

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

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**Independent Auditor's Report on Internal Control Structure
Based Solely on an Audit of the Financial Statements**

HONORABLE DONALD M. PERKINS
VERNON PARISH CLERK OF COURT
Leesville, Louisiana

I have audited the financial statements of the Vernon Parish Clerk of Court as of June 30, 1996, and for the year then ended, and have issued my report thereon dated October 11, 1996. I conducted my audit in accordance with generally accepted auditing standards and *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 misstatements.

Management of the Vernon Parish Clerk 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 preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors and 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 or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing my audit of the financial statements, I obtained an understanding of the internal control structure. With respect to the internal control structure, I obtained an understanding of the design of the relevant policies and procedures and whether they have been placed in operation, and I assessed control risk in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide an opinion on the internal control structure. Accordingly, I do not express such an opinion.

VERNON PARISH CLERK OF COURT
 Leesville, Louisiana
 Notes to the Financial Statements (Continued)

H. VACATION AND SICK LEAVE

Employees earn from 5 to 25 days of vacation leave each year, depending on length of service. Vacation leave can only be accumulated with specific approval by the clerk of court. Employees earn one day of sick leave each month and may accumulate a maximum of 45 days. Employees, with proper notice given concerning retirement or resignation, are paid up to 45 days of accumulated sick leave at their current rate of pay.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current-year expenditure in the General Fund when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term debt account group.

At June 30, 1996, employees of the clerk have accumulated and vested \$32,231 in employee leave benefits, computed in accordance with GASB Codification Section C60. This amount is recorded in the general long-term debt account group.

I. TOTAL COLUMNS ON FINANCIAL STATEMENTS

The total columns on the financial statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis (overview). Data in these columns do not present financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

2. CHANGES IN GENERAL FIXED ASSETS

A summary of changes in office furnishings and equipment follows:

Balance at June 30, 1995	\$263,875
Additions	21,877
Deletions	<u>NONE</u>
Balance at June 30, 1996	<u><u>\$285,752</u></u>

3. PENSION PLAN

Substantially all employees of the Vernon Parish clerk of court are members of the Louisiana Clerks of Court Retirement and Relief Fund ("System"), a multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees.

All regular employees who are under the age of 60 at the time of original employment are required to participate in the system. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of

VERNON PARISH CLERK OF COURT
 Leesville, Louisiana
 Notes to the Financial Statements (Continued)

6. CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to others follows:

	Advance Deposit Fund	Registry of Court Fund	Total
Balance, July 1, 1995	\$250,783	\$213,634	\$464,417
Additions	500,799	80,800	581,599
Reductions	<u>(467,725)</u>	<u>(97,255)</u>	<u>(564,980)</u>
Balance, June 30, 1996	<u>\$283,857</u>	<u>\$197,179</u>	<u>\$481,036</u>

7. INTERGOVERNMENTAL PAYABLE

Louisiana Revised Statute 13:785 requires that, at the expiration of the term of office, the clerk of court shall remit to the parish treasury (police jury's General Fund) any balance in the clerk's salary (General) fund which exceeds one-half of the revenues in the last year in the term of office. The amount retained in the clerk's salary (General) fund shall be retained by the incoming clerk as a revolving fund to assist in financing the operation of the clerk's office.

In compliance with the aforementioned statute, the clerk of court has established an intergovernmental payable to the police jury in the amount of \$12,919, as reflected on Statement A.

8. RISK MANAGEMENT

The clerk's office is exposed to various risks related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The clerk has obtained commercial insurance for all the aforementioned risks and settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**9 EXPENDITURES OF THE CLERK OF COURT
 PAID BY THE PARISH POLICE JURY**

The Vernon Parish Clerk of Court's office is located in the parish courthouse. The cost of maintaining and operating the courthouse, as required by Louisiana Revised Statute 33:4715, is paid by the Vernon Parish Police Jury.

VERNON PARISH CLERK OF COURT
Leesville, Louisiana
SUPPLEMENTAL INFORMATION SCHEDULES
As of and for the Year Ended June 30, 1996

FIDUCIARY FUND TYPE - AGENCY FUNDS

ADVANCE DEPOSIT FUND -- as provided by Louisiana Revised Statute 13:842, accounts for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

REGISTRY OF COURT FUND -- as provided by Louisiana Revised Statute 13:475, accounts for funds which have been ordered by the court to be held until judgement has been rendered in court litigation. Withdrawals of the funds can be made only upon order of the court.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

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**Independent Auditor's Report on Compliance With Laws and Regulations
Based on an Audit of the Financial Statements**

HONORABLE DONALD M. PERKINS
VERNON PARISH CLERK OF COURT
Leesville, Louisiana

I have audited the financial statements of the Vernon Parish Clerk of Court as of and for year ended June 30, 1996, and have issued my report thereon dated October 11, 1996.

