

**ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana**

**Audited Financial Statements  
and Independent Auditor's Report**

**For The Year Ended June 30, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 2/23/11

**Royce T. Scimemi, CPA, APAC**  
Oberlin, LA

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**INDEPENDENT AUDITOR'S REPORT**

**HONORABLE GERALD HARRINGTON**  
**ALLEN PARISH CLERK OF COURT**  
Oberlin, Louisiana

I have audited the accompanying basic financial statements of the governmental activities of the Allen Parish Clerk of Court, a component unit of the Allen Parish Police Jury, as of and for the year ended June 30, 2010, as listed in the table of contents. These basic financial statements are the responsibility of the Allen Parish Clerk of Court. My responsibility is to express opinions on these basic financial statements based on my audit.

I conducted my 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* issue 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 basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities in the only major fund of the Allen Parish Clerk of Court as of June 30, 2010, and the changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated December 29, 2010, on my consideration of the Allen Parish Clerk of Court's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Accounting principles generally accepted in the United States of America requires that the management's discussion and analysis, and the budgetary comparison information and the required supplemental information on pages 3 through 8 and pages 30 through 33, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures

Honorable Gerald Harrington  
Allen Parish Clerk of Court  
Independent Auditor's Report  
December 29, 2010  
Page 2.

to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the Allen Parish Clerk of Court's basic financial statements as a whole. The combining fiduciary fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining fiduciary fund financial statements are the responsibility of management and were derived from and related directly to the underlying accounting or other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Royce T. Scimemi, CPA, APAC  
December 29, 2010

*Royce T. Scimemi, CPA, APAC*

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Management's Discussion and Analysis

Within this section of the Allen Parish Clerk of Court's (Clerk of Court) annual financial report, the Clerk of Court's management is pleased to provide this narrative discussion and analysis of the financial activities of the Clerk of Court for the fiscal year ended June 30, 2010. The Clerk of Court's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

**Financial Highlights**

- The Clerk of Court's assets exceeded its liabilities by \$406,316 and \$390,281 (net assets) for the fiscal years ended June 30, 2010, and 2009, respectively.
- Total revenues of \$701,297 exceeded by total expenses of \$685,262, which resulted in a fiscal year ended June 30, 2010 surplus of \$16,035. Total revenues of \$703,193 were exceeded by total expenses of \$834,777, which resulted in a fiscal year ended June 30, 2009 deficit of \$131,584.
- Total net assets are comprised of the following:
  - (1) Capital assets, net of related debt, of \$161,686 and \$177,757 for fiscal years ended June 30, 2010 and June 30, 2009, respectively, include furniture and equipment, net of accumulated depreciation.
  - (2) Unrestricted net assets of \$244,630 and \$212,524 for fiscal years ended June 30, 2010 and June 30, 2009, respectively.
- The Clerk of Court's governmental funds reported a total ending fund balance of \$244,630 this year. This compares to the prior year ending fund balance of \$212,524 reflecting an increase of \$32,106 during the current year.
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$244,630, or 35% of total General Fund expenditures (\$696,287) and 35% of total General Fund revenues (\$701,297).
- Overall, the Clerk of Court's office continues to maintain a strong financial position and is working to improve on this financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

**Overview of the Financial Statements**

This Management Discussion and Analysis document introduces the Clerk of Court's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Clerk of Court also includes in this report additional information to supplement the basic financial statements.

**Government-Wide Financial Statements**

The Clerk of Court's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the Clerk of Court's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Assets*. This is the government-wide statement of position presenting information that includes all of the Clerk of Court's assets and liabilities, with the difference reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Management's Discussion and Analysis (Continued)

whether the financial position of the Clerk of Court as a whole is improving or deteriorating. Evaluation of the overall health of the Clerk of Court's office would extend to other nonfinancial factors such as diversification of the taxpayer base in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the Clerk of Court's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Clerk of Court's distinct activities or functions on revenues provided by the Clerk of Court's taxpayers.

Both government-wide financial statements distinguish governmental activities of the Clerk of Court that are principally supported by fees for recording legal documents. Governmental activities include providing services to the Thirty-Third Judicial District Court and the general public.

The government-wide financial statements are presented on pages 11 through 12 of this report.

### **Fund Financial Statements**

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Clerk of Court uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the Clerk of Court's most significant fund, rather than the Clerk of Court as a whole.

The Clerk of Court uses governmental funds and fiduciary funds as follows:

*Governmental funds* are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the Clerk of Court's governmental fund, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 14 through 17 of this report.

*Fiduciary funds* are reported in the fund financial statements and report fees and charges in deposits held pending court action and other legal events. The Clerk of Court only reports agency-type fiduciary funds.

The basic agency fund financial statements are presented on pages 18 through 19 of this report.

