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MAR 05 2024

WHALEY AND ARK SLOUGH DRAINAGE DISTRICT #19 OF COUNTY & PROBATE COURT CLERK  
CRAIGHEAD COUNTY

ANNUAL REPORT FOR FISCAL YEAR ENDING OCTOBER 31, 2023  
FOR "TRANSPARENCY ACT" UNDER Act 359 of 2022

At its Board of Commissioners in January, 2023, Lester Wilson was re-elected President/ Chairman for the year, and Charles Frierson re-elected Secretary.

Bank balance on 10/31/23 was \$2,746.

Delinquencies for the fiscal year were \$29.75, and for the total in past years, \$10,792.10.

The Board decided that no further maintenance was needed in view of the spraying done in the previous year.

Information about the District and it's formation can be found in the Report filed as "Exhibit A" on January 19, 2016.

This Report was prepared February 28, 2024

I, Charles Frierson, Secretary of the District, affirm that the above is true and correct, to the best of my knowledge and ability.





# THOMAS, SPEIGHT & NOBLE

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A PROFESSIONAL ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS  
MEMBER OF THE PRIVATE COMPANIES SECTION OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

December 31, 2023

To the District Commissioners  
Whaley and Arkansas Slough Drainage District No. 19  
Jonesboro, Arkansas

We have audited the financial statements of Whaley and Arkansas Slough Drainage District No. 19 for the year ended October 31, 2023, and we will issue our report thereon dated December 31, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 7, 2023. Professional standards also require that we communicate to you the following information related to our audit.

## Significant Audit Matters

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Whaley and Arkansas Slough Drainage District No. 19 are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2023. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

The financial statement disclosures are neutral, consistent, and clear.

### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

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*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 31, 2023.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the District’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

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 auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Whaley and Arkansas Slough Drainage District No. 19 and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*Thomas, Speight & Noble, CPAs*

Thomas, Speight & Noble, CPAs  
Jonesboro, Arkansas

Whaley and Ark Slough Drainage District  
No. 19 of Craighead County Arkansas  
Audited Financial Statements  
For the Year Ended October 31, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the District Commissioners  
Whaley and Ark Slough Drainage District No. 19  
of Craighead County Arkansas  
Jonesboro, Arkansas

### Opinion

We have audited the accompanying financial statements of Whaley and Ark Slough Drainage District No. 19 of Craighead County Arkansas, which comprise the statement of assets, liabilities, and net assets (modified cash basis) as of October 31, 2023, and the related statement of cash receipts, disbursements, and changes in net assets (modified cash basis) for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of the Whaley and Ark Slough Drainage District No. 19 of Craighead County Arkansas as of October 31, 2023, and its cash receipts, disbursements, and changes in net assets for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Whaley and Ark Slough Drainage District No. 19 of Craighead County Arkansas and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is in modified with respect to that matter.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Whaley and Ark Slough Drainage District No. 19 of Craighead County Arkansas's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Whaley and Ark Slough Drainage District No. 19 of Craighead County Arkansas's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Whaley and Ark Slough Drainage District No. 19 of Craighead County Arkansas's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Thomas, Speight & Noble, CPAs*  
Thomas, Speight & Noble, CPAs  
Jonesboro, Arkansas  
December 31, 2023

Whaley and Ark Slough Drainage District  
No. 19 of Craighead County Arkansas  
Statement of Assets, Liabilities, and Net Assets (Modified Cash Basis)  
October 31, 2023

ASSETS

**Current Assets**

Cash	\$ 2,746
Total Current Assets	<u>2,746</u>

<b>TOTAL ASSETS</b>	<u><u>\$ 2,746</u></u>
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LIABILITIES AND NET ASSETS

**Current Liabilities**

Total Current Liabilities	<u>\$ -</u>
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<b>TOTAL LIABILITIES</b>	<u>-</u>
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**NET ASSETS**

Without donor restrictions	<u>2,746</u>
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Total net assets	<u>2,746</u>
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<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u><u>\$ 2,746</u></u>
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*The accompanying notes are an integral part of these financial statements.*

**Whaley and Ark Slough Drianage District**  
**No. 19 of Craighead County Arkansas**  
**Statement of Cash Receipts, Disbursements, and Changes in Net Assets**  
**(Modified Cash Basis)**  
**Year Ended October 31, 2023**

<b>Cash Receipts</b>	
Tax collections	\$ 4,117
Interest income	18
Other income	2,500
<b>Total cash receipts</b>	6,635
 <b>Cash Disbursements</b>	
Legal fees	600
Filing Fees	30
Levy maintenance	12,425
Public notice	94
Bank charges	35
<b>Total cash disbursements</b>	13,184
 <b>Excess of Cash Receipts over Cash Disbursements</b>	 (6,549)
Net assets, beginning of year	9,295
 Net assets - end of year	 \$ 2,746

*The accompanying notes are an integral part of these financial statements.*