

**TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
DECEMBER 31, 2003**

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
TABLE OF CONTENTS
DECEMBER 31, 2003

	<u>Exhibit</u>	<u>Schedule</u>	<u>Page</u>
Transmittal Letter	-	-	1
Affidavit	-	-	2
Independent Auditors' Report	-	-	3
Management's, Discussion, and Analysis	-	-	4
Statement of Net Assets	A	-	9
Statement of Activities	B	-	10
Balance Sheet - Governmental Funds	C	-	11
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	D	-	12
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	E	-	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	F	-	14
Notes to the Financial Statements	-	-	15
Supplemental Schedules	-	-	21
Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds - Budget (GAAP Basis) and Actual	-	1	22
Schedule of Findings and Questioned Costs	-	2	23
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	-	-	24
Summary Schedule of Prior Audit Findings	-	3	25
Corrective Action Plan for Current Year Audit Findings	-	4	26

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
TRANSMITTAL LETTER
ANNUAL FINANCIAL STATEMENTS

March 10, 2004

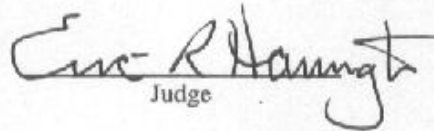
Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Sirs:

In accordance with Louisiana Revised Statute 24:514, enclosed are the annual financial statements for the Tenth Judicial District Court Expense Fund for the year ended December 31, 2003. The report includes only funds under the control and oversight of the Tenth Judicial District Court Expense Fund.

The accompanying basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Sincerely,


Judge

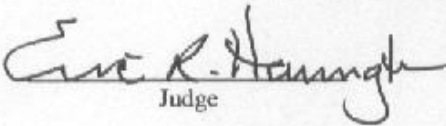
Enclosure

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2003

Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, Eric R. Harrington, Judge of the Tenth Judicial District Court Expense Fund, who duly sworn, deposes and says, that the financial statements herewith given presents fairly the financial position of Tenth Judicial District Court Expense Fund at December 31, 2003 and the results of operations for the year then ended in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board.


Judge

Sworn to and subscribed before me, this 10th day of March, 2004.


NOTARY PUBLIC

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INDEPENDENT AUDITORS' REPORT

Tenth Judicial District Court Expense Fund
P.O. Box 1395
Natchitoches, Louisiana 71458

We have audited the accompanying basic financial statements of the Tenth Judicial District Court Expense Fund, Natchitoches, Louisiana, as of and for the year ended December 31, 2003, as listed in the table of contents. These basic financial statements are the responsibility of management of the Tenth Judicial District Court Expense Fund. 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 the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those 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.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Tenth Judicial District Court Expense Fund as of December 31, 2003, and the results of its operations 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 a report dated March 10, 2004, on our consideration of the Tenth Judicial District Court Expense Fund's internal control over financial reporting and 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.

The Management's Discussion and Analysis and the budgetary information on pages 4 through 8 and 22, respectively, are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the Tenth Judicial District Court Expense Fund taken as a whole. The accompanying supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Hines, Jackson & Hines
Natchitoches, Louisiana
March 10, 2004

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS
DECEMBER 31, 2003

The Management's Discussion and Analysis of the Tenth Judicial District Court Expense Fund's financial performance presents a narrative overview and analysis of Tenth Judicial District Court Expense Fund's financial activities for the year ended December 31, 2003. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the transmittal letter presented on page 1 and the Tenth Judicial District Court Expense Fund's financial statements, which begin on page 9.