### **Notes to the basic financial statements**

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 20 of this report.

### **Other information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information concerning the Clerk of Court's budget presentations. Budgetary comparison statements

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Management's Discussion and Analysis (Continued)

are included as "required supplemental information" for the general fund. These schedules demonstrate compliance with the Clerk of Court's adopted and final revised budget. Required supplemental information can be found beginning on page 30 of this report.

As discussed, the Clerk of Court reports the general fund as the only major fund in the basic financial statements.

**Financial Analysis of the Clerk of Court as a Whole**

The Clerk of Court's net assets at fiscal year-end are \$406,316. The following table provides a summary of the Clerk of Court's net assets:

	<u>2009</u>		<u>2010</u>	
	<u>Governmental Activities</u>	<u>Percentage</u>	<u>Governmental Activities</u>	<u>Percentage</u>
<b>Assets:</b>				
Current assets	\$237,278	58%	\$265,936	59%
Capital assets	<u>177,757</u>	<u>42</u>	<u>185,857</u>	<u>41</u>
<b>Total assets</b>	<u>415,035</u>	<u>100%</u>	<u>451,793</u>	<u>100%</u>
<b>Liabilities:</b>				
Current liabilities	24,754	100%	26,979	59%
Long-term liabilities	<u>-</u>	<u>-</u>	<u>18,498</u>	<u>41</u>
<b>Total liabilities</b>	<u>24,754</u>	<u>100%</u>	<u>45,477</u>	<u>100%</u>
<b>Net assets:</b>				
Investment in capital assets, net	177,757		161,686	
Unrestricted	<u>212,524</u>		<u>244,630</u>	
<b>Total net assets</b>	<u>\$390,281</u>		<u>\$406,316</u>	

The Clerk of Court continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for the Clerk of Court overall is 9.86 to 1 and 9.59 to 1 for fiscal year ended June 30, 2010 and June 30, 2009, respectively. These ratios are strong.

Note that approximately 40% and 46% of the governmental activities' net assets are tied up in capital assets for fiscal year ended June 30, 2010 and June 30, 2009, respectively. The Clerk of Court uses these capital assets to provide services to the Thirty-Third Judicial District Court and the general public.

Overall, the Clerk of Court's office reports net assets of \$406,316. This amount is \$16,035 higher than last year. The Clerk of Court's office has a net of \$161,686 invested in capital assets, net of related debt. The Clerk of Court's overall financial position remained strong during fiscal year ended June 30, 2010.

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Management's Discussion and Analysis (Continued)

The following table provides a summary of the Clerk of Court's changes in net assets:

	<u>2009</u>		<u>2010</u>	
	<u>Governmental</u> <u>Activities</u>	<u>Percentage</u>	<u>Governmental</u> <u>Activities</u>	<u>Percentage</u>
Revenues:				
Program:				
Fees, fines and charges for services	\$683,424	97%	\$670,643	95%
Operating grants and contributions	-	-	-	-
Capital grants and contributions	-	-	19,437	3
General:				
Interest and investment earnings	<u>19,769</u>	<u>3</u>	<u>11,217</u>	<u>2</u>
Total Revenues	<u>703,193</u>	<u>100%</u>	<u>701,297</u>	<u>100%</u>
Program expenses:				
Court administration	834,777	100%	684,416	100%
Interest on long-term debt	-	-	846	-
Total Expenses	<u>834,777</u>	<u>100%</u>	<u>685,262</u>	<u>100%</u>
Change in net assets	(131,584)		16,035	
Beginning net assets	<u>521,865</u>		<u>390,281</u>	
Ending net assets	<u>\$390,281</u>		<u>\$406,316</u>	

***Governmental Revenues***

The Clerk of Court is heavily reliant on fees for recording legal documents to support its operations. Fees for recording legal documents provided 77% of the Clerk of Court's total revenues. Also, note that program revenues covered 98% of governmental operating expenses.

***Governmental Functional Expenses***

The total function of the Clerk of Court's office is providing services to the Thirty-Third Judicial District Court and the general public. Of the total cost of providing such services, depreciation on the furniture and equipment was \$41,992 or 6% of total expenses.

**Financial Analysis of the Clerk of Court's Funds**

***Governmental Funds***

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported an ending fund balance of \$244,630, all of which was unreserved and undesignated at June 30, 2010.

The unreserved, undesignated fund balance increased by \$32,106 from the previous year.



ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Management's Discussion and Analysis (Continued)

**Major Governmental Fund**

The General Fund is the Clerk of Court's only operating fund and the entire source of day-to-day service delivery. The General Fund's fund balance increased by \$32,106. In fiscal year ended June 30, 2010, revenues decreased by \$1,896 while operating expenditures decreased by \$111,624. Fees, charges, and commissions for services- court costs, fees, and charges accounts for the largest decrease in funding for the Clerk of Court's General Fund operations. Fees, charges, and commissions for services-court costs, fees, and charges in the General Fund decreased by \$46,488, from last year \$129,937 to \$83,449 this year.

