OF FINANCIAL INFORMATION - SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2023
 (UNAUDITED)

Schedule 2

	Street	American Rescue Plan Act	Total
Cash Balance, January 1, 2023	\$ 61,244	\$ 37,808	\$ 99,052
Receipts:			
State aid	13,328		13,328
Property taxes	2,742		2,742
Other	166		166
Total Receipts	16,236		16,236
Disbursements:			
Highways and streets	4,310		4,310
Cash Balance, December 31, 2023	\$ 73,170	\$ 37,808	\$ 110,978

TOWN OF FRIENDSHIP, ARKANSAS
OTHER INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2023
(UNAUDITED)

Schedule 3

1. Cash balances on the Financial Schedules include demand accounts.

2. The Municipality's capital assets records are summarized below:

	December 31, 2023
Land	\$ 4,933
Buildings	56,508
Equipment	<u>41,425</u>
Total	<u>\$ 102,866</u>