FINANCIAL HIGHLIGHTS

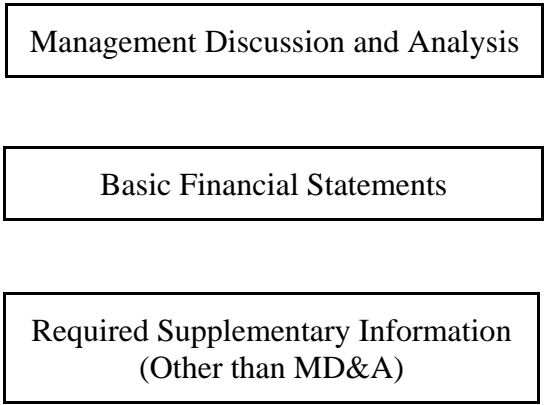
- 1) The Tenth Judicial District Court Expense Fund had cash and investments of \$150,635 at December 31, 2003 which represents a decrease of \$11,147 from prior year end.
- 2) The Tenth Judicial District Court Expense Fund had accounts receivable of \$3,674 at December 31, 2003 which represents a decrease of \$3,228 from prior year end.
- 3) The Tenth Judicial District Court Expense Fund had accounts payable and accruals of \$3,740 at December 31, 2003 which represents an increase of \$438 from prior year end.
- 4) The Tenth Judicial District Court Expense Fund had total revenues of \$71,286 for the year ended December 31, 2003 which represents a decrease of \$19,228 from prior year.
- 5) The Tenth Judicial District Court Expense Fund had personal services expenses of \$64,049 for the year ended December 31, 2003 which represents a decrease of \$856 from prior year.
- 6) The Tenth Judicial District Court Expense Fund had operating services expenses of \$6,243 for the year ended December 31, 2003 which represents a decrease of \$522 from prior year.
- 7) The Tenth Judicial District Court Expense Fund had supplies expenses of \$5,982 for the year ended December 31, 2003 which represents a decrease of \$810 from prior year.
- 8) The Tenth Judicial District Court Expense Fund had capital asset purchases of \$8,250 for the year ended December 31, 2003 which represents an increase of \$1,061 from prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for the Tenth Judicial District Court Expense Fund as established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
DECEMBER 31, 2003

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

Basic Financial Statements

This annual report consist of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 9 and 10) provide information about the activities of the Tenth Judicial District Court Expense Fund as a whole and present a longer-term view of the Fund's finances. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Assets and the Statement of Activities report the Fund's net assets and changes in them. You can think of the Fund's net assets, the difference between assets and liabilities, as one way to measure the Fund's financial health, or financial position. Over time, increases or decreases in the Fund's net assets are one indicator of whether its financial health is improving or deteriorating.

Fund financial statements start on page 11. All of the Fund's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the Fund's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Fund's activities as well as what remains for future spending.

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
DECEMBER 31, 2003

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
As of Year End

	2003	2002
Current and other assets	\$ 154,309	\$ 168,684
Capital assets, net	18,458	15,724
Total Assets	\$ 172,767	\$ 184,408
Other liabilities	\$ 3,740	\$ 3,302
Compensated Absences payable	0	0
Total Liabilities	3,740	3,302
Net assets		
Investment in capital assets, net of related debt	18,458	15,724
Unrestricted	150,569	165,382
Total Net Assets	169,027	181,106
Total Liabilities and Net Assets	\$ 172,767	\$ 184,408

Net assets of the Tenth Judicial District Court Expense Fund's decreased by \$12,079 or 6.67% from the previous fiscal year. The decrease is the result of operating and non-operating revenues exceeding expenses during the fiscal year ended 2003 (See table below).

Statement of Activities
For the Year Ended

	2003	2002
General government		
Expenses	\$ (83,365)	\$ (84,079)
Program revenues		
Operating grants and contributions	0	0
Subtotal	(83,365)	(84,079)
General revenues	71,286	90,514
Change in net assets	\$ (12,079)	\$ 6,435

The Tenth Judicial District Court Expense Fund's total revenues decreased by \$19,228 or 21.24% from the previous year. The total cost of all programs and services decreased by \$714 or 0.85% from the previous year.

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
DECEMBER 31, 2003

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2003, the Tenth Judicial District Court Expense Fund had \$18,458, net of depreciation, invested in a broad range of capital assets (See table below). This amount represents a net increase (including additions and deductions) of \$2,734 or 17.39% from the previous year.

Capital Assets at Year End
(Net of Depreciation)

	2003	2002
Furniture, fixtures and equipment	\$ 18,458	\$ 15,724
Total	\$ 18,458	\$ 15,724

This year's major additions included:

Furniture, fixtures and equipment \$ 8,250

This years's major retirements included:

Furniture, fixtures and equipment \$ 2,220

Debt

The Tenth Judicial District Court Expense Fund had \$0 in compensated absences payable outstanding at year end compared to \$0 at the previous year end, no change, as shown in the table below.

Outstanding Debt at Year End

	2003	2002
Compensated absences payable	\$ 0	\$ 0
Totals	\$ 0	\$ 0

New debt during the year included:

None.

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
MANAGEMENT'S DISCUSSION, AND ANALYSIS (CONTINUED)
DECEMBER 31, 2003

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Actual revenues were \$286 more than budgeted amounts due to fees being more than expected.