**Budgetary Highlights**

**The General Fund** – When the original budget was adopted, it was anticipated that the total revenues were going to decrease by \$37,693. The original budget reflected a decrease in total expenditures of \$138,206 from the previous fiscal year mainly due to an anticipated decrease in personal services and related benefits. The budget was not amended during the year.

**Capital Assets and Debt Administration**

**Capital Assets**

The Clerk of Court's investment in capital assets, net of accumulated depreciation as of June 30, 2010, and June 30, 2009, was \$185,857 and \$177,757, respectively. See Note 3 for additional information about changes in capital assets during the fiscal year and the balance at the end of the year. The following table provides a summary of capital asset activity.

	<u>Governmental Activities</u>	
	<u>2009</u>	<u>2010</u>
Depreciable assets:		
Furniture and equipment	\$ 613,652	\$ 611,600
Total depreciable assets	613,652	611,600
Less accumulated depreciation	<u>435,895</u>	<u>425,743</u>
Book value-depreciable assets	<u>\$ 177,757</u>	<u>\$ 185,857</u>
Percentage depreciated	71%	70%
Book value-all assets	<u>\$ 177,757</u>	<u>\$ 185,857</u>

At June 30, 2010, the depreciable capital assets for governmental activities were 70% depreciated. The book value is at 30% of the original cost. The current year additions were primarily scanners, computers, and a car financed under a capital lease.

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Management's Discussion and Analysis (Continued)

***Long-Term Debt***

At the end of the fiscal year, the Clerk of Court had total long-term debt outstanding of \$23,935. All of this amount is backed by the full faith and credit of the Clerk of Court with debt service funded by general fund revenues.

During the year, the Clerk of Court issued \$27,096 and retired \$3,161 in long-term debt. See Note 8 for additional information regarding long-term debt.

**Contacting the Clerk of Court's Financial Management**

This financial report is designed to provide a general overview of the Clerk of Court's finances, comply with finance-related laws and regulations, and demonstrate the Clerk of Court's commitment to public accountability. If you have any questions about this report or would like to request additional information, contact the Clerk of Court's office, Mr. Gerald Harrington, Clerk of Court at (337) 639-4351.

**BASIC FINANCIAL STATEMENTS**

GOVERNMENT-WIDE  
FINANCIAL STATEMENTS  
(GWFS)

ALLEN PARISH CLERK OF COURT  
Statement of Net Assets  
June 30, 2010

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash - Interest bearing	\$ 204,007
Cash - Non-interest bearing	100
Accounts receivable	61,829
Capital assets, net	<u>185,857</u>
Total assets	<u>451,793</u>
 <b>LIABILITIES</b>	
Accounts payable	12,249
Accrued liabilities	9,057
Interest payable	236
Long-term liabilities:	
Due within one year	5,437
Due after one year	<u>18,498</u>
Total liabilities	<u>45,477</u>
 <b>NET ASSETS</b>	
Invested in capital assets, net of related debt	161,686
Unrestricted	<u>244,630</u>
Total net assets	<u>\$ 406,316</u>

The accompanying notes are an integral part of these financial statements.

ALLEN PARISH CLERK OF COURT  
Statement of Activities  
Year Ended June 30, 2010

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenues and Changes in Net Assets Governmental Activities</u>
<u>Activities</u>	<u>Expenses</u>	<u>Fees, Fines and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenues and Changes in Net Assets Governmental Activities</u>
Governmental activities:					
Court Administration	\$ 684,416	\$ 670,643	\$ -	\$ 19,437	\$ 5,664
Interest on long-term debt	<u>846</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(846)</u>
	<u>\$ 685,262</u>	<u>\$ 670,643</u>	<u>\$ -</u>	<u>\$ 19,437</u>	<u>\$ 4,818</u>
General Revenues:					
Interest and investment earnings				<u>11,217</u>	
Total general revenues				<u>11,217</u>	
Change in net assets				16,035	
Net assets - June 30, 2009				<u>390,281</u>	
Net assets - June 30, 2010				<u>\$ 406,316</u>	

The accompanying notes are an integral part of these financial statements.

FUND FINANCIAL STATEMENTS  
(FFS)

ALLEN PARISH CLERK OF COURT

Balance Sheet – Governmental Fund  
June 30, 2010

	<u>General Fund</u>
<b>ASSETS</b>	
Cash	\$ 100
Interest-bearing deposits	204,007
Accounts receivable	<u>61,829</u>
Total assets	<u>\$ 265,936</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Accounts payable	\$ 12,249
Accrued liabilities	<u>9,057</u>
Total liabilities	<u>21,306</u>
Fund Balance:	
Fund balance - unreserved and undesignated	<u>244,630</u>
Total fund balance	<u>244,630</u>
Total liabilities and fund balance	<u>\$ 265,936</u>

The accompanying notes are an integral part of these financial statements.