My audit was made in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and Louisiana Legislative Auditor. Those 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 and regulations applicable to the Vernon Parish Clerk of Court is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of the Vernon Parish Clerk of Court's compliance with certain provisions of laws and regulations. However, my objective was not to provide an opinion on overall compliance with such provisions.

The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

This report is intended for the use of management of the Vernon Parish Clerk of Court. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
October 11, 1996

VERNON PARISH CLERK OF COURT
 Leesville, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Balance Sheet, June 30, 1996

	<u>ADVANCE DEPOSIT FUND</u>	<u>REGISTRY OF COURT FUND</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$283,857	\$197,167	\$481,024
Interfund receivables		12	12
	<u>\$283,857</u>	<u>\$197,179</u>	<u>\$481,036</u>
TOTAL ASSETS			
<u>LIABILITIES</u>			
Unsettled deposits due to others	<u>\$283,857</u>	<u>\$197,179</u>	<u>\$481,036</u>

VERNON PARISH CLERK OF COURT
 Leesville, Louisiana
 Notes to the Financial Statements (Continued)

credited service, not to exceed 100 per cent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service, and who do not withdraw their employee contributions, may retire at or after age 55 and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

Plan members are required by state statute to contribute 8.25 percent of their annual covered salary and the Vernon Parish Clerk of Court is required to contribute at an actuarially determined rate. The current rate is 11.50 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (one-half of one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Vernon Parish Clerk of Court are established by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The employer contributions to the System for the years ending June 30, 1996, 1995, and 1994, were \$40,886, \$34,776, and \$27,897, respectively, equal to the required employer's contributions for each year.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 11745 Bricksome Avenue, Suite B1, Baton Rouge, Louisiana 70816, or by calling (504) 293-1162.

4. CAPITAL LEASE

The clerk has entered into a 60-month lease for the acquisition of telephone equipment. The lease provides for a monthly payment of \$93. The lease was paid out during the year ended June 30, 1996.

5. CHANGES IN GENERAL LONG-TERM DEBT

The following is a summary of the long-term debt transactions during the year:

	Capital Leases	Compensated Absences	Total
Balance, July 1, 1995	\$181	\$40,663	\$40,844
Additions		24,911	24,911
Deductions	(181)	(33,343)	(33,524)
Balance, June 30, 1996	NONE	\$32,231	\$32,231

VERNON PARISH CLERK OF COURT
 Leesville, Louisiana
 FIDUCIARY FUND TYPE - AGENCY FUNDS

Combining Schedule of Changes In Unsettled Deposits
 For the Year Ended June 30, 1996

	ADVANCE DEPOSIT FUND	REGISTRY OF COURT FUND	TOTAL
<u>UNSETTLED DEPOSITS AT BEGINNING OF YEAR</u>	<u>\$250,783</u>	<u>\$213,634</u>	<u>\$464,417</u>
<u>ADDITIONS</u>			
Deposits - suits and successions	500,799	76,595	577,394
Interest earned on investments		4,205	4,205
Total additions	<u>500,799</u>	<u>80,800</u>	<u>581,599</u>
Total	751,582	294,434	1,046,016
<u>REDUCTIONS</u>			
Clerk's costs (transferred to General Fund)	215,687		215,687
Settlements to litigants	127,655	97,255	224,910
Local sheriff's costs	44,585		44,585
Other sheriff's and clerk's costs	12,724		12,724
Other	67,074		67,074
Total reductions	<u>467,725</u>	<u>97,255</u>	<u>564,980</u>
<u>UNSETTLED DEPOSITS AT END OF YEAR</u>	<u>\$283,857</u>	<u>\$197,179</u>	<u>\$481,036</u>

VERNON PARISH CLERK OF COURT
Leesville, Louisiana
INTERNAL CONTROL REPORT
(CONTINUED)

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 one or more 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 use of management of the Vernon Parish Clerk of Court. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Herbie W. Way

Herbie W. Way
Alexandria, Louisiana
October 11, 1996

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VERNON PARISH CLERK OF COURT
Leesville, Louisiana

Financial Statements
With Independent Auditor's Reports
As of and for the Year Ended June 30, 1996
With Supplemental Information Schedules

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity 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 JAN 22 1997

Herbie W. Way
Certified Public Accountant

VERNON PARISH CLERK OF COURT
Leesville, Louisiana

Notes to the Financial Statements
As of and For the Year Ended June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 28 of the Louisiana Constitution of 1974, the clerk of court serves as the ex-officio notary public, the recorder of conveyances, mortgages and other acts, and shall have other duties and powers provided by law. The clerk of court is elected for a term of four years.

