

MARYSVILLE WATER ASSOCIATION, INC.
El Dorado, Arkansas
For the Year Ended August 31, 2021

INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES



**Board of Directors
Marysville Water Association, Inc.
El Dorado, Arkansas**

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

We have performed the procedures enumerated below, which were agreed to by the members of the Board on the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119 for the Marysville Water Association, Inc. for the year ended August 31, 2021. Marysville Water Association, Inc.'s management is responsible for the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119. The sufficiency of these procedures is solely the responsibility of the members of the Board. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

Cash

1. a. Perform a proof and reconciliation of cash for the year.
- b. Confirm the cash on deposit and investments with the depository institutions.
- c. Agree the proof of cash ending balances to the book balances within 5% or \$500, whichever is greater.

Findings: We found no exceptions as a result of the procedures.

Receipts

2. a. Agree the deposits per the proof of cash for the year with the deposits per the journal within 5% or \$500, whichever is greater.
- b. Agree 10 customer payments on the accounts receivable subledger to deposit and billing documents.
- c. For one deposit, agree the cash/check composition of the deposit with receipt information.

Findings: We found no exceptions as a result of the procedures.

**Board of Directors
Marysville Water Association, Inc.**

Accounts Receivable

3. a. Agree 10 customer billings to the accounts receivable subledger.
- b. Determine that 5 customer adjustments were properly authorized.

Findings: We found no exceptions as a result of the procedures.

Disbursements

4. a. Agree the disbursements per the proof of cash for the year with the disbursements per the journal within 5% or \$500, whichever is greater.
- b. Analyze all property, plant, and equipment disbursements.
- c. Select all disbursements paid to employees other than payroll and ten (10) other disbursements and determine if they were adequately documented.

Findings: We found no exceptions as a result of the procedures.

Property, Plant, & Equipment

5. a. Determine that additions and disposals were properly accounted for in the records.

Findings: We found no exceptions as a result of the procedures.

Long-Term Debt

6. a. Schedule long-term debt and verify changes in all balances for the year.
- b. Confirm loans, bonds, notes and contracts payable with the lender/trustee/contractor.
- c. Determine that the appropriate debt service accounts have been established and maintained.

Findings: We found no exceptions as a result of the procedures


General

7. a. Determine that any items of financial significance were approved and documented in the minutes of the governing body minutes.

Findings: We found no exceptions as a result of the procedures.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not conduct an audit or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the procedures specified by the Legislative Joint Auditing Committee, in accordance with Ark. Code Ann. 14-234-119. 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.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, and the management of Marysville Water Association, Inc., and is not intended to be and should not be used by anyone other than these specified parties.



BERRY & ASSOCIATES, P.A.
Little Rock, Arkansas
November 30, 2021

MARYSVILLE WATER ASSOCIATION, INC.
FINANCIAL STATEMENTS
For the Year Ended August 31, 2021
and
INDEPENDENT ACCOUNTANT'S
COMPILATION REPORT

MARYSVILLE WATER ASSOCIATION, INC.
El Dorado, Arkansas
For the Year Ended August 31, 2021

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American Institute of CPAs

Arkansas Society of CPAs

Texas Society of CPAs

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**Board of Directors
Marysville Water Association, Inc.
El Dorado, Arkansas**

Management is responsible for the accompanying financial statements of Marysville Water Association, Inc., (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets – modified cash basis as of August 31, 2021, and the related statement of cash receipts and cash disbursements for the year then ended, and for determining that the modified-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 AICPA. 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 assurance on these financial statements.

The financial statements are prepared in accordance with the modified 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 modified 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 assets, cash receipts, and cash disbursements. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Berry & Associates, P.A.
Little Rock, Arkansas
November 30, 2021

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MARYSVILLE WATER ASSOCIATION, INC.
STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS-MODIFIED CASH BASIS
August 31, 2021

<u>ASSETS</u>	
CURRENT ASSETS	
Cash	\$ 195,163
RESTRICTED CASH	
Certificates of deposit	34,924
FIXED ASSETS - AT COST	
Building	970
Tanks and wells	273,685
Water system	347,485
Land	1,750
Equipment	9,376
	633,266
Less: Accumulated depreciation	(569,971)
Net Fixed Assets	63,295
TOTAL ASSETS	\$ 293,382
<u>LIABILITIES AND NET ASSETS</u>	
PAYABLE FROM RESTRICTED ASSETS	
Customer water meter deposits	\$ 25,171
TOTAL LIABILITIES	25,171
NET ASSETS	
Unrestricted	268,211
TOTAL LIABILITIES AND NET ASSETS	\$ 293,382

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

MARYSVILLE WATER ASSOCIATION, INC.
STATEMENT OF CASH RECEIPTS AND CASH DISBURSEMENTS
For the Year Ended August 31, 2021

CASH RECEIPTS

Water revenue	\$ 92,890
Meter deposits	640
Miscellaneous income	23
Interest income	368
Total cash receipts	<u>93,921</u>

CASH DISBURSEMENTS

Operator expense	14,400
Meter deposit refunds	1,370
Utilities and telephone	12,035
Connection fees	1,654
Maintenance and repairs	18,078
Chemicals	1,017
Professional fees	7,615
Sales tax	6,307
Insurance	8,183
Membership fees	1,940
Truck expense	6,000
Office expense	2,242
Total cash disbursements	<u>80,841</u>

INCREASE IN CASH AND CASH EQUIVALENTS 13,080

BEGINNING CASH AND CASH EQUIVALENTS, AT SEPTEMBER 1, 2020 217,007

ENDING CASH AND CASH EQUIVALENTS, AT AUGUST 31, 2021 \$ 230,087

SEE INDEPENDENT ACCOUNTANT'S COMPILATION REPORT