ALLEN PARISH CLERK OF COURT  
 Reconciliation of the Balance Sheet – Governmental Fund  
 to the Statement of Net Assets  
 June 30, 2010

Total fund balance of governmental funds at June 30, 2010		\$244,630
Total net assets reported for governmental activities in the statement of net assets is different because:		
<p style="margin-left: 40px;">Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:</p>		
Capital assets, net of \$425,743 accumulated depreciation		185,857
<p style="margin-left: 40px;">Long-term liabilities at June 30, 2010:</p>		
Capital lease obligations payable	(23,935)	
Accrued interest payable	<u>(236)</u>	<u>(24,171)</u>
Total net assets of governmental activities at June 30, 2010		<u>\$ 406,316</u>

The accompanying notes are an integral part of these financial statements.

ALLEN PARISH CLERK OF COURT  
Statement of Revenues, Expenditures, and Changes in Fund Balance  
- Governmental Fund  
Year Ended June 30, 2010

Revenues:

Licenses and permits	\$ 5,115
Fees, charges, and commissions for services -	
Court costs, fees and charges	83,449
Fees for recording legal documents	539,603
Fees for certified copies	42,476
Intergovernmental	19,437
Interest earnings	<u>11,217</u>
Total revenues	701,297

Expenditures:

Current -	
Personal services and related benefits	516,466
Operating services	72,022
Materials and supplies	53,936
Capital outlays	50,092
Debt service:	
Principal retirement	3,161
Interest	<u>610</u>
Total expenditures	<u>696,287</u>

Excess (deficiency) of revenues over (under) expenditures 5,010

Other financing sources (uses):

Capital lease proceeds	<u>27,096</u>
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Net changes in fund balance 32,106

Fund balance, beginning of year	<u>212,524</u>
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Fund balance, end of year	<u>\$ 244,630</u>
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The accompanying notes are an integral part of these financial statements

ALLEN PARISH CLERK OF COURT  
 Reconciliation of the Statement of Revenues, Expenditures and  
 Changes in Fund Balance-Governmental Fund to the Statement of Activities  
 Year Ended June 30, 2010

Total net changes in fund balance at June 30, 2010 per  
 Statement of Revenues, Expenditures and Changes in Fund Balance \$ 32,106

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.

Capital outlays which are considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 50,092	
Depreciation expense for the year ended June 30, 2010	<u>(41,992)</u>	8,100

Governmental funds report capital lease principal payments as expenditures.  
 However, this expenditure does not appear in the statement of activities  
 since the payment is applied against the debt on the statement of net assets.

3,161

Governmental funds report capital lease proceeds as revenues.  
 However, this revenue does not appear in the statement of activities since  
 the debt is reported on the statement of net assets.

(27,096)

Difference between interest on long-term debt on modified accrual  
 basis versus interest on long-term debt on accrual basis.

(236)

Total changes in net assets at June 30, 2010 per Statement of Activities \$ 16,035

The accompanying notes are an integral part of these financial statements.

ALLEN PARISH CLERK OF COURT  
Statement of Fiduciary Net Assets  
June 30, 2010

ASSETS

Non-interest bearing demand deposits	\$ 21,787
Interest bearing demand deposits	770,778
Time deposits/Certificates of deposit	<u>400,000</u>
Total assets	<u>\$ 1,192,565</u>

LIABILITIES

Due to litigants and others	<u>\$ 1,192,565</u>
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The accompanying notes are an integral part of these financial statements.

ALLEN PARISH CLERK OF COURT  
Statement of Changes in Fiduciary Due to Litigants and Others – Agency Funds  
Year Ended June 30, 2010

<b>REVENUES</b>	
Suits and successions	\$ 641,220
Fines and costs	30,114
Interest	<u>4,769</u>
Total revenues	<u>676,103</u>
<b>EXPENSES</b>	
Remittance of advance deposits and costs to:	
State Agencies	2,740
Sheriffs	47,137
Allen Parish Clerk of Court – Salary Fund	323,121
Other Clerks of Court	1,083
Judges’ Supplemental Fund	14,708
Jurors Fees and Costs	18,595
Litigants and attorneys	346,155
Other expenditures	<u>575</u>
Total expenses	<u>754,114</u>
Change in Net Assets	(78,011)
Due to litigants and others – beginning of year	<u>1,270,576</u>
Due to litigants and others – ending of year	<u>\$ 1,192,565</u>

The accompanying notes are an integral part of these financial statements.