A. REPORTING ENTITY

As the governing authority of the parish, for reporting purposes, the Vernon Parish Police Jury is the financial reporting entity for Vernon Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Vernon Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the Vernon Parish Clerk of Court is fiscally dependent on the police jury and the police jury's reporting entity financial statements would be misleading if the financial data of the Vernon Parish Clerk of Court were not included, the Vernon Parish Clerk of Court was determined to be a component unit of the Vernon Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Vernon Parish Clerk of Court and do not present information on the police jury, the general government service provided by that governmental unit, or other governmental units that comprise the financial reporting entity.

VERNON PARISH CLERK OF COURT
Leesville, Louisiana
Notes to the Financial Statements (Continued)

F. BUDGET PRACTICES

A proposed budget is published in the official journal at least ten days prior to a public hearing. The public hearing is held at the clerk's office during the month of June for comments from taxpayers. The proposed budget is then legally adopted by the clerk and amended during the year, as necessary. Budgets are established and controlled by the clerk at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. Although formal budgetary integration is not employed as a management control device, the bookkeeper provides the clerk of court with monthly comparisons as a means of controlling expenditures. Budgeted amounts included in the accompanying financial statements include the original adopted budget amounts and all subsequent amendments.

G. CASH AND CASH EQUIVALENTS

Under state law, the clerk may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The clerk may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

At June 30, 1996, the clerk has cash and cash equivalents as follows:

Petty cash	\$250
Demand deposits	84,185
Time and certificates of deposit	<u>801,037</u>
Total	<u><u>\$885,472</u></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 bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1996, the clerk had cash and cash equivalents (collected bank balances) of \$943,095. These deposits are secured from risk by approximately \$425,000 of federal deposit insurance (GASB Category 1) and \$518,095 of the pledge of bank-owned securities held in the name of the pledging fiscal agent bank in a holding or custodial bank that mutually acceptable to both parties (GASB Category 3).

Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the clerk that the fiscal agent bank has failed to pay deposited funds upon demand.

VERNON PARISH CLERK OF COURT
Leesville, Louisiana
Notes to the Financial Statements (Continued)

D. LONG-TERM DEBT

Long-term debt expected to be financed from governmental funds is reported in the general long-term debt account group. Expenditures for principal and interest payments for long-term debt are recognized in the governmental funds when due.

E. BASIS OF ACCOUNTING

The financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for reporting all governmental and fiduciary fund types. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). *Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.* The clerk of court uses the following practices in recognizing and reporting revenues and expenditures:

Revenues

Recordings, cancellations, court attendance, criminal costs, et cetera, are recorded in the year in which they are earned.

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

Substantially all other revenues are recognized when received by the clerk of court.

Based on the above, recordings, court attendance, criminal costs, et cetera are subject to accrual.

Expenditures

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

VERNON PARISH CLERK OF COURT
Leesville, Louisiana
Notes to the Financial Statements (Continued)

B. FUND ACCOUNTING

The clerk of court uses funds and account groups 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 related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities (general fixed assets and general long-term debt) that are not recorded in the "funds" because they do not directly affect net expendable available financial resources. They are concerned only with the measurement of financial position, not with the measurement of results of operations.

Funds are classified into three categories; governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate fund types. Governmental funds are used to account for a government's general activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public or other agencies through service charges or user fees. Fiduciary funds are used to account for assets held for others. The clerk of court's current operations require the use of only governmental and fiduciary funds. The governmental and fiduciary fund types used by the clerk are described as follows:

General Fund -- as provided by Louisiana Revised Statute 13:781, is the principal fund of the clerk of court and is used to account for the operations of the clerk's office. The various fees and charges due to the clerk's office are accounted for in this fund. General operating expenditures are paid from this fund.

Agency Funds -- the Advance Deposit and Registry of Court agency funds are used to account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. FIXED ASSETS

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in the General Fund. General fixed assets provided by the parish police jury are recorded in the general fixed assets account group. Approximately 7.13 percent of fixed assets are valued at estimated historical costs based on the actual costs of like items while the remaining 92.87 percent are based on actual historical costs. No depreciation has been provided on general fixed assets.

