

**Jonesboro Airport Commission
Financial Statements
For the Eight Months Ended August 31, 2010 and 2009**

Orr, Lamb & Fegtly, PLC
PO Box 1796
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September 7, 2010

Jonesboro Airport Commission
Jonesboro, Arkansas

We have compiled the accompanying statement of assets, liabilities, and equity-modified cash basis of Jonesboro Airport Commission as of August 31, 2010, and the related statement of revenues and expenses-modified cash basis for the one month ended August 31, 2010 and 2009, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Commission's assets, liabilities, equity, revenue and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Orr, Lamb & Fegtly, PLC
Certified Public Accountants

**Jonesboro Airport Commission
Statement of Assets, Liabilities, and Equity
Modified Cash Basis
August 31, 2010**

ASSETS

CURRENT ASSETS

| | | |
|--------------------------------|------------------|----------------------|
| Cash - Liberty Bank | \$ 285,491.70 | |
| Cash-Liberty Bank-Project Acct | <u>45,245.62</u> | |
| Total Current Assets | | \$ 330,737.32 |

PROPERTY AND EQUIPMENT

| | | |
|-----------------------------------|------------------|---------------|
| Plant Investments | <u>\$ 374.10</u> | |
| Net Property and Equipment | | 374.10 |

OTHER ASSETS

| | | |
|---------------------------|------------------|----------------------|
| Rice Growers Stock | <u>\$ 928.25</u> | |
| Total Other Assets | | <u>928.25</u> |

| | | |
|---------------------|--|------------------------------------|
| TOTAL ASSETS | | <u><u>\$ 332,039.67</u></u> |
|---------------------|--|------------------------------------|

See accountants' compilation report.

Jonesboro Airport Commission
Statement of Assets, Liabilities, and Equity
Modified Cash Basis
August 31, 2010

LIABILITIES AND EQUITY

CURRENT LIABILITIES

| | | |
|----------------------------|----|--------------|
| Fica Taxes Payable | \$ | 981.16 |
| FWH Taxes Payable | | 983.85 |
| SWH Taxes Payable | | 220.27 |
| OCSE | | 443.08 |
| State Unemployment Payable | | <u>45.46</u> |

Total Current Liabilities \$ 2,673.82

EQUITY

| | | |
|-----------------------|----|------------------|
| Beg Retained Earnings | \$ | 269,875.49 |
| YTD Net Income(Loss) | | <u>59,490.36</u> |

Total Equity 329,365.85

TOTAL LIABILITIES & EQUITY \$ 332,039.67

See accountants' compilation report.

Jonesboro Airport Commission
Statement of Revenues & Expenses-Modified Cash Basis
For the 1 Month and 8 Months Ended August 31, 2010 and 2009