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Notes to Financial Statements

June 30, 2010

(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.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

As the governing authority of the parish, for reporting purposes, the Allen Parish Police Jury is the financial reporting entity for Allen Parish. The financial reporting entity consists of (a) the primary government (policy 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 (GASB) Statement No. 14 established criteria for determining which component unit should be considered part of the Allen 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. This criteria includes:

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 police jury provides financial benefits that make the Clerk of Court fiscally dependent, the Clerk of Court was determined to be a component unit of the Allen Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Clerk of Court and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Notes to Financial Statements - Continued

June 30, 2010

(1) Summary of Significant Accounting Policies – Continued

B. Basis of Presentation

The accompanying basic financial statements of the Allen Parish Clerk of Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, "Basic Financial Statements and Management's Discussion and Analysis-for State and Local Governments", issued in June 1999.

Government-Wide Financial Statements (GWFS)

The statement of net assets and the statement of activities display information about the Clerk of Court as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through user fees and charges, as well as other nonexchange revenues. Fiduciary funds are reported only in the statement of fiduciary assets and liabilities at the fund financial statement level.

The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the Clerk of Court's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of services offered by the Clerk of Court, and (b) grants and contributions that are restricted to meeting the operational or capital requirement of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The Clerk of Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Clerk of Court functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts. The various funds of the Clerk of Court are classified into two categories: governmental and fiduciary. The emphasis on fund financial statements is on major funds. A fund is considered major if it is the primary operating fund of the Clerk of Court or if the total assets, liabilities, revenues, or expenditures of the individual governmental or enterprise fund is at least 10 percent of the corresponding total for all governmental and enterprise funds of that category or type; and total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise funds are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Fund Financial Statements (FFS)

The Clerk of Court reports the following governmental funds:

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

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Notes to Financial Statements - Continued

June 30, 2010

(1) Summary of Significant Accounting Policies – Continued

Agency Funds. The Advance Deposits, Registry of Court, Juvenile Support and Civil Jury Agency Funds are used to account for assets held as an agent for governments, individuals, etc. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, the governmental activities are presented using the economic resources measurement focus. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlays) generally are recorded when a liability is incurred, as under accrual accounting.

D. Budgetary Accounting

A budget for the General Fund is prepared on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgeted amounts are as originally prepared or as amended by the Clerk of Court. The budget was not amended during the year.



ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Notes to Financial Statements - Continued

June 30, 2010

(1) Summary of Significant Accounting Policies – Continued

E. Capital Assets

Capital assets, which include furniture and equipment, are reported in the governmental columns in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Clerk of Court maintains a threshold level of \$1,000 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture and Equipment	5-20 years
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In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

F. Cash and Interest-Bearing Deposits

Interest-bearing deposits are stated at cost, which approximates market.

G. Bad Debts

Uncollectible amounts due for receivables are recognized as bad debts by direct write-off at the time information becomes available which would indicate the uncollectibility of the particular receivable. Although the specific charge-off method is not in conformity with accounting principles generally accepted in the United States of America (GAAP), no allowance for uncollectible accounts receivable is made due to immateriality at June 30, 2010.

H. Vacation and Sick Leave

Employees of the Clerk of Court's office earn one to three weeks of vacation and 12 days of sick leave each year. Vacation and sick leave must be used in the calendar year earned. At June 30, 2010, the employees of the Clerk of Court have no accumulated and vested leave benefits required to be reported in accordance with GASB No. 16.

I. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Allen Parish Clerk of Court as an extension of formal budgetary integration in the funds.

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Notes to Financial Statements - Continued

June 30, 2010

(1) Summary of Significant Accounting Policies – Continued

J. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

K. Equity Classification

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

(2) Cash and Interest-Bearing Deposits

Under state law, the Clerk of Court may deposit funds within a fiscal agent bank located in the parish or congressional district that is 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 of Court may also invest in United States bonds, treasury notes, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2010, the Clerk of Court has cash and cash equivalents (book balances) totaling \$ 1,396,672, as follows:

	First Federal Bank	Capital One Bank	Cameron State Bank	Jeff Davis Bank	Total
Demand deposits:					
Non-interest-bearing	\$ -	\$ -	\$ 21,787	\$ -	\$ 21,787
Interest-bearing	332,374	79,777	437,734	-	849,885
Time deposits	-	-	225,000	300,000	525,000
Total	<u>\$ 332,374</u>	<u>\$ 79,777</u>	<u>\$ 684,521</u>	<u>\$300,000</u>	<u>\$1,396,672</u>

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Notes to Financial Statements - Continued

June 30, 2010

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. Deposit balances (bank balances) at June 30, 2010, are secured as follows:

