

**Town of Friendship, Arkansas**

**Financial and Compliance Report**

**December 31, 2017**

LEGISLATIVE JOINT AUDITING COMMITTEE

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TOWN OF FRIENDSHIP, ARKANSAS  
TABLE OF CONTENTS  
FOR THE YEAR ENDED DECEMBER 31, 2017

Financial and Compliance Report

	<u>Schedule</u>
Schedule of Financial Information (Unaudited)	1
Other Information (Unaudited)	2

# Arkansas

**Sen. Jimmy Hickey, Jr.**  
Senate Chair  
**Sen. Lance Eads**  
Senate Vice Chair



**Rep. Richard Womack**  
House Chair  
**Rep. Mary Bentley**  
House Vice Chair

**Roger A. Norman, JD, CPA, CFE, CFF**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

Financial and Compliance Report

Town of Friendship, Arkansas Officials and Council Members  
Legislative Joint Auditing Committee

A priority of Arkansas Legislative Audit is to assist local government officials by promoting sound financial management and accountability of government resources. The Legislative Auditor reports on the fiscal affairs of local governments, as well as compliance with relevant state laws and observance of good business practices to provide accountability for tax dollars expended to support government operations.

We have performed certain limited procedures with respect to cash basis financial information and compliance with certain state laws and accepted accounting practices for the Town of Friendship, Arkansas, as of and for the year ended December 31, 2017, and have issued our report thereon dated September 7, 2018. Management of the Town is responsible for maintaining the financial records and complying with state laws and accepted accounting practices.

The findings contained in this section relate to the following officials who held office during 2017:

Mayor: Sammy Johnson  
Recorder/Treasurer: Malinda Clark

We evaluated the Town's compliance with certain state laws concerning general accounting, budgeting, purchasing, and investing and depositing of public funds.

Our procedures indicated that the above offices were in substantial compliance with Arkansas fiscal and financial laws.

This report is intended solely for the information and use of the Legislative Joint Auditing Committee, local Town government, state executive and oversight management, and other parties as required by Arkansas Code, and is not intended to be and should not be used by anyone other than these specified parties. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

Handwritten signature of Roger A. Norman in cursive.

Roger A. Norman, JD, CPA, CFE, CFF  
Legislative Auditor

Little Rock, Arkansas  
September 7, 2018  
LOM306217

TOWN OF FRIENDSHIP, ARKANSAS  
 SCHEDULE OF FINANCIAL INFORMATION  
 FOR THE YEAR ENDED DECEMBER 31, 2017  
 (UNAUDITED)

Schedule 1

	General Fund	Special Revenue Fund Street
	<u>          </u>	<u>          </u>
Cash Balance, January 1, 2017	\$ 23,002	\$ 45,093
Receipts:		
State aid	2,791	12,107
Property taxes	7,275	2,133
Franchise fees	4,866	
Sales taxes	17,169	
Other	360	
Total Receipts	<u>32,461</u>	<u>14,240</u>
Disbursements:		
General government	13,580	
Highways and streets		10,219
Recreation and culture	3,329	
Sales tax remitted to solid waste authority	16,825	
Total Disbursements	<u>33,734</u>	<u>10,219</u>
Cash Balance, December 31, 2017	<u>\$ 21,729</u>	<u>\$ 49,114</u>

TOWN OF FRIENDSHIP, ARKANSAS  
OTHER INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2017  
(UNAUDITED)

Schedule 2

1. Cash balances on the Financial Schedules include demand accounts.

2. The Municipality's capital assets records are summarized below:

	<u>December 31, 2017</u>
Land	\$ 4,933
Buildings	56,508
Equipment	<u>35,653</u>
Total	<u>\$ 97,094</u>