

Krooked Kreek Water Association
Agreed-Upon Procedures
September 30, 2023



John S. Brock | Jake Froemsdorf | Rocky Goodman | Greg Schichtl | J. Michael Tuohy

Mr. Paul Harp
Krooked Kreek Water Association
8429 Hwy 7 South
Harrison, AR 72601

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures described herein on the financial information of the Krooked Kreek Water Association for the 12 months ended September 30, 2023. Krooked Kreek Water Association's board is responsible for Krooked Kreek Water Association's financial information.

The board of the Krooked Kreek Water Association has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting users in understanding the financial information of the Krooked Kreek Water Association for the 12 months ended September 30, 2023. The board has agreed to and acknowledged that the procedures performed are appropriate for their purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures performed and the associated findings are as follows:

- Cash
 - For the financial year ended September 30, 2023, Garland & Greenwood CPAs and Advisors, PLLC (G&G) performed the following procedures:
 - Performed a proof of cash and re-reconciled year-end bank balances to book balances.
No exceptions were noted as a result of this procedure.
 - Confirm with depository institutions the cash on deposit and investments for the year September 30, 2023.
The Equity Bank certificate of deposit general ledger balance does not agree with confirmation received from the bank. The difference between both is \$ 110.88.
 - Agree the proof of cash ending balances to the book balances within 5% or \$500, whichever is greater.
No exceptions were noted as a result of this procedure.
- Receipts
 - For the financial year ended September 30, 2023, Garland & Greenwood CPAs and Advisors, PLLC (G&G) performed the following procedures:
 - Agree the deposits per the proof of cash for the year with the deposits per the journal within 5% or \$500, whichever is greater.

No exceptions were noted as a result of this procedure.

- Agree ten customer deposits on the accounts receivable sub-ledger to deposit and billing documents.

No exceptions were noted as a result of this procedure.

- For ten deposits, agree the cash/check composition of the deposit with receipt information.

No exceptions were noted as a result of this procedure.

- Accounts Receivable

- For the financial year ended September 30, 2023, Garland & Greenwood CPAs and Advisors, PLLC (G&G) performed the following procedures:

- Agree ten customer billings to the accounts receivable subledger.

No exceptions were noted as a result of this procedure.

- Determine that five customer adjustments were properly authorized.

No exceptions were noted; however, the Water Association employee who makes the adjustments is the same person who authorizes the adjustment.

- Disbursements

- For the financial year ended September 30, 2023, Garland & Greenwood CPAs and Advisors, PLLC (G&G) performed the following procedures:

- Agree the disbursements per the proof of cash for the year with the disbursements per the journal within 5% or \$500, whichever is greater.

No exceptions were noted as a result of this procedure.

- Analyze all property, plant, and equipment disbursements. Specifically, examine the supporting documentation and look for irregularities.

No exceptions were noted as a result of this procedure.

- Select all disbursements paid to employees other than payroll and ten other disbursements and determine if they were adequately documented.

- *No exceptions were noted as a result of this procedure.*

- Property, Plant and Equipment

- For the financial year ended September 30, 2023, Garland & Greenwood CPAs and Advisors, PLLC (G&G) performed the following procedures:

- Determine that additions and disposals were properly accounted for in the records (materiality level— 5% of the total equipment or \$500, whichever is greater).

No exceptions were noted as a result of this procedure.

- Long-term debt

- For the financial year ended September 30, 2023, Garland & Greenwood CPAs and Advisors, PLLC (G&G) performed the following procedures:

- Schedule long-term debt and verify changes in all balances for the year.
Not Applicable - Krooked Kreek Water Association does not have any active loans.
 - Confirm loans, bonds, notes, and contracts payable with lender/trustee/contractor.
Not applicable - Krooked Kreek Water Association does not have any active loans.
 - Determine that the appropriate debt service accounts have been established and maintained.
Not applicable - Krooked Kreek Water Association does not have any active loans.
- General
 - For the financial year ended September 30, 2023, Garland & Greenwood CPAs and Advisors, PLLC (G&G) performed the following procedures:
 - Determine that any items of financial significance were approved and documented in the minutes of the governing body's meetings. Specifically, we will search for any new financial activity that appears to be outside of the normal course of operations and determine if the activity was addressed in the minutes of the governing body's meetings.
 - *No exceptions were noted as a result of this procedure. There were not any activities that appeared to be outside of the normal course of operations.*

We were engaged by the board of the Krooked Kreek Water Association to perform this engagement to apply agreed-upon procedures and conducted our engagement in accordance with attestation standards established by the AICPA. We were not engaged to and did not conduct an audit or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the financial information of the Krooked Kreek Water Association as of September 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Krooked Kreek Water Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the board of the Krooked Kreek Water Association and is not intended to be and should not be used by anyone other than these specified parties.

Garland and Greenwood CPAs and Advisors, PLLC

Bentonville, AR

August 23, 2024

Krooked Kreek Water Association

Financial Statements
with Accountant's Compilation Report

September 30, 2023

Krooked Kreek Water Association

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GARLAND & GREENWOOD

CPAs and Advisors, PLLC

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8429 Hwy 7 South
Harison, AR 72601

Management is responsible for the accompanying financial statements of Krooked Kreek Water Association, which comprise the statement of assets, liabilities, and net position - cash basis as of September 30, 2023, and the related statement of revenues, expenses, and changes in net position - cash basis for the year then ended in accordance with the cash basis of accounting, and for determining that the cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's assets, liabilities, net position, revenues and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Garland & Greenwood CPAs and Advisors, PLLC

Bentonville, Arkansas
August 23, 2024

Krooked Kreek Water Association
Statement of Assets, Liabilities and Net Position - Cash Basis
September 30, 2023

	2023
Assets	
Current Assets	
Cash and cash equivalents	\$ 556,227
Total Current Assets	556,227
 Property and Equipment - Net	 1,053,687
 Other Assets	
Deposits	1,090
Total Other Assets	1,090
 Total Assets	 \$ 1,611,004
 Liabilities and Net Position	
Current Liabilities	
Payroll taxes payable	\$ 1,548
Meter & Renters deposits	55,650
Other current liabilities	2,425
Total Current Liabilities	59,623
 Net Position	
Unrestricted	1,551,381
Total Net Position	1,551,381
 Total Liabilities and Net Position	 \$ 1,611,004

See accountant's compilation report.

Krooked Kreek Water Association
Statement of Revenues, Expenses and Changes in Net Position - Cash Basis
For the Year Ended September 30, 2023

	2023
Operating Revenue	
Water sales	\$ 321,350
Collection fees	9,413
Miscellaneous income	21,019
Total Operating Revenue	351,782
Operating Expenses	
General and administrative	259,531
Management and general	137,172
Total Operating Expenses	396,703
Operating Income (Loss)	(44,921)
Other Revenues (Expenses)	
Interest income	3,263
Total Other Revenues (Expenses)	3,263
Change in Net Position	(41,658)
Net Position - beginning of year	1,593,039
Net Position - End of Year	\$ 1,551,381

See accountant's compilation report.