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**JUDICIAL EXPENSE FUND FOR THE SEVENTH
JUDICIAL DISTRICT COURT
Vidalia, Louisiana**

**General Purpose Financial Statements
And Auditor's Report**

December 31, 1985

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the auditor, or reviewed, orally and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8-19-86

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Certified Public Accountant

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RECEIVED
JULY 11 1996
STATE OF LOUISIANA
COMPTROLLER GENERAL

Honorable Leo Beecher, Judge
Honorable Kathy Johnson, Judge
Seventh Judicial District Expense Fund
Vidalia, Louisiana

I have audited the financial statements of the Judicial Expense Fund for the seventh Judicial District as of December 31, 1995 and for the year then ended, and have issued my reports dated May 21, 1996. As a part of my examination, I made a study and evaluation of the District's system of internal accounting control to the extent I considered necessary to evaluate the system as required by generally accepted auditing standards. Under these standards, the purposes of such evaluation are to establish a basis for reliance on the system of internal accounting control in determining the nature, timing, and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements and to assist the auditor in planning and performing his examination of the financial statements. My study was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

The management of the Judicial Expense Fund is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of my evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Honorable Leo Beehive, Judge
Honorable Kathy Johnson, Judge
Seventh Judicial District Expense Fund

My study and evaluation made for the limited purposes described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, I do not express an opinion on the system of internal accounting control of the Judicial Expense Fund taken in as a whole. However, my study and evaluation disclosed no condition that I believed to be a material weakness.

My comments on specific financial and accounting matters and recommendations developed during my examination which do not represent material weaknesses, are detailed below.

1. During the review of the budget for 1986 versus actual revenues and expenditures, it was noted that actual revenues were 6% less than the budget amount and actual expenditures were 36% less than the budget. The budget needs to be reviewed at least semi-annually to see if amendments need to be made.

This report is intended for the use of the Judicial Expense Fund management and others within the organization.

I thank all the personnel at the Judges' Office for their cooperation during my examination.

John Eric Anderson

Ferriday, Louisiana
May 21, 1986

JUDICIAL EXPENSE FUND FOR THE SEVENTH
JUDICIAL DISTRICT COURT
Vidalia, Louisiana

General Purpose Financial Statements
and Auditor's Report

December 31, 1995

JUDICIAL EXPENSE FUND FOR THE SEVENTH
JUDICIAL DISTRICT COURT

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SECTION 2

GENERAL PURPOSE FINANCIAL STATEMENTS

REPORT ON GENERAL PURPOSE FINANCIAL STATEMENTS

JERI SUE TOSSPON

Certified Public Accountant

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Honorable Leo Boothe, Judge
Honorable Kirby Johnson, Judge
Judicial Expense Fund for the Seventh
Judicial District Court
Widala, Louisiana

I have audited the accompanying financial statements of the Judicial Expense Fund for the Seventh Judicial District Court, as of December 31, 1995, and for the year then ended. These financial statements are the responsibility of the Judicial Expense Fund's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Judicial Expense Fund, as of December 31, 1995, and the results of its operations and the cash flows for the year then ended in conformity with generally accepted accounting principles.

My audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The financial information listed as supplemental information in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the Judicial Expense Fund. Such information has been subjected to the auditing procedures applied in the audit of the component unit financial statements' and, in my opinion, is fairly presented in all material respects in relation to the component unit financial statements taken as a whole.

Terrebonne, Louisiana
May 21, 1996



**JUDICIAL EXPENSE FUND FOR THE SEVENTH
 JUDICIAL DISTRICT COURT
 BALANCE SHEET
 (ALL FUND TYPES AND ACCOUNT GROUPS)
 DECEMBER 31, 1995**

	Governmental Fund <u>General Fund</u>	Account Group- General Fixed <u>Assets</u>	Total (Memorandum Only)
ASSETS			
Cash and cash equivalents (Note 3)	\$29,563		\$29,563
Receivables (Note 4)	3,865		3,865
Equipment (Note 5)		<u>\$ 2,267</u>	<u>2,267</u>
Total Assets	<u>\$42,432</u>	<u>\$ 2,267</u>	<u>\$44,699</u>
LIABILITIES, FUND EQUITY AND OTHER CREDITS			
Liabilities - accounts payable	<u>\$ 2,051</u>		<u>\$ 2,051</u>
Fund Equity and other credits -			
Investment in general fixed assets		\$ 2,267	\$ 2,267
Fund balances, unreserved and undesignated	<u>\$40,379</u>		<u>40,379</u>
Total Fund Equity & other credits	<u>\$42,432</u>	<u>\$ 2,267</u>	<u>\$44,699</u>
Total Liabilities, Fund Equity and Other Credits Equity	<u>\$42,432</u>	<u>\$ 2,267</u>	<u>\$44,699</u>

See the accompanying notes to the financial statements.

