



# LUTHER SPEIGHT & COMPANY, LLC

*Certified Public Accountants and Consultants*

**FUNDS ON DEPOSIT  
CLERK OF FIRST CITY COURT  
FOR THE PARISH OF ORLEANS**

**FINANCIAL STATEMENTS  
TOGETHER WITH  
INDEPENDENT AUDITOR'S REPORT  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2003**

Under provisions of state law this report is a public document. A copy of this report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Major Frauge office of the Legislative Auditor and, where appropriate, at the office of the parish/clerk of court.

Release Date 7-28-04

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# LUTHER SPEIGHT & COMPANY, LLC

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## INDEPENDENT AUDITOR'S REPORT

To: The Honorable Ellen Nazama, Clerk  
First City Court for the Parish of Orleans

We have audited the accompanying statements of financial position of Funds on Deposit with the Clerk of First City Court for the Parish of Orleans, as of December 31, 2003, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the management of the Clerk of First City Court. 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 and standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards require that we 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. We believe that our audit provides a reasonable basis for our opinion.

As discussed in NOTE 1, the financial statements present only the activities of the Funds on Deposit related to the Registry of Court Fund and Garrettsmen Fund of the Clerk of First City Court and do not purport to, and do not present fairly the financial position of the Clerk of First City Court, as of December 31, 2003, and the changes in its financial position and cash flows, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund On Deposit of Court Fund and Garrettsmen Fund of the Clerk of First City Court for the Parish of Orleans as of December 31, 2003, and the changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 15, 2004, on our consideration of the Clerk of First City Court for the Parish of Orleans' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

  
Luther C. Speight and Company  
New Orleans, LA  
June 15, 2004

**Clerk of First City Court For The Parish Of Orleans**  
**Funds On Deposit**  
**Statement of Financial Position**  
**As of December 31, 2003**

		<u>Garnishment Fund</u>	<u>Registry Fund</u>	<u>Total</u>
<b>Assets:</b>				
	Cash	\$ 350,255	\$ 294,481	\$ 644,736
	<b>Total Assets</b>	<u>350,255</u>	<u>294,481</u>	<u>644,736</u>
<b>Liabilities:</b>				
	Deposits Due Litigants	228,608	288,909	517,517
	Unaffiliated Interest	124,447	13,492	137,939
	<b>Total Liabilities</b>	<u>353,055</u>	<u>302,401</u>	<u>655,456</u>
	<b>Net Assets:</b>	<u>0</u>	<u>0</u>	<u>0</u>
	<b>Total Liabilities &amp; Net Assets</b>	<u>\$ 353,055</u>	<u>\$ 302,401</u>	<u>\$ 655,456</u>

See accompanying notes.

**City of Flint City Court For The Period Of Release  
 Funds On Deposit  
 Statement of Activities  
 For the Year Ended December 31, 2003**

Temporarily Restricted Net Assets:	Garfield Fund	Regulatory Fund	Total
Interest Income	<u>\$ 2,176</u>	<u>\$ 2,140</u>	<u>\$ 4,316</u>
<b>Total Temporarily Restricted Net Assets</b>	<u><b>2,176.00</b></u>	<u><b>2,140.00</b></u>	<u><b>4,316.00</b></u>
Net Assets Released from Restrictions:			
Bank Charges	20	88	108
Transfer to Capital Improvements Fund	<u>2,756</u>	<u>2,882</u>	<u>5,638</u>
<b>Total Net Assets Released from Restrictions</b>	<u><b>2,776</b></u>	<u><b>2,970</b></u>	<u><b>5,746</b></u>
Temporarily Restricted Net Assets	-	-	-
Net Assets At Beginning of Year	-	-	-
<b>Net Assets At End of Year</b>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>

See accompanying notes.

**Clerk of First City Court For The Parish of Orleans**  
**Funds On Deposit**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2003**

Cash Flows From Activities:	\$
Adjustments to reconcile cash flows from activities to increase in cash and cash equivalents:	
Ligants Deposits to Registry Fund	280,889
Ligants Deposits to Garnishment Fund	255,885
Ligants Withdrawals From Registry Fund	(563,326)
Ligants Withdrawals From Garnishment Fund	<u>(234,642)</u>
Net Increase in Cash and Cash Equivalents	(261,194)
Cash and Cash Equivalents, Beginning of Year	<u>725,927</u>
Cash and Cash Equivalents, End of Year	<u>\$ 464,733</u>

See accompanying notes.