| | <u>1 Month Ended</u> <u>August 31, 2010</u> | | <u>1 Month Ended</u> <u>August 31, 2009</u> | | <u>8 Months Ended</u> <u>August 31, 2010</u> | | <u>8 Months Ended</u> <u>August 31, 2009</u> | |
|--|--|---------------|--|---------------|---|---------------|---|---------------|
| | | % | | % | | % | | % |
| Revenues | | | | | | | | |
| Grant Revenue-City of Jonesboro | \$ 0.00 | 0.00 | \$ 0.00 | 0.00 | \$ 70,002.00 | 9.97 | \$ 70,000.00 | 12.67 |
| Grant Revenue-Federal & State | 36,724.00 | 69.25 | 7,138.00 | 30.26 | 491,216.36 | 69.98 | 357,858.01 | 64.75 |
| T-Hanger Lease #2 | 1,200.00 | 2.26 | 0.00 | 0.00 | 2,051.10 | 0.29 | 0.00 | 0.00 |
| Hanger Revenue - FBO | 6,332.68 | 11.94 | 6,332.68 | 26.85 | 50,661.44 | 7.22 | 50,660.76 | 9.17 |
| Revenue-Sharp Aviation | 2,000.00 | 3.77 | 2,000.00 | 8.48 | 16,000.00 | 2.28 | 16,000.00 | 2.90 |
| Revenue-Gate Card Fees | 0.00 | 0.00 | 0.00 | 0.00 | 840.00 | 0.12 | 1,240.00 | 0.22 |
| Revenue-Picture Display Fees | 0.00 | 0.00 | 0.00 | 0.00 | 1,800.00 | 0.26 | 2,196.00 | 0.40 |
| T Hanger Leases | 2,000.00 | 3.77 | 2,000.00 | 8.48 | 16,000.00 | 2.28 | 16,000.00 | 2.90 |
| Fuel Flowage | 1,856.08 | 3.50 | 2,406.24 | 10.20 | 14,838.98 | 2.11 | 17,167.84 | 3.11 |
| Terminal Building Leases-TSA | 0.00 | 0.00 | 1,100.00 | 4.66 | 0.00 | 0.00 | 4,400.00 | 0.80 |
| Farm Rents | 1,600.00 | 3.02 | 0.00 | 0.00 | 11,200.00 | 1.60 | 0.00 | 0.00 |
| ASU Lease | 0.00 | 0.00 | 1,250.00 | 5.30 | 0.00 | 0.00 | 9,750.00 | 1.76 |
| Other Income | 1,314.78 | 2.48 | 1,358.78 | 5.76 | 27,346.24 | 3.90 | 7,368.90 | 1.33 |
| Total Revenues | <u>53,027.54</u> | <u>100.00</u> | <u>23,585.70</u> | <u>100.00</u> | <u>701,956.12</u> | <u>100.00</u> | <u>552,641.51</u> | <u>100.00</u> |
| Cost of Revenues | | | | | | | | |
| Grant Project Expenditures | 40,141.94 | 75.70 | 0.00 | 0.00 | 494,920.24 | 70.51 | 325,963.06 | 58.98 |
| Grounds | 2,767.09 | 5.22 | 3,114.24 | 13.20 | 23,342.06 | 3.33 | 21,700.84 | 3.93 |
| Hanger Expense-FBO | 2,588.47 | 4.88 | 350.00 | 1.48 | 5,842.80 | 0.83 | 6,573.72 | 1.19 |
| T-Hanger Expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,841.02 | 0.33 |
| Terminal Building Expense-Mesa/TSA | 530.28 | 1.00 | 280.80 | 1.19 | 8,896.95 | 1.27 | 3,830.03 | 0.69 |
| Terminal Building Expense-ASU | 0.00 | 0.00 | 0.00 | 0.00 | 683.74 | 0.10 | 344.74 | 0.06 |
| Fire Rescue Building Expense | 300.00 | 0.57 | 367.89 | 1.56 | 3,634.45 | 0.52 | 1,186.14 | 0.21 |
| Sharp Aviation Expense | 200.00 | 0.38 | 0.00 | 0.00 | 569.36 | 0.08 | 1,547.07 | 0.28 |
| Old Terminal Bldg - CAP | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 145.03 | 0.03 |
| Beacon & Field Lights | 70.20 | 0.13 | 82.31 | 0.35 | 6,939.51 | 0.99 | 305.42 | 0.06 |
| Total Cost of Revenues | <u>46,597.98</u> | <u>87.88</u> | <u>4,195.24</u> | <u>17.79</u> | <u>544,829.11</u> | <u>77.62</u> | <u>363,437.07</u> | <u>65.76</u> |
| Gross Profit | <u>6,429.56</u> | <u>12.12</u> | <u>19,390.46</u> | <u>82.21</u> | <u>157,127.01</u> | <u>22.38</u> | <u>189,204.44</u> | <u>34.24</u> |
| General & Administrative Exp. | | | | | | | | |
| Advertising | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 400.20 | 0.07 |
| Dues/Subscriptions | 0.00 | 0.00 | 0.00 | 0.00 | 55.00 | 0.01 | 125.00 | 0.02 |
| Insurance | 0.00 | 0.00 | 0.00 | 0.00 | 35,579.00 | 5.07 | 33,160.90 | 6.00 |
| Insurance - Medical | 424.58 | 0.80 | 445.61 | 1.89 | 4,245.04 | 0.60 | 3,564.88 | 0.65 |
| Office Expense | 0.00 | 0.00 | 0.00 | 0.00 | 580.52 | 0.08 | 1,279.11 | 0.23 |
| Outside Services | 75.00 | 0.14 | 0.00 | 0.00 | 725.00 | 0.10 | 352.78 | 0.06 |
| Payroll Taxes | 516.61 | 0.97 | 524.59 | 2.22 | 3,677.88 | 0.52 | 3,691.36 | 0.67 |
| Postage | 88.00 | 0.17 | 88.00 | 0.37 | 256.65 | 0.04 | 217.80 | 0.04 |
| Repairs/Maintenance | 0.00 | 0.00 | 0.00 | 0.00 | 52.37 | 0.01 | 339.64 | 0.06 |
| Salaries - Philip Steed | 4,024.75 | 7.59 | 3,691.42 | 15.65 | 32,198.00 | 4.59 | 29,531.36 | 5.34 |
| Salaries - Other | 2,602.25 | 4.91 | 3,132.00 | 13.28 | 13,977.88 | 1.99 | 17,169.25 | 3.11 |
| Salaries-Fireman | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 169.00 | 0.03 |
| Supplies | 0.00 | 0.00 | 0.00 | 0.00 | 647.81 | 0.09 | 0.00 | 0.00 |
| Telephone | 343.68 | 0.65 | 342.17 | 1.45 | 2,862.23 | 0.41 | 2,873.18 | 0.52 |
| Meetings/Travel | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 282.59 | 0.05 |
| Meals/Entertainment | 0.00 | 0.00 | 119.88 | 0.51 | 397.07 | 0.06 | 119.88 | 0.02 |
| Utilities | 139.86 | 0.26 | 135.45 | 0.57 | 699.31 | 0.10 | 1,081.36 | 0.20 |
| Misc Expense | 0.00 | 0.00 | 0.00 | 0.00 | 64.80 | 0.01 | 0.00 | 0.00 |

