

PHILADELPHIA-NESHOBA COUNTY MUSEUM COUNCIL
FINANCIAL STATEMENT
AND
INDEPENDENT ACCOUNTANTS' COMPILATION REPORT
SEPTEMBER 30, 2011

WATKINS, WARD AND STAFFORD, PLLC
CERTIFIED PUBLIC ACCOUNTANTS



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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Council
Philadelphia-Neshoba County Museum Council
Philadelphia, Mississippi

We have compiled the accompanying statement of cash basis assets and fund balances and cash receipts, disbursements and changes in cash basis fund balances of the Philadelphia-Neshoba County Museum Council, a public entity enacted by the legislature of the State of Mississippi, for the year ended September 30, 2011. We have not audited or reviewed the accompanying financial statement and, accordingly, do not express an opinion or provide any assurance about whether the financial statement is in accordance with the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

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

Our 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 statement.

Philadelphia, Mississippi
May 30, 2012

Watkins Ward and Stafford PLLC

Members of Mississippi Society of Certified Public Accountants
Members of American Institute of Certified Public Accountants

**PHILADELPHIA-NESHOPA COUNTY MUSEUM COUNCIL
STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES AND CASH
RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2011**

RECEIPTS

Neshoba County, Mississippi	\$	18,048
City of Philadelphia, Mississippi		9,167
Donations		544
United Way		380
		<u>28,139</u>
Total Receipts		<u>28,139</u>

DISBURSEMENTS

Exhibits Expense		17,554
Utilities		2,289
Insurance		2,133
Yard Maintenance		1,179
Security		483
Pest Control		299
Repair and Maintenance-Building		232
Supplies		212
Telephone		139
Advertising		97
Post Office Box-Rent		59
Accounting		25
		<u>24,701</u>
Total Disbursements		<u>24,701</u>

Excess of Receipts over Disbursements 3,438

CASH BASIS FUND BALANCE -

Beginning of year 55,197

CASH BASIS FUND BALANCE -

End of year \$ 58,635

See accountants' compilation report and accompanying note to financial statement.

**PHILADELPHIA-NESHOBA COUNTY MUSEUM COUNCIL
 STATEMENT OF CASH BASIS ASSETS AND FUND BALANCES AND CASH RECEIPTS,
 DISBURSEMENTS, AND CHANGES IN CASH BASIS FUND BALANCES - CONTINUED
 FOR THE YEAR ENDED SEPTEMBER 30, 2011**

CASH BASIS ASSETS - End of year	
Cash and cash equivalents - unrestricted	\$ 58,228
Restricted cash	<u>407</u>
Total cash basis assets	\$ <u><u>58,635</u></u>
 CASH BASIS FUND BALANCES -	
End of year	
Reserved	\$ 407
Unreserved	<u>58,228</u>
Total cash basis fund balances	\$ <u><u>58,635</u></u>

See accountants' compilation report and accompanying note to financial statement.

**PHILADELPHIA-NESHOPA COUNTY MUSEUM COUNCIL
NOTE TO FINANCIAL STATEMENT
SEPTEMBER 30, 2011**

NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Philadelphia-Neshoba County Museum Council was created in 2004 by the State of Mississippi under House Bill 1840, Laws of the State of Mississippi. This provided the composition and powers of the Council and authorized the governing authorities of the City of Philadelphia and Neshoba County, Mississippi to provide funds for the operation and maintenance of a museum in the City of Philadelphia and/or Neshoba County and for related purposes.

The Council is governed by a five member board of directors composed of two members appointed by the City of Philadelphia, two members appointed by Neshoba County, Mississippi and one member appointed by the Mississippi Band of Choctaw Indians.

Basis of Accounting

The financial statement is reported using the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Receipts are recorded when collected and expenditures are recorded when cash is spent.

When both restricted and unrestricted resources are available for use, it is the Council's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash Basis Assets

The Council's cash basis assets are divided into the following components: restricted cash assets, which are restricted by contributors, and unrestricted cash assets, which are all other assets reported.

Cash and Cash Equivalents

Cash consists of checking accounts in banks.

Income Taxes

The Philadelphia-Neshoba County Museum Council is a public entity that is exempt from income taxes under the Internal Revenue Code.