**ORLEANS PARISH CLERK OF FIRST CITY COURT  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 1993**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**General-** The First City Court for the Parish of Orleans was created by LSA-R.S. 13:2185. The Registry of Court Fund of the First Court was created by LSA-R.S. 13:2185.

The Clerk of First City Court is the custodian of the Registry of Court Fund and the Garnishment Fund. The Clerk is required to receive cash and/or property deposits according to court orders, which will remain the cash and/or property of the litigants until the Clerk is court ordered to disburse the cash and/or property. Both funds are distinct responsibilities within the Clerk's office, but do not represent the comprehensive financial activities of the Clerk's office. Accordingly, these financial statements do not purport to and do not present fairly the financial position and changes thereof of the Clerk's of First City Court for the Parish of Orleans.

Certain administrative expenses associated with the Registry of Court Fund are paid from a portion of the interest earned from the state authorized investment of these funds while held as deposits.

**Basis of Accounting-** The accompanying financial statements of the Registry of Court Fund and Garnishment Fund with the Orleans Parish Clerk of First City Court are reported in accordance with generally accepted accounting principles (GAAP). These principles utilize the accrual basis of accounting whereby revenues are recorded when earned and expenses are recorded when incurred.

**Cash and Cash Equivalents-** Cash includes amounts in demand deposits, interest-bearing deposits, and time deposits. Under state law, the clerk of court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Cash and cash equivalents include all highly liquid investments.

## 2. CASH

Cash consisted of the following:

Registry of Court Fund	\$ 294,481
Garnishment Fund	380,232
Total Cash	\$ 674,713

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 financial institution. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the financial institution. At December 31, 2000, the clerk has \$674,713 in deposits (collected bank balances). These deposits are secured from risk by the federal deposit insurance and pledged securities held by the financial institution.

## 3. FUNDS ON DEPOSIT

**Garnishment Fund-** The Garnishment Fund, as provided by Louisiana Revised Statute 13:2923, provides that whenever a plaintiff suing out a writ of garnishment shall apply to the court for the issuance of such a writ, the plaintiff shall deposit with the court the sum of Fiftyen Dollars, as a fee for the attorney for the employer who answers such interrogatories.

**Registry of Court Fund-** The Registry of the Court Fund, as provided by Louisiana Revised Statute 13:2161, accounts for funds that have been ordered by the court to be held as deposit until judgment has been rendered in court litigation. These funds are withdrawn only upon order of the court to named recipients.

## 4. UNDISTRIBUTED INTEREST

Interest income earned on the Funds on Deposit related to the Garnishment and Registry Funds have accumulated in those respective funds from inception of the Funds through approximately June 30, 2000. Subsequent to that time, earned interest was transferred to the Clerk's capital improvement fund. The Clerk has not determined the ultimate disposition of the undistributed interest for the Garnishment and Registry Fund. Accordingly these amounts stated at \$ 124,647 and \$ 11,493 are reported as obligations of those respective funds.





## LUTHER SPEIGHT & COMPANY, LLC

*Certified Public Accountants and Consultants*

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH GOVERNMENT AUDITING STANDARDS**

To: The Honorable Ellen Hauser, Clerk  
First City Court for the Parish of Orleans

We have audited the accompanying financial statements of the Registry of Court Fund and Garnishment Fund with the Clerk of First City Court for the Parish of Orleans as of and for the year ended December 31, 2003, which collectively comprise the Clerk of First City Court's basic financial statements and have issued our report thereon dated June 13, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Compliance

As part of obtaining reasonable assurance about whether the Clerk of First City Court's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct material effect on the determination of financial statement accounts. However, providing an opinion on compliance with these provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Clerk of First City Court for the Parish of Orleans' internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk misstatements in amounts that would be material in relation to the financial statements being audited may occur and not detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management and others within the organization and oversight entities and is not intended to be and should not be used by anyone other than those specified parties.



Luther C. Speight and Company  
New Orleans, Louisiana  
June 15, 2004

ORLEANS PARISH CLERK OF FIRST CITY COURT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2003

Section I - Summary of Auditor's Results

Financial Statements

An unqualified opinion was issued on the financial statements of the auditee.

Internal Control Over Financial Reporting:

Material weakness(es) identified?                   yes      X   no

Reportable condition(s) identified  
not considered to be material weaknesses?           yes      X   no

Noncompliance material to financial statements noted?           yes      X   no

**ORLEANS PARISH CLERK OF FIRST CITY COURT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 1993**

There were no findings.

ORLEANS PARISH CLERK OF FIRST CITY COURT  
UPDATE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 1991

There were no prior year findings.