	First Federal Bank	Capital One Bank	Cameron State Bank	Jeff Davis Bank	Total
Bank balances	<u>\$ 358,319</u>	<u>\$ 92,754</u>	<u>\$ 761,329</u>	<u>\$ 300,000</u>	<u>\$1,512,402</u>
Securities pledged (category 3)	882,312	57,309	583,625	217,201	1,740,447
Federal deposit insurance	<u>250,000</u>	<u>92,754</u>	<u>296,787</u>	<u>300,000</u>	<u>939,541</u>
	<u>1,132,312</u>	<u>150,063</u>	<u>880,412</u>	<u>517,201</u>	<u>2,679,988</u>
Over (Under) secured deposits	<u>\$ 773,993</u>	<u>\$ 57,309</u>	<u>\$ 119,083</u>	<u>\$ 217,201</u>	<u>\$1,167,586</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Clerk of Court's name. Even though the pledged securities are considered uncollateralized (category 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 of Court that the fiscal agent has failed to pay deposited funds upon demand.

(3) Capital Assets

A summary of changes in capital assets follows:

Governmental Activities:	Balance <u>06/30/09</u>	Additions	Deletions	Balance <u>06/30/10</u>
Furniture, fixtures and equipment	\$613,652	\$ 50,092	\$ 52,144	\$611,600
Less: accumulated depreciation	<u>435,895</u>	<u>41,992</u>	<u>52,144</u>	<u>425,743</u>
Capital assets, net	<u>\$177,757</u>	<u>\$ 8,100</u>	<u>\$ -</u>	<u>\$185,857</u>

Depreciation expense for the year ended June 30, 2010 was \$41,992.

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Notes to Financial Statements - Continued

June 30, 2010

(4) Pension Plan

(a) Louisiana Clerks of Court Retirement and Relief Fund

*Plan Description.* Substantially all employees of the Allen Parish Clerk of Court are members of the Louisiana Clerks of Court Retirement and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan 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 retirement benefits, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent 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 and amended by state statute.

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 (225) 293-1162.

*Funding Policy.* Plan members are required by state statute to contribute 8.25% of their annual covered salary and the Allen Parish Clerk of Court is required to contribute an actuarially determined rate. The current employer rate is 14.75% of annual covered payroll. Contributions to the system also include one-fourth of one percent of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Allen Parish Clerk of Court are established and amended by statute. As provided by R.S. 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 Allen Parish Clerk of Court's contributions to the system for the years June 30, 2010, 2009, 2008, were \$59,772, \$81,471, and \$81,315, respectively, equal to the required contributions for each year.

(b) State of Louisiana Public Employees Deferred Compensation Plan

The Allen Parish Clerk of Court offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan was adopted January 1, 2000. The plan, available to all employees, permits them to contribute up to the lesser of (1) 25% of taxable compensation or (2) \$8,000. The deferred compensation is not available to employees until retirement, total disability, unforeseeable emergency, attainment of age 70 ½, or death. The Allen Parish Clerk of Court's contributions to the plan during the years ended June 30, 2010, 2009, and 2008 totaled \$0.00, \$15,598, and \$21,467, respectively.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the Clerk of Court (without being restricted to the provisions of benefits under the plan), subject only to the claims of the Clerk of Court's general creditors. Participant's rights under the plan are equal to those of general creditors of the Clerk of Court in an amount equal to the fair market value of the deferred account for each participant.

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Notes to Financial Statements - Continued

June 30, 2010

(5) Expenditures of the Clerk of Court Paid by the Allen Parish Police Jury

The Clerk of Court's office is located in the Allen Parish Courthouse. The Allen Parish Police Jury pays for the upkeep and maintenance of the courthouse. The parish police jury pays certain operating expenditures of the Clerk of Court's office. These operating expenditures paid by the police jury to the Allen Parish Clerk of Court during the year ended June 30, 2010 were court attendance totaling \$4,160.

(6) Receivables

The receivables balance of \$61,829 at June 30, 2010 is comprised of the following:

Cancellations	\$ 72
Certified copies	361
Civil jury fund	565
Copies	2,707
Court attendance	2,400
Juvenile support fees	18,385
Mortgage certificates	230
Recordings	9,034
Suits and successions	28,005
Uniform Commercial Code fees	70
Total	<u>\$61,829</u>

(7) Long-Term Leases

The Allen Parish Clerk of Court entered into a two-year operating lease with Vaughn Ford LincolnMercury for the use of an automobile. During the year ended June 30, 2010, monthly rental payments under this long-term lease amounted to \$1,921 (5 x \$384).

The Allen Parish Clerk of Court entered into a sixty-month operating lease with Pitney Bowes for the use of mailing equipment. During the year ended June 30, 2010, monthly rental payments under this long-term lease amounted to \$4,248 (4 X \$1,062).

