

OFFICE OF THE STATE AUDITOR REPORT NOTE:

Section 7-7-211, Mississippi Code Annotated (1972) gives the Office of the State Auditor the authority to audit, with the exception of municipalities, any governmental entity in the state. In the case of municipalities, *Section 21-35-31, Mississippi Code Annotated (1972)* requires municipalities to obtain an annual audit performed by a private CPA firm and submit that audit report to the Office of the State Auditor. The Office of the State Auditor files these audit reports for review in case questions arise related to the municipality.

As a result, the following document was not prepared by the Office of the State Auditor. Instead, it was prepared by a private CPA firm and submitted to the Office of the State Auditor. The document was placed on this web page as it was submitted and no review of the report was performed by the Office of the State Auditor prior to finalization of the report. The Office of the State Auditor assumes no responsibility for its content or for any errors located in the document. Any questions of accuracy or authenticity concerning this document should be submitted to the CPA firm that prepared the document. The name and address of the CPA firm appears in the document.

Town of Winstonville, Mississippi

FINANCIAL REPORT

For the Year Ended September 30, 2018

The Myles CPA Firm, PLLC
Certified Public Accountants
Tupelo, Mississippi

Town of Winstonville, Mississippi

Table of Contents

	<u>Page</u>
Table of Contents	i
Accountant's Report	1-2
Combined Statement of Cash Receipts and Disbursements (All Funds)	3-4
Notes to the Financial Statements	5-8
Schedule of Long- Term Debt	9
Schedule of Surety Bonds for Municipal Officials	10
Independent Accountant's Report on Compliance with State Laws and Regulations	11-12



THE MYLES CPA FIRM, PLLC

ACCOUNTING, AUDITING, TAXATION AND MANAGEMENT ADVISORY SERVICES
2604 WEST MAIN ST. - SUITE A • P.O. BOX 883
TUPELO, MISSISSIPPI 38802-0883
(662) 620-7711 • FAX (662) 620-7761

ACCOUNTANT'S REPORT

Honorable Mayor and Board of Alderman
Town of Winstonville
Winstonville, Mississippi

I have prepared the accompanying statement of cash receipts and disbursements – all fund types as of September 30, 2018, and for the year then ended.

This presentation is limited to presenting, in the form of financial statements, information that is the representation of management. I do not express an opinion or any other form of assurance on them.

1. We reconciled cash on deposit with the following bank to balances in the respective general ledger accounts and obtained confirmation of the related balances from the bank:

<u>Bank</u>	<u>Fund</u>	<u>Balance Per General Ledger</u>
Cleveland State Bank	General	\$ 670
Cleveland State Bank	Water & Sewer	3,751
Cleveland State Bank	Natural Gas	92
Total		<u>\$ 4,513</u>

2. The Town did not possess any securities held for investment. All investment transactions during the year were examined for compliance with investments authorized by Section 21-33-323, Mississippi Code Ann. (1972), and is presented below.
3. We obtained a statement of payments made by the Department of Finance and Administration to the municipality. Payments indicated were traced to deposits in the respective bank accounts and recorded in the general ledger. Payments traced were as follows:

<u>Payment Purpose</u>	<u>Receiving Fund</u>	<u>Ledger Amount</u>
General Municipal Aid	General	\$ 95
Sales Tax Allocation	General	3,360
Gasoline Tax	General	550
Homestead Exemption Reimbursement	General	5,396
Nuclear Plant	General	1,544
Mississippi Development Authority	General	90,805
Total		<u>\$ 101,750</u>

**Honorable Mayor and Board of Alderman
Town of Winstonville
Winstonville, Mississippi
Page 2**

4. Nothing came to our attention that would lead us to believe that the Town's purchasing procedures were not in agreement with the requirement of Title 31, Chapter 7, Mississippi Code Ann. (1972)
- We found the municipalities purchasing procedures to be in agreement with the requirements of the above-mentioned sections.
5. The Town did not prepare the Municipal Compliance Questionnaire. Based on our interview of the Town Clerk, we noted the following:
- a. The Town did not publish a synopsis or notice of the annual audit within 30 days of acceptance (Sections 21-35-31 or 21-17-19)
 - b. Fixed assets were not properly tagged and accounted (Section II-Municipal Audit & Accounting Guide)
 - c. The Town did not contract with a Certified Public Accountant or an auditor approved by the State Auditor for its annual audit within twelve months of the end of the fiscal year (Section 21-35-31).

Because the above procedures do not constitute an audit in accordance with generally accepted auditing standards, we do not express an opinion on any of the specific accounts or classes of transactions referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe the items specified in Paragraphs 1, 2 and 3 should be adjusted. Had we performed additional procedures, or had we conducted an audit of the financial statements in accordance with generally accepted auditing standards, other significant matters might have come to our attention that would have been reported to you. This report should not be associated with the financial statements of the Town of Winstonville, Mississippi, for the year ended September 30, 2018.

