

Craig County Conservation District
Vinita, Oklahoma

Accountant's Compilation Report
and Financial Statements

June 30, 2013

Craig County Conservation District

Vinita, Oklahoma

June 30, 2013

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Violet F. Kirkendall CPA, PC

Certified Public Accountant

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Accountant's Compilation Report

October 1, 2013

Board of Directors
Craig County Conservation District
Vinita, Oklahoma

I have compiled the accompanying Statement of Net Assets of ***Craig County Conservation District*** as of June 30, 2013, and the related statements of income, changes in fund balance and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the modified cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The accompanying financial statements were prepared for the purpose of complying with the Oklahoma Conservation Commission reporting requirements described in the notes to the financial statements, and are not intended to be a presentation in conformity with US Generally Accepted Accounting Principles.

This report is intended solely for the information and use of the Board of Directors, Management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.



Violet F. Kirkendall CPA, PC
Certified Public Accountant

Craig County Conservation District

Balance Sheet

June 30, 2013

Assets

Current Assets

Cash and cash equivalents	\$ 59,275.19
Certificates of deposit	28,572.78
Accounts receivable	<u>11,051.77</u>
<i>Total Current Assets</i>	98,899.74

Fixed Assets

Property, Plant and Equipment, net of accumulated depreciation	<u>289,518.58</u>
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Total Assets	<u>\$ 388,418.32</u>
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Liabilities and Fund Equity

Current Liabilities

Payroll tax payable	<u>\$ 1,613.36</u>
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Fund Equity:

Invested in Fixed Assets	289,518.58
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Fund Balance:

Unrestricted	<u>97,286.38</u>
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Total Fund Equity	<u>386,804.96</u>
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Total Liabilities and Fund Equity	<u>\$ 388,418.32</u>
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See Accountant's Compilation Report.

Craig County Conservation District
Statement of Revenues, Expenditures & Changes in Fund Balance
For the Year Ended June 30, 2013

<u>REVENUES</u>	
OCC	\$ 71,657.64
Building and other lease income	67,088.44
Platt Book	410.00
Equipment rental	30,521.79
Miscellaneous Income	2,568.75
Interest income	<u>76.80</u>
Total revenues	<u>172,323.42</u>
 <u>EXPENDITURES</u>	
Advertising	549.87
Audit/review expense	550.00
Bonds	160.00
Building expenses:	
Cleaning supplies	2,632.94
Maintenance	1,314.94
Other	1,139.11
Insurance	3,511.36
Utilities	6,440.96
Security	407.98
Depreciation	15,927.18
Dues	400.00
Educational expenses	4,307.68
Equipment rental	18,864.71
Internet	424.45
Legal notices	50.24
Meeting expenses	6,860.00
Mileage	5,586.32
Miscellaneous	50.00
Office supplies	3,920.56
Outreach	140.00
Payroll expenses	6,911.00
Platt books	475.00
Retirement	3,116.33
Salaries	79,242.34
Warehouse Expenses	<u>538.07</u>
Total expenditures	<u>163,521.04</u>
 Net Income (Loss)	 8,802.38
Fund Balance at beginning of the year	<u>378,002.58</u>
Fund Balance at end of the year	<u>\$ 386,804.96</u>

See Accountant's Compilation Report.

Craig County Conservation District
Statement of Cash Flows
For the Year Ended June 30, 2013

<i>Cash Flows from Operating Activities</i>	
Net Income (Loss)	\$ 8,802.38
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	15,927.18
(Increase) decrease in operating assets	
Accounts receivable	(1,743.64)
Increase (decrease) in operating liabilities	
Payroll tax payable	719.63
Net cash provided (used) by operating activities	23,705.55
<i>Cash Flows from Investing Activities</i>	
Purchase of fixed assets	(25,650.39)
<i>Cash Flows from Non-Capital Financing Activities</i>	
	0.00
<i>Cash Flows from Capital and Related Financing Activities</i>	
Increase (decrease) in cash & cash equivalents	0.00 (1,944.84)
Cash and cash equivalents, beginning of year	89,792.81
Cash and cash equivalents, end of year	\$ 87,847.97
Interest paid during the year	\$ 0.00
Income taxes paid during the year	\$ 0.00

See Accountant's Compilation Report.

Craig County Conservation District

Notes to Financial Statements

June 30, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Organization

The **Craig County Conservation District** is a political subdivision organized under the laws of the State of Oklahoma, Oklahoma Conservation Commission for the benefit of the citizens of Craig County, Oklahoma.

Basis of Accounting

The district prepares its financial statements using the accrual basis of accounting. Revenue is recognized when earned and expenses are recorded when incurred.

Property and Depreciation

Fixed assets are stated at historical cost. Depreciation is calculated using the straight-line method over the useful life of the assets which have been estimated at seven years for equipment and ten years for warehouse. Expenditures for major renewals and betterments which extend the useful lives of the fixed assets are capitalized. Expenditures for maintenance and repairs are expended as incurred.

Income Taxes

There has been no provision made for income taxes in the financial statements.

Cash and Cash Equivalents

Cash and cash equivalents shown in the financial statements are amounts which are not subject to fluctuations in principal value due to changing market conditions and have a maturity of less than three months.

Inventory

The amount of inventory the district maintains is immaterial, therefore, it is not represented as an asset in the financial statements.

NOTE 2: INVESTMENTS

The District has invested excess funds in interest bearing accounts as follows:

Certificates of Deposit:

First State Bank – Ketchum, OK	\$ 15,000.00
Oklahoma State Bank – Vinita, OK	<u>13,572.78</u>
	<u>\$ 28,572.78</u>

Craig County Conservation District

Notes to Financial Statements

June 30, 2013

NOTE 3: CHANGES IN FIXED ASSETS

	Balance @ 06/30/12	Additions	Dispositions	Balance @ 06/30/13
Land	\$ 23,359.00	\$	\$	\$ 23,359.00
Building	288,524.39	25,650.39		314,174.78
Warehouse	52,801.15			52,801.15
Equipment	69,015.28			69,015.28
Storm Shelters	8,862.89			8,862.89
Office Furniture	3,004.93			3,004.93
	<u>445,567.64</u>	<u>\$ 25,650.39</u>	<u>\$ 0.00</u>	<u>471,218.03</u>
Less:				
Accumulated Deprec.	<u>165,772.27</u>	<u>\$ 15,927.18</u>	<u>\$ 0.00</u>	<u>181,699.45</u>
Net Fixed Assets	<u>\$ 279,795.37</u>			<u>\$ 289,518.58</u>

NOTE 4: DEPOSITS

State statutes govern the District's investment policy. Permissible investments include direct obligations of the United States Government and Agencies; certificates of deposit of savings and loan associations, and bank and trust companies; and savings accounts or savings certificates of savings and loan associations and trust companies. Collateral is required for demand deposits and certificates of deposit for all amounts not covered by federal deposit insurance. Investments are stated at cost. The District invests entirely in certificates of deposit.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's cash deposits, including interest-bearing certificates of deposits, are maintained in financial institutions. The District does not have a deposit policy for custodial credit risk. As of June 30, 2013, none of the District's investments were exposed to custodial credit risk because there were uninsured or uncollateralized.

NOTE 5: LEASE AGREEMENT

On December 3, 1998 the District entered into a lease agreement with the USDA Rural Development Agency of the United States Government to lease to the agency a 5,360 square foot building effective November 16, 1998. Annual lease rate is \$65,338.44.