VERNON PARISH CLERK OF COURT
Leesville, Louisiana

Financial Statements
With Independent Auditor's Reports
As of and For the Year Ended June 30, 1996
With Supplemental Information Schedules

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VERNON PARISH CLERK OF COURT
Leesville, Louisiana
GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended June 30, 1996

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES</u>			
Civil suits and successions	\$214,241	\$215,747	\$1,506
Criminal suits	87,311	90,518	3,207
Filing and recording	437,197	444,193	6,996
General revenue	72,698	72,173	(525)
Total revenues	<u>811,446</u>	<u>822,631</u>	<u>11,185</u>
<u>EXPENDITURES</u>			
Current:			
General government - Judicial:			
Personal service and related benefits	481,699	467,600	14,099
Operating services	48,627	52,812	(4,185)
Materials and supplies	21,304	19,639	1,665
Travel and other charges	29,962	35,573	(5,611)
Intergovernmental	20,362	47,756	(27,394)
Debt service		185	(185)
Capital outlay	17,500	21,877	(4,377)
Total expenditures	<u>619,454</u>	<u>645,442</u>	<u>(25,988)</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	191,992	177,189	(14,803)
<u>FUND BALANCE AT BEGINNING OF YEAR</u>	<u>213,634</u>	<u>223,564</u>	<u>9,930</u>
<u>FUND BALANCE AT END OF YEAR</u>	<u>\$405,626</u>	<u>\$400,753</u>	<u>(\$4,873)</u>

The accompanying notes are an integral part of this statement.

VERNON PARISH CLERK OF COURT
 Leesville, Louisiana
 GOVERNMENTAL FUND TYPE - GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Year Ended June 30, 1996

REVENUES

Licenses and permits - marriage	\$8,861
Fees, charges, and commissions for services	
Court costs, fees, and charges	322,672
Fees for recording legal documents	342,885
Fees for certified copies of documents	86,167
Use of money and property - interest earnings	15,045
Miscellaneous	47,001
Total revenues	<u>822,631</u>

EXPENDITURES

Current:	
General government - Judicial:	
Personal services and related benefits	467,600
Operating services	52,812
Materials and supplies	19,639
Travel and other charges	35,573
Intergovernmental	47,756
Debt service	185
Capital outlay	21,877
Total expenditures	<u>645,442</u>

EXCESS OF REVENUES OVER EXPENDITURES 177,189

FUND BALANCE AT BEGINNING OF YEAR 223,564

FUND BALANCE AT END OF YEAR \$400,753

The accompanying notes are an integral part of this statement.

VERNON PARISH CLERK OF COURT
Leesville, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 1996

	GOVERNMENTAL FUND TYPE - GENERAL FUND	FIDUCIARY FUND TYPE - AGENCY FUNDSACCOUNT GENERAL FIXED ASSETS	GROUPS..... GENERAL LONG-TERM DEBT	TOTAL (MEMORANDUM ONLY)
<u>ASSETS AND OTHER DEBITS</u>					
Cash and cash equivalents	\$404,448	\$481,024			\$885,472
Receivables	16,113				16,113
Interfund receivables		12			12
Office furnishings and equipment			\$285,752		285,752
Amount to be provided for retirement of general long-term debt				\$32,231	32,231
	<u>\$420,561</u>	<u>\$481,036</u>	<u>\$285,752</u>	<u>\$32,231</u>	<u>\$1,219,580</u>
<u>LIABILITIES, FUND EQUITY AND OTHER CREDITS</u>					
Liabilities:					
Accounts, salaries, and withholdings payable	\$6,877				\$6,877
Interfund payables	12				12
Intergovernmental payables	12,919				12,919
Unsettled deposits		\$481,036			481,036
Compensated absences payable				\$32,231	32,231
Total Liabilities	<u>19,808</u>	<u>481,036</u>	<u>NONE</u>	<u>32,231</u>	<u>533,075</u>
Fund Equity:					
Investment in general fixed assets			\$285,752		285,752
Fund balance - unreserved - undesignated	400,753				400,753
Total Fund Equity	<u>400,753</u>	<u>NONE</u>	<u>285,752</u>	<u>NONE</u>	<u>686,505</u>
	<u>\$420,561</u>	<u>\$481,036</u>	<u>\$285,752</u>	<u>\$32,231</u>	<u>\$1,219,580</u>
TOTAL LIABILITIES, EQUITY AND OTHER CREDITS					

The accompanying notes are an integral part of this statement.

HERBIE W. WAY
CERTIFIED PUBLIC ACCOUNTANT

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Independent Auditor's Report

HONORABLE DONALD M. PERKINS
VERNON PARISH CLERK OF COURT
Leesville, Louisiana

I have audited the financial statements of the Vernon Parish Clerk of Court as of June 30, 1996, and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Vernon Parish Clerk of Court'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 and *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. 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 above present fairly, in all material respects, the financial position of the Vernon Parish Clerk of Court as of June 30, 1996, and the results of operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated October 11, 1996, on my consideration of the Vernon Parish Clerk of Court's internal control structure and a report dated October 11, 1996, on its compliance with laws and regulations.

My audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental information schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements of the Vernon Parish Clerk of Court. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in my opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

Herbie W. Way
Herbie W. Way
Alexandria, Louisiana
October 11, 1996

Receipt Acknowledged
Legislative Auditor

By _____