THE MYLES CPA FIRM, PLLC
Certified Public Accountants

BY:



Wayne E. Myles
Certified Public Accountant
FOR THE FIRM

Tupelo, Mississippi
July 17, 2025

Town of Winstonville Mississippi
Combined Statement of Cash Receipts and Disbursements (All Funds)
For the Fiscal Year Ended September 30, 2018

REVENUES	Governmental Funds		Proprietary Fund		Totals (Memorandum Only)
	General	Special Revenue Community Initiative	Natural Gas	Water and Sewer	
General Property Taxes	38,863	-	-	-	38,863
Penalties and Interest on Delinquent Taxes	-	-	-	-	-
Personal Property Tax	4,639	-	-	-	4,639
Licenses and Permits	-	-	-	-	-
Franchise Tax on Utilities	-	-	-	-	-
Intergovernmental Revenue:					
General Municipal Aid	95	-	-	-	95
State Shared Revenue:					
Sales Tax	3,360	-	-	-	3,360
Gasoline Tax	549	-	-	-	549
Motor Vehicle Tax	8,776	-	-	-	8,776
Alcoholic Beverage License	-	-	-	-	-
Fire Insurance Premium Tax	-	-	-	-	-
In Lieu Tax (Grand Gulf)	1,544	-	-	-	1,544
Homestead Exemption	5,395	-	-	-	5,395
Community Initiative	90,805	-	-	-	90,805
Other Aid	-	-	-	-	-
Charges for Services:					
Water and Sewage Utility	-	-	-	-	-
Natural Gas Utility	-	-	-	52,250	52,250
Sanitation Fees	-	-	-	-	-
Interest Income	-	-	-	-	-
Other Income	-	-	-	-	-
Total Revenue Receipts	154,026	-	-	52,250	206,276
Other Receipts:					
Transfers from Other Funds	-	-	-	-	-
Other	-	-	-	-	-
Total Other Receipts	-	-	-	-	-
Total Receipts	154,026	-	-	52,250	206,276
Cash Balance (Beginning of Year)	1,280	-	92	6,963	8,335
Total to Account for	155,306	-	92	59,213	214,611

The accompanying notes are an integral part of these Financial Statements.

The Myles CPA Firm, PLLC
Certified Public Accountant
Tupelo, Mississippi

Town of Winstonville Mississippi
Combined Statement of Cash Receipts and Disbursements (All Funds)
For the Fiscal Year Ended September 30, 2018

OPERATING DISBURSEMENTS	Governmental Funds		Proprietary Funds		Totals (Memorandum Only)
	General	Special Revenue Community Initiative	Natural Gas	Water and Sewer	
General Government (Executive and Financial)	3,955	-	-	-	43,955
Public Safety:					-
Police	-	-	-	-	-
Fire Protection	-	-	-	-	-
Highways and Streets:					
Lighting	4,931	-	-	-	4,931
Sanitation	13,245	-	-	-	13,245
Water and Sewage Utility	-	-	-	38,962	38,962
Natural Gas Utility	-	-	-	-	-
Interest on Bank Loans	-	-	-	-	-
Summer Food Service Program	-	-	-	-	-
Community Initiative	-	-	-	-	-
Legal & Professional	1,700	-	-	-	1,700
Other	-	-	-	-	-
Total Operating Disbursements	63,831	-	-	38,962	102,793
Other Disbursements:					
Transfers	-	-	-	-	-
Rural Development	90,805	-	-	16,500	107,305
IRS - OIC (Note 3)	-	-	-	-	-
Total Disbursements	154,636	-	-	55,462	210,098
Cash Balance - End of Year	670	-	92	3,751	4,513
Total Amount Accounted for	155,306	-	92	59,213	214,611

The accompanying notes are an integral part of these Financial Statements.

NOTES TO FINANCIAL STATEMENTS

TOWN OF WINSTONVILLE, MISSISSIPPI
NOTES TO FINANCIAL STATEMENT
September 30, 2018

Note 1 - Summary of Significant Accounting Policies

The more significant of the government's accounting policies are described below.

A. Reporting Entity

In evaluating how to define the government, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The Town of Winstonville has no component units.

The Mississippi Delta is an agriculturally based economy. The economic stability of the taxpayers and utility customers of the Town of Winstonville is significantly affected by this environment.

B. Fund Accounting

The government uses funds to report on the cash receipts and disbursements. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into two categories: governmental and proprietary. Each category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of a government's general activities including the servicing of general long-term debt (debt service funds). The general fund is used to account for all activities of the general government not accounted for in some other fund. Special revenue funds account for revenue sources that are legally restricted to expenditures for specific purposes.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided to outside parties (enterprise funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, a pension trust fund, a nonexpendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

(Continued)

TOWN OF WINSTONVILLE, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

Note 1 - Summary of Significant Accounting Policies (Cont'd.)

C. Basis of Accounting

The financial statement is prepared on a cash receipts and disbursements basis, as prescribed by the Office of the State Auditor. Consequently, certain revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when the obligation is incurred.