Actual expenditures were \$524 more than budgeted amounts due to operating services and capital outlay being more than expected.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Tenth Judicial District Court Expense Fund's elected officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Fees
- 2) Interest income
- 3) Miscellaneous revenues

The Tenth Judicial District Court Expense Fund does not expect any significant changes in next year's results as compared to the current year.

CONTACTING THE TENTH JUDICIAL DISTRICT COURT EXPENSE FUND'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Tenth Judicial District Court Expense Fund's finances and to show the Tenth Judicial District Court Expense Fund's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Eric R. Harrington, Judge, Post Office Box 1395, Natchitoches, Louisiana 71458.

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
STATEMENT OF NET ASSETS
DECEMBER 31, 2003

ASSETS	
Current Assets	
Cash	\$ 4,312
Investments	146,323
Accounts receivable	<u>3,674</u>
Total Current Assets	154,309
Noncurrent Assets	
Capital assets, net	<u>18,458</u>
Total Assets	<u>\$ 172,767</u>
LIABILITIES AND NET ASSETS	
LIABILITIES	
Current Liabilities	
Accounts payable and accruals	\$ <u>3,740</u>
Total Current Liabilities	3,740
Noncurrent Liabilities	
Compensated Absences payable	<u>0</u>
Total Liabilities	3,740
NET ASSETS	
Investment in capital assets, net of related debt	18,458
Unrestricted	<u>150,569</u>
Total Net Assets	<u>169,027</u>
Total Liabilities and Net Assets	<u>\$ 172,767</u>

The accompanying notes are an integral part of this statement.

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2003

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Revenue and Changes in Net Assets</u>
General Government					
Personal services	\$ 64,049	\$ 0	\$ 0	\$ 0	\$ (64,049)
Travel	0	0	0	0	0
Operating services	6,243	0	0	0	(6,243)
Supplies	5,982	0	0	0	(5,982)
Professional services	1,575	0	0	0	(1,575)
Depreciation	<u>5,516</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(5,516)</u>
Total General Government	<u>\$ 83,365</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	(83,365)
General Revenues					
Fees					62,637
Interest income					3,746
Miscellaneous					<u>4,903</u>
Total General Revenues					<u>71,286</u>
Change in Net Assets					(12,079)
Net Assets, Beginning of year as restated					<u>181,106</u>
Net Assets, End of year					<u>\$ 169,027</u>

The accompanying notes are an integral part of this statement.

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2003

<u>ASSETS</u>	
Cash	\$ 4,312
Investments	146,323
Accounts receivable	<u>3,674</u>
Total Assets	<u>\$ 154,309</u>
 <u>LIABILITIES AND FUND BALANCES</u>	
<u>LIABILITIES</u>	
Accounts payable and Accruals	\$ <u>3,740</u>
Total Liabilities	3,740
 <u>FUND BALANCES</u>	
Unreserved	<u>150,569</u>
Total Fund Balances	<u>150,569</u>
Total Liabilities and Fund Balances	<u>\$ 154,309</u>

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2003

Total Fund Balances for Governmental Funds (Exhibit C)	\$	150,569
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Total Net Assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:

Furniture, fixtures and equipment, net of \$23,135			
in accumulated depreciation	\$	<u>18,458</u>	
Total Capital Assets			18,458

Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported in the fund liabilities.		<u>0</u>
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Total Net Assets of Governmental Activities (Exhibit A)	\$	<u><u>169,027</u></u>
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TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL
FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2003

REVENUES	
Fees	\$ 62,637
Interest income	3,746
Miscellaneous	<u>4,903</u>
Total Revenues	71,286
EXPENDITURES	
General government	
Personal services	64,049
Travel	0
Operating services	6,243
Supplies	5,982
Professional services	1,575
Capital Outlay	<u>8,250</u>
Total Expenditures	<u>86,099</u>
Excess/(Deficiency) Of Revenues Over Expenditures	(14,813)
Fund Balance, Beginning of year	<u>165,382</u>
Fund Balance, End of year	<u>\$ 150,569</u>

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2003

Net Change in Fund Balances-Total Governmental Funds (Exhibit E) \$ (14,813)

The change in Net Assets reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay (\$8,250) exceeds depreciation (\$5,516) in the current period. 2,734

Some expense reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. 0

Change in Net Assets of Governmental Activities (Exhibit B) \$ (12,079)

