

KROOKED KREEK WATER ASSOCIATION

SEPTEMBER 30,2024



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

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

We have performed the procedures described herein on the financial information of the Krooked Kreek Water Association for the year ended September 30, 2024. 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 year ended September 30, 2024 in accordance with Arkansas Code § 14-234-119. 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 year ended September 30, 2024, Landmark PLC performed the following procedures:
 - Perform 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, 2024.
No exceptions were noted as a result of this procedure.
 - 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 year ended September 30, 2024, Landmark PLC 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 year ended September 30, 2024, Landmark PLC 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 year ended September 30, 2024, Landmark PLC 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 year ended September 30, 2024, Landmark PLC 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 year ended September 30, 2024, Landmark PLC 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 year ended September 30, 2024, Landmark PLC 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, 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 examination 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 and for the year ended September 30, 2024. 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.

A handwritten signature in black ink that reads "Landmark PLC". The signature is written in a cursive, flowing style.

Rogers, AR

April 4, 2025

Krooked Kreek Water Association

**Financial Statements
September 30, 2024**

(With Independent Accountant's Compilation Report Thereon)

Krooked Kreek Water Association

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT ACCOUNTANT'S COMPILATION REPORT	1
FINANCIAL STATEMENTS	
Statement of Assets, Liabilities and Net Position – Cash Basis	2
Statement of Revenues, Expenses and Changes in Net Position – Cash Basis	3



Mr. Paul Harp
Krooked Kreek Water Association
8429 Highway 7 South
Harrison, 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, 2024, 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 Association's assets, liabilities, net position, revenues and expenses. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Rogers, Arkansas
April 4, 2025

Krooked Kreek Water Association

Statement of Assets, Liabilities and Net Position – Cash Basis September 30, 2024

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 609,036
Total Current Assets	609,036
Property and Equipment, net	993,300
Other Assets	
Deposits	90
Total Other Assets	90
TOTAL ASSETS	\$ 1,602,426
LIABILITES AND NET POSITION	
Current Liabilities	
Payroll payables	\$ 1,574
Meter and renters deposits	53,925
Other current liabilities	2,453
Total Current Liabilities	57,952
Net Position	
Unrestricted	1,544,474
Total Net Position	1,544,474
TOTAL LIABILITIES AND NET POSITION	\$ 1,602,426

See Independent Accountant’s Compilation Report.

Krooked Kreek Water Association

Statement of Revenues, Expenses and Changes in Net Position – Cash Basis Year Ended September 30, 2024

Operating Revenue	
Water sales	\$ 341,432
Collection fees	10,702
Miscellaneous income	23,409
Total Operating Revenue	375,543
Operating Expenses	
General and administrative	300,287
Management and general	140,677
Total Operating Expenses	440,964
Operating Loss	(65,421)
Other Revenues	
Interest income	21,317
Gain on Sale of Assets	9,343
Total Other Revenues	30,660
Change in Net Position	(34,761)
NET POSITION - BEGINNING OF YEAR	1,579,235
NET POSITION - END OF YEAR	\$ 1,544,474

See Independent Accountant’s Compilation Report.