VAN ZANDT COUNTY APPRAISAL DISTRICT
COLLECTIONS FUND

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2021

CPAs & Advisors

Bob J. Arnold, CPA, PFS
Lanny G. Walker, CPA, PFS
Kris Arnold, CPA, PFS
Andrew Arnold, CPA
Melissa J. Godfrey, CPA

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Van Zandt County Appraisal District
Canton, Texas

We have audited the statement of assets and liabilities arising from cash transactions of the Van Zandt County Appraisal District's Collection Fund (a tax collections agency fund of Van Zandt County Appraisal District) as of and for the year ended June 30, 2021 and the related statement of receipts, disbursements and changes in cash for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting described in Note 1-C; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly the assets and liabilities arising from cash transactions of the Van Zandt County Appraisal District's Collection Fund at June 30, 2021, and its receipts and disbursements during the year then ended on the basis of accounting described in Note 1-C.

Basis of Accounting

We draw attention to Note 1-C of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Arnold, Walker, Arnold & Co., P.C.

Arnold, Walker, Arnold & Co., P.C.

October 29, 2021

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FINANCIAL STATEMENTS

Exhibit A

VAN ZANDT COUNTY APPRAISAL DISTRICT
AGENCY FUND
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2021

ASSETS	
Cash in bank:	
Collection clearing	847,562
VIT account	113,257
Mobile home escrow	18,271
Total Assets	979,090
LIABILITIES	
Due to Taxing Entities	825,044
Due to Others	135,775
Escrow	18,271
Total Liabilities	979,090

The accompanying financial notes are an integral part of these financial statements.

Exhibit B

VAN ZANDT COUNTY APPRAISAL DISTRICT
AGENCY FUND
STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABLITIES
FOR THE YEAR ENDED JUNE 30, 2021

	Balances July 1, 2020	Additions	Deductions	Balances June 30, 2021
ASSETS				
Cash in bank:				
Collection clearing	853,828	66,406,845	66,413,111	847,562
VIT account	91,795	268,847	247,385	113,257
Mobile home escrow	20,445	32,775	34,949	18,271
Total Assets	966,068	66,708,467	66,695,445	979,090
LIABILITIES				
Due to taxing entities	835,699	66,276,063	66,286,718	825,044
Due to others	109,924	273,236	247,385	135,775
Escrow	20,445	32,775	34,949	18,271
Total Liabilities	966,068	66,582,074	66,569,052	979,090

The accompanying notes are an integral part of these financial statements.

VAN ZANDT COUNTY APPRAISAL DISTRICT
AGENCY FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2021

NOTE 1--SUMMARY OF SIGNIFICANT ACCOUTNING PRINCIPLES

A. REPORTING ENTITIY

The Van Zandt County Appraisal District (the District) is a governmental unit under the applicable laws and regulations of the State of Texas. It is responsible for the appraising of property for ad valorem tax purposes for each taxing unit that imposes ad valorem taxes on property in Van Zandt County. The Van Zandt County Appraisal District Collection Fund (the Fund) originated in 1984 when the District began collecting taxes for the jurisdictions. During this fiscal period of year the Fund collected for approximately twenty entities within the county. The Fund is governed by a board of directors chosen by vote of the governing bodies of the taxing jurisdictions in the District. Board members serve two-year terms.

B. BASIS OF PRESENTATION -- FUND ACCOUNTING

Agency (Collection) Funds are custodial in nature (assets equal liabilities) and do not involve measurement of operations and provide the most appropriate mechanism for accounting for assets and liabilities. The District's Collection Fund is used to account for the collection of ad valorem taxes, penalty and interest, and attorney fees collected for each taxing jurisdiction that has contracted with the District for collection.

C. BASIS OF ACCOUNTING

The Fund is accounted for using the cash basis of accounting.

NOTE 2--LIABILITIES

Liabilities of the Fund are comprised of collections not yet remitted to the various entities or accounts. These include:

A. Due to taxing entities
B. Due to others- State Vehicle Inventory Tax (VIT) and other
C. Escrows

NOTE 3—SUBSQUENT EVENTS

Management has evaluated subsequent events through October 29, 2021. There were no subsequent events noted.