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Jonesboro Airport Commission
Statement of Revenues & Expenses-Modified Cash Basis
For the 1 Month and 8 Months Ended August 31, 2010 and 2009

| | <u>1 Month Ended</u> <u>August 31, 2010</u> | <u>%</u> | <u>1 Month Ended</u> <u>August 31, 2009</u> | <u>%</u> | <u>8 Months Ended</u> <u>August 31, 2010</u> | <u>%</u> | <u>8 Months Ended</u> <u>August 31, 2009</u> | <u>%</u> |
|-----------------------------------|--|----------------------|--|---------------------|---|--------------------|---|---------------------|
| Legal & Accounting | 400.00 | 0.75 | 525.00 | 2.23 | 4,448.00 | 0.63 | 4,710.00 | 0.85 |
| Total G & A Expenses | <u>8,614.73</u> | <u>16.25</u> | <u>9,004.12</u> | <u>38.18</u> | <u>100,466.56</u> | <u>14.31</u> | <u>99,068.29</u> | <u>17.93</u> |
| Revenues from Operations | <u>(2,185.17)</u> | <u>(4.12)</u> | <u>10,386.34</u> | <u>44.04</u> | <u>56,660.45</u> | <u>8.07</u> | <u>90,136.15</u> | <u>16.31</u> |
| Other Revenue (Expenses) | | | | | | | | |
| Interest Income | 383.37 | 0.72 | 421.42 | 1.79 | 2,829.91 | 0.40 | 3,065.36 | 0.55 |
| Total Other Revenue (Exp.) | <u>383.37</u> | <u>0.72</u> | <u>421.42</u> | <u>1.79</u> | <u>2,829.91</u> | <u>0.40</u> | <u>3,065.36</u> | <u>0.55</u> |
| Net Earnings | <u><u>\$ (1,801.80)</u></u> | <u><u>(3.40)</u></u> | <u><u>\$ 10,807.76</u></u> | <u><u>45.82</u></u> | <u><u>\$ 59,490.36</u></u> | <u><u>8.47</u></u> | <u><u>\$ 93,201.51</u></u> | <u><u>16.86</u></u> |

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