The Allen Parish Clerk of Court entered into a five-year operating lease with Xerox for the use of copy equipment. During the year ended June 30, 2010, monthly rental payments under this long-term lease amounted to 3,147 (12 x 262).

Future minimum lease payments, by year, and in aggregate at June 30, 2010 are:

Year Ended <u>June 30</u>	<u>Amount</u>
2011	\$ 7,395
2012	7,395
2013	3,147
2014	1,049
Thereafter	<u>0</u>
Total	<u>\$18,986</u>

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Notes to Financial Statements - Continued

June 30, 2010

(8) Long-Term Liabilities

A summary of changes in long-term liabilities for the year ended June 30, 2010 follows:

	<u>Beginning of Year</u>	<u>Issued</u>	<u>Retired</u>	<u>End of Year</u>
Governmental Activities:				
Capital Lease Obligation	\$ -	\$ 27,096	\$ 3,161	\$ 23,935

The capital lease obligation is comprised of the following issue:

Capital Lease Payable:

\$27,096 Capital lease payable dated 12/15/09, due in monthly installments of \$539 through July 15, 2014; interest at 4.79% (secured by 2010 Ford Crown Victoria)	\$ 23,935
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The annual requirements to amortize the capital lease outstanding at June 30, 2010 are as follows:

<u>Fiscal Year Ending</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Totals</u>
2011	\$ 5,437	\$ 1,028	\$ 6,465
2012	5,703	762	6,465
2013	5,982	483	6,465
2014	6,275	190	6,465
2015	538	2	540
Totals	<u>\$ 23,935</u>	<u>\$ 2,465</u>	<u>\$ 26,400</u>

(9) Excess Fund Balance

R.S. 13:785 requires that every four years (at the close of the term of office) the Clerk of Court must pay the parish treasurer the portion of the General Fund's fund balance that exceeds one-half of the revenues of the Clerk of Court's last year of his term of office. At June 30, 2010, there was no amount due the parish treasurer as this was not the last year of the Clerk of Court's four year term of office, and no determination of the amount that will be due, if any, can be made at this time.

(10) Risk Management

The Allen Parish Clerk of Court is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Allen Parish Clerk of Court maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Allen Parish Clerk of Court. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

**REQUIRED SUPPLEMENTAL INFORMATION**

ALLEN PARISH CLERK OF COURT  
 Budget Comparison Schedule  
 General Fund  
 Year Ended June 30, 2010

	Original/ Final <u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>Revenues:</b>			
Licenses and permits	\$ 4,000	\$ 5,115	\$ 1,115
Fees, charges, and commission for services -			
Court costs, fees and charges	69,500	83,449	13,949
Fees for recording legal documents	533,500	539,603	6,103
Fees for certified copies	48,500	42,476	(6,024)
Intergovernmental	-	19,437	19,437
Interest earnings	<u>10,000</u>	<u>11,217</u>	<u>1,217</u>
<b>Total revenues</b>	<b>665,500</b>	<b>701,297</b>	<b>35,797</b>
<b>Expenditures:</b>			
<b>Current -</b>			
Personal services and related benefits	512,414	516,466	(4,052)
Operating services	94,891	72,022	22,869
Materials and supplies	42,400	53,936	(11,536)
Capital outlays	20,000	50,092	(30,092)
<b>Debt service:</b>			
Principal retirement	-	3,161	(3,161)
Interest	<u>-</u>	<u>610</u>	<u>(610)</u>
<b>Total expenditures</b>	<b><u>669,705</u></b>	<b><u>696,287</u></b>	<b><u>(26,582)</u></b>
Excess (deficiency) of revenues over (under) expenditures	(4,205)	5,010	9,215
<b>Other financing sources (uses):</b>			
Capital lease proceeds	<u>-</u>	<u>27,096</u>	<u>27,096</u>
<b>Net changes in fund balances</b>	<b>(4,205)</b>	<b>32,106</b>	<b>36,311</b>
Fund balance, beginning of year	<u>212,524</u>	<u>212,524</u>	<u>-</u>
Fund balance, end of year	<b><u>\$208,319</u></b>	<b><u>\$244,630</u></b>	<b><u>\$ 36,311</u></b>

The accompanying notes are an integral part of these financial statements.