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2003

The Tenth Judicial District Court Expense Fund was created by an act of the Legislature of Louisiana during their 1982 regular session. The Fund began operating in August, 1982. The judges of the Tenth Judicial District, who are elected officials, have control over the Fund and all disbursements made therefrom. The Tenth Judicial District encompasses the parish of Natchitoches, Louisiana.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This Codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Tenth Judicial District Court Expense Fund present information only as to the transactions of the programs of the Tenth Judicial District Court Expense Fund as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Tenth Judicial District Court Expense Fund are maintained in accordance with applicable statutory provisions:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. Budgetary Accounting

Formal budgetary accounting is employed as a management control. The Tenth Judicial District Court Expense Fund prepares and adopts a budget prior to July 1 of each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The Fund amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Cash and Cash Equivalents

For the purpose of the Statement of Cash Flows and consistent with GASB Statement 9, the Tenth Judicial District Court Expense Fund defines cash and cash equivalents as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

D. Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

E. Bad Debts

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 2003, \$0 were considered to be uncollectible.

F. Capital Assets

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Tenth Judicial District Court Expense Fund are charged as an expense against operations in the Statement of Activities. Capital assets net of accumulated depreciation are reported on the Statement of Net Assets. Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

G. Compensated Absences

Full-time employees of the Tenth Judicial District Court Expense Fund earn ten days vacation leave and ten days sick leave each year after completion of at least one year of employment. Leave cannot be accumulated from one calendar year to the next; therefore, no liability for compensated absences has been recorded in the accompanying financial statements.

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

A. Deposits with Financial Institutions

For reporting purposes, deposits with financial institutions including savings, demand deposits, time deposits, and certificates of deposit. Under state law the Tenth Judicial District Court Expense Fund may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further the Fund may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits 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 pledged 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. The deposits at December 31, 2003 were secured as follows:

	Cash	Certificates of Deposit	Total
Deposits in bank accounts per balance sheet	\$ 4,312	\$ 146,323	\$ 150,635
Bank Balances:			
1. Insured or collateralized with securities held by the entity or its agency in the entity's name	\$ 4,312	\$ 100,000	\$ 104,312
2. Collateralized with securities held by the pledging institution's trust department or agent in the entity's name	0	46,323	46,323
3. Uncollateralized, including any securities held for the entity but not in entity's name	0	0	0
Total Bank Balances	\$ 4,312	\$ 146,323	\$ 150,635

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

NOTE 2 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (CONTINUED)

The following is a breakdown by banking institution and amount of the balances shown above:

<u>Banking Institution</u>	<u>Amount</u>
City Bank and Trust Company	\$ 146,686
Exchange Bank	3,949
Total	\$ 150,635

B. Investments

At December 31, 2003, the Tenth Judicial District Court Expense Fund had investments of \$0.

NOTE 3 ACCOUNTS RECEIVABLE

The following is a summary of accounts receivable at December 31, 2003:

<u>Class of Receivable</u>	
Fees	\$ 3,548
Interest	1
Other	125
Total	\$ 3,674

NOTE 4 CAPITAL ASSETS

A summary of the Tenth Judicial District Court Expense Fund's capital assets at December 31, 2003 follows:

	<u>Balance</u> <u>December 31,</u> <u>2002</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>December 31,</u> <u>2003</u>
Furniture, fixtures and equipment	\$ 35,563	\$ 8,250	\$ (2,220)	\$ 41,593
Less accumulated depreciation:	(19,839)	(5,516)	2,220	(23,135)
Total Capital Assets, net	\$ 15,724	\$ 2,734	\$ 0	\$ 18,458

NOTE 5 ACCOUNTS PAYABLE AND ACCRUALS

The following is a summary of accounts payable at December 31, 2003:

<u>Class of Payable</u>	
Vendor	\$ 1,040
Salaries	0
Payroll taxes and retirement	2,700
Other	0
Total	\$ 3,740

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

NOTE 6 RETIREMENT SYSTEM

Substantially all employees of the Tenth Judicial District Court Expense Fund are members of the Parochial Employees' Retirement System of Louisiana, a multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Tenth Judicial District Court are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of only the supplemental plan prior to January 1, 1980, the benefit is equal to one percent of their final- average salary plus \$24 for each year of supplemental-plan-only service earned prior to January 1, 1980. 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 the amount of creditable service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

Contributions to the System include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except New Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. State statute requires covered employees to contribute a percentage of their salaries to the System.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana, 70898-4619, or by calling (504) 928-1361.