JUDICIAL EXPENSE FUND FOR THE SEVENTH
 JUDICIAL DISTRICT COURT
 STATEMENT OF REVENUE, EXPENDITURES AND
 CHANGES IN FUND BALANCE
 (GOVERNMENTAL FUND - GENERAL FUND)
 YEAR ENDED DECEMBER 31, 1995

REVENUES

Criminal and civil fees:	
Cococordia Parish:	
Sheriff	\$ 8,548
Clerk of Court	2,028
Catahoula Parish:	
Sheriff	7,842
Clerk of Court	2,582
Other	508
Fee of money and property - Interest earnings	1,091
Road fees	1,928
Total Revenues	<u>\$28,518</u>

EXPENDITURES

General governmental - judicial:	
Office supplies and expense	\$ 1,368
Travel	521
Insurance	1,608
Audit and accounting	858
Library and subscriptions	1,127
Payroll and taxes	8,721
Contractual services:	
Mobile telephone	1,394
Typing and other services	1,903
Capital outlay - equipment:	362
Total expenditures	<u>\$18,852</u>

EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	\$ 9,666
FUND BALANCE, JANUARY 1	<u>22,726</u>
FUND BALANCE, DECEMBER 31	<u>\$32,392</u>

See the accompanying notes to the financial statements.

JUDICIAL EXPENSE FUND FOR THE SEVENTH
 JUDICIAL DISTRICT COURT
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 (GOVERNMENT FUND - GENERAL FUND)
 BUDGET (CASH BASIS) AND ACTUAL
 YEAR ENDED DECEMBER 31, 1995

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
REVENUES			
Criminal and civil fees	\$21,100	\$21,630	(\$ 530)
Interest	800	1,093	293
Other	5,280	3,928	(1,352)
Total revenues	<u>\$27,180</u>	<u>\$26,651</u>	(\$ 529)
DISBURSEMENTS			
General governmental - judicial			
Office supplies and expense	\$ 4,150	\$ 3,299	\$ 851
Travel	6,800	3,000	3,800
Insurance	2,400	1,000	1,400
Audit and accounting		850	(850)
Library and subscriptions	4,100	527	3,573
Payroll and taxes	7,600	5,722	1,878
Contractual Services:			
Mobile telephone	2,500	3,488	(988)
Typing and other services	2,100	983	1,117
Capital outlay		182	(182)
Total expenditures	<u>\$28,950</u>	<u>\$28,382</u>	\$ 568
EXCESS (DEFICIT) OF REVENUES OVER DISBURSEMENTS	(\$ 50)	\$ 7,269	\$ 8,022
CASH BALANCE, JANUARY 1	<u>22,725</u>	<u>31,393</u>	8,668
CASH BALANCE, DECEMBER 31	<u>\$22,025</u>	<u>\$38,662</u>	\$16,637

See the accompanying notes to the financial statements.

JUDICIAL EXPENSE FUND FOR THE SEVENTH
JUDICIAL DISTRICT COURT
NOTES TO FINANCIAL STATEMENTS

As of December 31, 1995 and for the Year Then Ended

NOTE 1 - INTRODUCTION

The Judicial Expense Fund for the Seventh Judicial District Court was established by Louisiana Revised Statute 13:996.51 for the purpose of administering the district court or the office of the individual judges of the court. Operations of the Judicial Expense Fund for the Seventh Judicial District Court are funded by court costs on criminal charges and costs on civil suits that are not exempted from court costs. As provided by LSA-R.S. 13:811.7, the Seventh Judicial District Court encompasses the parishes of Catahoula and Concordia. The Seventh Judicial District Court is domiciled in Vidalia, Louisiana, and is subject to the general administrative rules and regulations of the Louisiana Supreme Court.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation - The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. Financial Reporting Entity - GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. For financial reporting purposes, in conformance with GASB Statement No. 14, the District includes all funds, account groups, et cetera, that are within the oversight responsibility of the district judges as independently elected officials. As independently elected officials, the district judges are solely responsible for the operations of the district court, which include the hiring and retention of employees, authority over budgeting, responsibility for deficits, and the receipt and disbursement of funds. Other than certain operating expenditures of the District that are paid by the State of Louisiana and the parish police jury as required by Louisiana law, the District is financially independent. Accordingly, the District is a separate governmental reporting entity.

certain units of local government over which the District exercises no oversight responsibility, such as the parish police jury, parish school board, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the District.

C. Fund Accounting - The District uses a fund and an account group to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The General Fund of the District is classified as a governmental fund. The General Fund is the principal fund for the district and accounts for its financial operations. Civil fees on court costs collected by the clerks of court and the sheriffs of Catahoula and Concordia Parishes are accounted for in this fund. General operating expenditures are paid from this fund.

D. Basis of Accounting - The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The General Fund is accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The operating statement of the General Fund presents increases and decreases in net current assets. The modified accrual basis of accounting is used by the General Fund. The General Fund uses the following practices in recording revenues and expenditures:

Revenues

Court Fees (criminal and civil) are recorded when earned and available.

Interest income on time deposits is recorded when the deposits have matured and the interest is available.

All other revenues are recognized when received.