D. Report Classifications

Receipts and disbursements were classified according to requirements for small towns in the State of Mississippi as prescribed by the Office of the State Auditor.

E. Cash

The Town deposits excess funds in financial institutions selected by the board in accordance with state statutes. Cash consists of amounts on deposit in demand accounts and is valued at cost.

Various restrictions on these deposits are imposed by state statutes. These restrictions are summarized as follows:

All deposits with financial institutions insured by the Federal Deposit Insurance Corporation (FDIC) or by the Federal Savings and Loan Insurance Corporation (FSLIC), or any successors to such insurance corporations, must be collateralized in an amount equal to 105 % of the uninsured amount. The collateral must be on deposit with the Town Clerk.

The Town is allowed, by statute, to invest excess funds in any bonds or other direct obligations of the United States of America or the state of Mississippi, or of any county or municipality of this state, when such county or municipal bonds have been properly approved, or in interest-bearing time certificates of deposit with any financial institution approved for the deposit of state funds.

F. Memorandum Only - Total Columns

Total columns on the financial statement are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial positions, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

TOWN OF WINSTONVILLE, MISSISSIPPI
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

Note 2 - Property Tax

Property taxes attach an enforceable lien on property as of January 1. Taxes are levied as of January 1 and payable on or before February 1. Taxes are collected and remitted by the Bolivar County Tax Collector.

The distribution of taxes to funds was in accordance with prescribed tax levies, and uncollected taxes were properly handled.

**Town of Winstonville Mississippi
Schedule of Long-Term Debt
For the Fiscal Year Ended September 30, 2018**

	Balance Outstanding	Transactions During Fiscal Year	Balance Outstanding
	<u>30-Sep-17</u>	<u>Redeemed/ Forgiven</u>	<u>30-Sep-16</u>
Rural Development			
Loan # 08	77,208	7,357	69,851
Loan # 09	84,516	8,037	76,479
Loan # 9230	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>161,724</u>	<u>15,394</u>	<u>146,330</u>

	<u>Interest</u>
Rural Development	
Loan # 08	527
Loan # 09	579
Loan # 9230	<u>-</u>
Total	<u>1,106</u>

The accompanying notes are an integral part of these Financial Statements.

**Town of Winstonville Mississippi
Schedule of Surety Bonds for Municipal Officials
September 30, 2018**

NAME	POSITION	SURETY	BOND
Henry Perkins	Mayor	SouthGroup	50,000
Joyce Perkins	City Clerk	SouthGroup	50,000
Addie Baines	Alderman	SouthGroup	50,000
Ponthea Howard	Alderman	SouthGroup	50,000
Robert Jackson	Alderman	SouthGroup	50,000
Dwight Witherspoon	Alderman	SouthGroup	50,000
Terry Nolden	Alderman	SouthGroup	50,000



THE MYLES CPA FIRM, PLLC

ACCOUNTING, AUDITING, TAXATION AND MANAGEMENT ADVISORY SERVICES
2604 WEST MAIN ST. - SUITE A • P.O. BOX 883
TUPELO, MISSISSIPPI 38802-0883
(662) 620-7711 • FAX (662) 620-7761

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Honorable Mayor and Board of Alderman
Town of Winstonville
Winstonville, Mississippi

We have prepared the general-purpose financial statements of the Town of Winstonville as of and for the year ended September 30, 2018 and have issued our report dated July 16, 2025.

As required by the state legal compliance program prescribed by the Office of the State Auditor, we have also performed procedures to test compliance with certain state laws and regulations. However, providing an opinion on compliance with state laws and regulations was not an objective of our preparation and, accordingly, we do not express such an opinion.

The results of those procedures and our compilation of the general-purpose financial statements disclosed the following material instances of noncompliance with state laws and regulations. Our findings and recommendations and your responses are as follows:

2018 Findings:

- 2018-1 Observations:**
- The Town did not publish a synopsis or notice of the annual audit within 30 days of acceptance (Sections 21-35-31 or 21-17-19).
 - The Town did not tag or account for fixed assets (Section II-Municipal Audit and Accounting Guide).
 - The Town did not contract with a Certified Public Accountant or auditor approved by the State Auditor for its annual audit within twelve months of the end of the fiscal year (Section 21-35-31).

Recommendation: We recommend that greater care be taken in categorizing the expense and revenue items in the proper category(ies).

We recommend the Town develop a corrective action plan detailing the procedures and policies, it will take or initiate to correct the conditions mentioned above.

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH STATE LAWS AND REGULATIONS**

Page 2

The Office of the State Auditor or a public accounting firm will review, on a subsequent year's engagement, the findings in this report to ensure that corrective action has been taken.

This report is intended for the information of the Town of Winstonville's management and the Office of the State Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

THE MYLES CPA FIRM, PLLC
Certified Public Accountants

BY: 

Wayne E. Myles
Certified Public Accountant
FOR THE FIRM

Tupelo, Mississippi
July 17, 2025