Plan members are required by state statute to contribute 9.50 percent of their annual covered salary and the Tenth Judicial District Court Expense Fund is required to contribute at an actuarially determined rate. The current rate is 7.75 percent of annual covered payroll. The contribution requirements for plan members and the Tenth Judicial District Court Expense Fund are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employee contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior year. The Tenth Judicial District Court Expense Fund's contributions to the System for the years ended December 31, 2003, 2002 and 2001 were \$4,568, \$4,547 and \$4,490, respectively, equal to the required contributions for each year.

NOTE 7 LEASES

The Tenth Judicial District Court Expense Fund was not obligated under any capital or operating lease commitments at December 31, 2003.

NOTE 8 LITIGATION

There was no outstanding litigation against the Tenth Judicial District Court Expense Fund at December 31, 2003.

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2003

NOTE 9 PRIOR YEAR RESTATEMENT OF NET ASSETS

The following adjustments were made to restate beginning net assets for December 31, 2003:

Fund Balance, beginning of year as previously reported	\$ 165,382
Adjustments: Investments in Capital Assets, beginning of year	35,563
Accumulated Depreciation, beginning of year	<u> (19,839)</u>
Net Assets, beginning of year as restated	<u><u> \$ 181,106</u></u>

SUPPLEMENTAL SCHEDULES

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHE, LOUISIANA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2003

	Original Budget	Amended Budget	Actual	Variance Fav./((Unfav.)
REVENUES				
Fees	\$ 82,000	\$ 62,000	\$ 62,637	\$ 637
Interest income	6,000	4,000	3,746	(254)
Miscellaneous	<u>5,000</u>	<u>5,000</u>	<u>4,903</u>	<u>(97)</u>
Total Revenues	93,000	71,000	71,286	286
EXPENDITURES				
General government				
Personal services	65,350	64,000	64,049	(49)
Travel	0	0	0	0
Operating services	6,975	6,000	6,243	(243)
Supplies	6,750	6,000	5,982	18
Professional services	1,575	1,575	1,575	0
Capital Outlay	<u>5,000</u>	<u>8,000</u>	<u>8,250</u>	<u>(250)</u>
Total Expenditures	<u>85,650</u>	<u>85,575</u>	<u>86,099</u>	<u>(524)</u>
Excess/(Deficiency) Of Revenues Over Expenditures	7,350	(14,575)	(14,813)	(238)
	<u>165,382</u>	<u>165,382</u>	<u>165,382</u>	<u>0</u>
Fund Balance, Beginning of year				
	<u>\$ 172,732</u>	<u>\$ 150,807</u>	<u>\$ 150,569</u>	<u>\$ (238)</u>
Fund Balance, End of year				

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2003

SECTION #1

SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

- | | | |
|----|---|-------------|
| 1. | Type of auditors' report issued. | Unqualified |
| 2. | Internal control over financial reporting: | |
| | a) Material weaknesses identified? | None |
| | b) Reportable conditions identified not considered to be material weaknesses? | None |
| | c) Noncompliance material to the financial statements noted? | None |

SECTION #2

FINANCIAL STATEMENT FINDINGS

None reported.

HINES, JACKSON & HINES, L.L.C.

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

Tenth Judicial District Court Expense Fund
P.O. Box 1395
Natchitoches, Louisiana 71458

We have audited the basic financial statements of the Tenth Judicial District Court Expense Fund, Natchitoches, Louisiana, as of and for the year ended December 31, 2003, and have issued our report thereon dated March 10, 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 Tenth Judicial District Court Expense Fund'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 and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those 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 Tenth Judicial District Court Expense Fund's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion 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 that misstatement 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. We noted no matters involving the internal control over financial reporting and its operations that we consider to be material weaknesses.

This report is intended solely for the information and use of the Tenth Judicial District Court Expense Fund and the Legislative Auditor of the State of Louisiana and is not intended to be, and should not be, used by anyone other than the specified parties.

Hines, Jackson & Hines

Natchitoches, Louisiana
March 10, 2004

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2003

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken (Yes, No, Partially)</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
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Nothing came to our attention that would require disclosure under Government Auditing Standards.

TENTH JUDICIAL DISTRICT COURT EXPENSE FUND
NATCHITOCHEs, LOUISIANA
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2003

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Correct Action Planned</u>	<u>Name(s) of Contact Person(s)</u>	<u>Anticipated Completion Date</u>
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Nothing came to our attention that would require disclosure under Government Auditing Standards.