

LAKE BARCROFT WATERSHED IMPROVEMENT DISTRICT
STATEMENT OF RECEIPTS AND DISBURSEMENTS
AND
INDEPENDENT AUDITORS' REPORT
JUNE 30, 2010

LAKE BARCROFT WATERSHED IMPROVEMENT DISTRICT

STATEMENT OF RECEIPTS AND DISBURSEMENTS

JUNE 30, 2010

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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

Lake Barcroft Watershed
Improvement District
Falls Church, Virginia

We have audited the accompanying statement of receipts and disbursements of the Lake Barcroft Watershed Improvement District for the year ended June 30, 2010. This financial statement is the responsibility of the District's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, the financial statement referred to above was prepared on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the statement of cash receipts and disbursements referred to above presents fairly, in all material respects, the receipts collected and disbursements paid of Lake Barcroft Watershed Improvement District for the year ended June 30, 2010 on the basis of accounting described in Note 1.

Jones & McIntyre, PLLC

March 11, 2011

LAKE BARCROFT WATERSHED IMPROVEMENT DISTRICT

STATEMENT OF RECEIPTS AND DISBURSEMENTS

FOR THE YEAR ENDED JUNE 30, 2010

RECEIPTS

WID tax receipts	\$	867,084
Investment income		2,429
Reimbursements		9,901
Other income		433
Total	\$	<u>879,847</u>

DISBURSEMENTS

Operations:		
WID staff payroll and benefits	\$	387,407
Administrative		30,222
Utilities		18,032
Environment		18,212
Maintenance		36,933
Operations - Total	\$	<u>490,806</u>
Dredging		107,648
Capital expenditures		39,529
Dam renovation		5,709
Total	\$	<u>643,692</u>

EXCESS OF RECEIPTS OVER DISBURSEMENTS \$ 236,155

Cash and investment accounts, beginning of year 581,233

Cash, end of year \$ 817,388

Details of cash and investment accounts, end of year

Operating cash	\$	187,388
Certificates of Deposit		630,000
	\$	<u><u>817,388</u></u>

See accompanying notes to financial statement.

LAKE BARCROFT WATERSHED IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENT

JUNE 30, 2010

Note 1. **Organization and Summary of Significant Accounting Policies**

Organization

On January 31, 1973, the directors of the Northern Virginia Soil and Water Conservation District declared that Lake Barcroft Watershed Improvement District was duly organized and does exist as a governmental subdivision of the Commonwealth of Virginia.

Basis of Presentation

The statement of receipts and disbursements is prepared on the cash basis of accounting. Under this method, revenue is recognized as received and expenses are recognized when paid. Accordingly, the statement of receipts and disbursements is not intended to present revenue and expenditures in conformity with generally accepted accounting principles.

WID Tax Receipts

Fairfax County assesses and collects the special assessment. Collections are remitted to the District as received. The special assessment rate is determined annually by the District for the next fiscal year based on projected financial requirements.

Estimates

The preparation of financial statements in conformity with the cash basis of accounting requires management to make estimates and assumptions that affect the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and disbursements during the reporting period. Actual results could differ from those estimates.

Note 2. **Retirement Plan**

On July 1, 1991, the District adopted a Simplified Employee Pension Plan IRA (SEP) covering all full time employees who meet length of service and age requirements. Annual contributions to the SEP are determined by the trustees (currently set at 10% of employee compensation). Contributions paid for the year ended June 30, 2010 were \$27,413.

Note 3. **Cash**

Cash accounts include \$187,388 held in a Charles Schwab money market fund and five certificates of deposit totaling \$630,000.

Note 4. **Subsequent Events**

Management has evaluated subsequent events through March 11, 2011 and has concluded no significant subsequent events meet the criteria of professional accounting standards to be recognized or disclosed in the financial statements.