**OTHER SUPPLEMENTAL INFORMATION**

ALLEN PARISH CLERK OF COURT  
Combining Statement of Fiduciary Net Assets – Agency Funds

June 30, 2010

	<u>Advance Deposits Fund</u>	<u>Registry of Court Fund</u>	<u>Juvenile Support Fund</u>	<u>Civil Jury Fund</u>	<u>Total</u>
<b>ASSETS</b>					
Non-Interest bearing demand deposits \$	-	\$ 21,787	\$ -	\$ -	\$ 21,787
Interest-bearing deposits	438,404	310,984	20,824	566	770,778
Time deposits/Certificates of deposit	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,000</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 838,404</u></b>	<b><u>\$ 332,771</u></b>	<b><u>\$ 20,824</u></b>	<b><u>\$ 566</u></b>	<b><u>\$1,192,565</u></b>
<b>LIABILITIES</b>					
Due to Litigants and Others	<u>\$ 838,404</u>	<u>\$ 332,771</u>	<u>\$ 20,824</u>	<u>\$ 566</u>	<u>\$1,192,565</u>

The accompanying notes are an integral part of these financial statements.

**ALLEN PARISH CLERK OF COURT**  
**Combining Statement of Changes in Fiduciary Due to Litigants and Others – Agency Funds**

Year Ended June 30, 2010

	<u>Advance Deposits Fund</u>	<u>Registry of Court Fund</u>	<u>Juvenile Support Fund</u>	<u>Civil Jury Fund</u>	<u>Total</u>
Balances, beginning of year	<u>\$ 800,317</u>	<u>\$ 446,949</u>	<u>\$ 22,746</u>	<u>\$ 564</u>	<u>\$1,270,576</u>
Additions:					
Suits and successions	567,675	73,545	-	-	641,220
Fines and costs	-	-	20,856	9,258	30,114
Interest	<u>246</u>	<u>4,510</u>	<u>11</u>	<u>2</u>	<u>4,769</u>
Total Additions	<u>567,921</u>	<u>78,055</u>	<u>20,867</u>	<u>9,260</u>	<u>676,103</u>
Subtotal	1,368,238	525,004	43,613	9,824	1,946,679
Reductions					
Deposits settled to –					
State agencies	2,740	-	-	-	2,740
Sheriffs	44,442	-	2,695	-	47,137
Clerk of Court Salary Fund	303,070	-	20,051	-	323,121
Other Clerks of Court	1,083	-	-	-	1,083
Judges' Supplemental Fund	14,708	-	-	-	14,708
Jurors	9,337	-	-	9,258	18,595
Litigants and attorneys	153,922	192,233	-	-	346,155
Other reductions	<u>532</u>	<u>-</u>	<u>43</u>	<u>-</u>	<u>575</u>
Total Reductions	<u>529,834</u>	<u>192,233</u>	<u>22,789</u>	<u>9,258</u>	<u>754,114</u>
Balances, end of year	<u>\$ 838,404</u>	<u>\$ 332,771</u>	<u>\$ 20,824</u>	<u>\$ 566</u>	<u>\$1,192,565</u>

The accompanying notes are an integral part of these financial statements.

**ROYCE T. SCIMEMI, CPA, APAC**  
**Certified Public Accountant**



P.O. Box 210/405 Tiger Lane  
Oberlin, LA 70655

Member  
American Institute of  
Certified Public Accountants

Member  
Society of Louisiana  
Certified Public Accountants

**Independent Auditor's Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of the  
Financial Statements Performed in Accordance  
with *Government Auditing Standards***

**HONORABLE GERALD HARRINGTON**  
**ALLEN PARISH CLERK OF COURT**  
Oberlin, Louisiana

I have audited the basic financial statements of the governmental activities of the Allen Parish Clerk of Court, a component unit of the Allen Parish Police Jury, as of and for the year ended June 30, 2010, and have issued my report thereon dated December 29, 2010. I conducted my 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Allen Parish Clerk of Court's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Allen Parish Clerk of Court's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Allen Parish Clerk of Court's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Honorable Gerald Harrington  
Allen Parish Clerk of Court  
December 29, 2010  
Internal Control and Compliance Report  
Page 35.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Allen Parish Clerk of Court's basic financial statements are free of material misstatement, I 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 my audit and accordingly, I do not express such an opinion. 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 information of the Allen Parish Clerk of Court, the Allen Parish Police Jury and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, under Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Royce T. Scimemi, CPA, APAC  
December 29, 2010

*Royce T. Scimemi, CPA, APAC*

ALLEN PARISH CLERK OF COURT  
Oberlin, Louisiana

Schedule of Findings and Questioned Costs

Year Ended June 30, 2010

- 1) Summary of Auditor's Results:
  - a) Auditor issued an unqualified opinion on the financial statements.
  - b) No significant deficiencies in internal control over financial reporting and its operation were disclosed by the audit of the financial statements.
  - c) No noncompliance which is material to the financial statements was disclosed by the audit of the financial statements.
- 2) Findings Relating to the Financial Statements Which Are Required to be Reported in Accordance with Generally Accepted Governmental Auditing Standards

N/A
- 3) Findings and Questioned Costs for Federal Awards

N/A
- 4) Prior Year Findings:

There were no prior year findings.