Expenditures - Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

E. Encumbrances - Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed in the District's accounting system.

F. Cash and Cash Equivalents - Cash includes amounts in demand deposits accounts and cash equivalents include amounts in time deposits. Time deposits are stated at cost. Under state law, the District may deposit funds in demand deposits, interest bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

G. Fixed Assets - Fixed assets are recorded as expenditures at the time purchased or constructed and the related assets are capitalized (reported) in the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

H. Compensated Absences/Pensions - The Catahoula and Concordia Parish Police Juries pay salaries and employer contributions for the employees of the District. Therefore, the District has no reportable compensated absences or pension costs.

I. Total Column on Balance Sheet - The total column on the Balance Sheet is captioned Memorandum only to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

NOTE 3 - CASH AND CASH EQUIVALENTS

at December 31, 1995, the District has cash and cash equivalents (book balances) totaling \$19,365, as follows:

Demand Deposits	\$29,571
Time deposits	14,194
Total	<u>\$43,765</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

The market value of the pledged securities plus the Federal Deposit Insurance must at all times equal the amount on deposit with the fiscal agent. At December 31, 1995, the District has \$49,462 in Deposits (collected Bank Balances). These deposits are secured from risk by Federal deposit insurance.

NOTE 4 - RECEIVABLES

The following is a summary of receivables at December 31, 1995:

Class of Receivable

Criminal and civil fees	\$1,386
Expenses reimbursements	1,467
	<u>\$2,853</u>

NOTE 5 - CHANGES IN GENERAL FIXED ASSETS

Additions to the general fixed assets are as follows:

Balance, January 1, 1995	\$9,000
Additions: office furniture & equipment at historical cost	362
Balance, December 31, 1995	<u>\$9,362</u>

NOTE 6 - RECONCILIATION OF REVENUES AND EXPENDITURES WITH RECEIPTS AND DISBURSEMENTS

Budget comparison statements included in the accompanying financial statements include the original adopted budgets and all subsequent amendments. The following reconciles the excess (deficiency) of revenues and other sources over expenditures and other uses for the General Fund:

	For the Year Ended December 31, 1995
Excess (deficit) of revenues over expenditures (Page 3)	\$ 7,650
Adjustments for:	
current year accruals (net)	1,810
prior year accruals	<u>1,133</u>
Excess (deficit) of receipts over disbursements (Page 4)	<u>\$ 7,373</u>

NOTE 1 - EXPENDITURES OF THE DISTRICT NOT SHOWN IN THE
ACCOMPANYING FINANCIAL STATEMENTS

The accompanying financial statements do not include certain expenditures of the District paid by the Catechists and Concordia Parish Police Juries or directly by the state. The Catechists and Concordia Parish Police Juries pay certain salaries and employer contributions of secretarial personnel.

NOTE 2 - LITIGATION

The District is not involved in any litigation at December 31, 1995.

SECTION II
REPORT ON INTERNAL CONTROL

JERI SUE TOSSPON

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Metairie, Louisiana 70002

225 737-6000

Honorable Leo Boothé, Judge
Honorable Kathy Johnson, Judge
Judicial Expense Fund for the Seventh
Judicial District Court

I have audited the financial statements of the Judicial Expense Fund for the Seventh Judicial District Court, as of December 31, 1996, and for the year then ended, and have issued my report thereon dated May 21, 1998.

I conducted my audit in accordance with generally accepted auditing standards, Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit of the financial statements of the Judicial Expense Fund, I considered the internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

The management of the Judicial Expense Fund, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

Honorable Leo Booth, Judge
Honorable Edith Johnson, Judge
Judicial Expense Fund for the Seventh
Judicial District Court
Page Two

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

Cash Receipts and Reversals
Cash Disbursements and Expenditures
Books and Records

For all of the control categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of management and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

John Eric Anderson

Ferriday, Louisiana
May 11, 1986

SECTION III

REPORT ON COMPLIANCE WITH LAWS AND REGULATIONS

JERI SUE TOSSPON

Certified Public Accountant

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Metairie, Louisiana 70002

048 2876888

Honorable Leo Booth, Judge
Honorable Kathy Johnson, Judge
Judicial Expense Fund for the Seventh
Judicial District Court

I have audited the accompanying financial statements of the Judicial Expense Fund for the seventh Judicial District Court, as of December 31, 1995, and for the year then ended, and issued my report thereon dated May 21, 1996.

I conducted my audit in accordance with generally accepted auditing standards, ~~Government Auditing Standards~~, issued by the Comptroller General of the United States. These standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Judicial Expense Fund, is the responsibility of the Judicial Expense Fund's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Judicial Expense Fund's compliance with certain provisions of laws, regulations, contracts, and grants. However, my objective was not to provide an opinion on overall compliance with such provisions.

The results of my tests indicate that, with respect to the items tested, the Judicial Expense Fund, complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that the Judicial Expense Fund had not complied, in all material respects, with those provisions.

I noted certain immaterial instances of noncompliance that I have reported to the Judges of the Seventh Judicial District in a separate letter dated May 21, 1996.

This report is intended for the information of management and the Legislative Auditor of the State of Louisiana. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Jeri Sue Tosspon

Metairie, Louisiana
May 21, 1996