Twenty-Fifth Judicial District Court
Districts A and B
Financial Statements
For the Year Ended
December 31, 2013

Estess & Associates, LLC
John M. Estess, CPA
8451 Highway 23, Suite 1
P. O. Box 655
Belle Chasse, LA 70037

Twenty-Fifth Judicial District Court
Districts A and B

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ACCOUNTANT'S COMPILATION REPORT

Judge Michael Clement
Twenty-Fifth judicial District Court
Divisions A and B
P. O. Box 7126
Belle Chasse, LA 70037

Accountant's Compilation Report

We have compiled the accompanying general purpose financial statements, of Twenty-Fifth judicial District Court - Divisions A and B (a governmental entity), as of December 31, 2013. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to the Twenty-Fifth judicial District Court - Divisions A and B.

John M. Estess, CPA
Estess & Associates, LLC
Belle Chasse, LA
March 24, 2014

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Twenty-Fifth Judicial District Court
Districts A and B
Balance Sheet
December 31, 2013

ASSETS		
Current Assets		
Checking/Savings		
JDC BOND Account	$	90,160.87
JDC Expense Fund Account		197,780.45
Total Checking/Savings		287,941.32
Other Current Assets		
Grants Receivable		-
Other Receivables		-
Fines and Fees Receivable		14,896.50
Total Other Current Assets		14,896.50
Total Current Assets		302,837.82
Fixed Assets		
Capital Assets net of Depreciation		702.67
Total Fixed Assets		702.67
TOTAL ASSETS	**$**	**303,540.49**
LIABILITIES & FUND BALANCES		
Liabilities		
Other Current Assets		-
Investment in Fixed Assets		702.67
Total Liabilities		702.67
Unrestricted Fund Balances		
Bond Fund Balance		95,922.37
Judicial Expense Fund Balance		206,915.45
Total Unrestricted Fund Balance		302,837.82
TOTAL LIABILITIES & FUND BALANCE	**$**	**303,540.49**

See Accountant's Report

Twenty-Fifth Judicial District Court
Districts A and B
Statement of Revenues, Expenditures & Changes in Fund Balance
For the Year Ended December 31, 2013

Revenues and Expenditures		
Revenues		
Interest Income	$	125.67
Funds and Fees Received		100,296.13
Total Revenues		100,421.80
Expenditures		
Bank Fees		1,132.83
Contract Services		900.00
Telephone Expense		3,767.03
Meals and Entertainment		122.00
Office Expenditures		42,799.59
Travel Expenditures		247.53
Professional Fees		3,600.00
Dues & Subscriptions		152.00
Total Expenditures		52,720.98
Net Revenues over Expenditures	$	**47,700.82**
Changes in Fund Balance		
Fund Balance - December 31, 2012		255,137.00
Net Revenues over Expenditures		47,700.82
Fund Balance - December 31, 2013	$	**302,837.82**

See Accountant's Report

Estess & Associates LLC
SMALL BUSINESS SERVICES
John M. Estess CPA

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January 31, 2014

Chief Judge Clement
25th Judicial District Court – Divisions A & B
P.O. Box 7126
Belle Chasse, LA. 70037

Dear Judge Clement,

As certified public accountants licensed to practice in Louisiana, we are pleased that you have engaged our firm to compile the 25th Judicial District Court – Divisions A & B financial statements as of December 31, 2013, and for the year then ended. This letter will confirm our understanding of the terms and objectives of our engagement and the nature and limitation of the services we will provide to the 25th Judicial District Court – Divisions A & B as of and for the year ended December 31, 2013.

We will compile, from information you provide, the annual basic financial statements for the 25th Judicial District Court – Divisions A & B as of and for the year ended December 31, 2013, as required by Louisiana Revised Statute 24:513, and will issue an accountant's report thereon in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. We will not audit or review the compiled financial statements and, accordingly, will not express an opinion or any other form of assurance on them.

If management elects to omit substantially all disclosures from the financial statements, we will include in our compilation report an additional paragraph that will read as follows:

> Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

If we are not independent, we will include the following as the last paragraph of our report:

> We are not independent with respect to 25th Judicial District Court – Divisions A & B.

Our report will be used by you and the Legislative Auditor, but in accordance with state law the report will become a public record.

Objectives and Limitations. The objective of our engagement is to compile the district's 2013 basic financial statements. You are responsible for management decisions and functions, and for designating an individual with suitable skill, knowledge, or experience to oversee the services we are to provide. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities, for the district's compliance with applicable laws and regulations, and for the effectiveness of the district's internal control over compliance with those laws and regulations.

Our engagement is not intended to express an opinion on the financial statements; to evaluate and report on internal control; or to render an opinion on compliance with laws and regulations. Also, our engagement cannot be relied upon to disclose errors, fraud, or illegal acts that have occurred. However, we will inform you of any material errors and any evidence or information that comes to our attention during the performance of our compilation procedures regarding fraud that may have occurred. In addition, we will report to you any evidence or information that comes to our attention during the performance of our compilation procedures regarding illegal acts that may have occurred. Should we become aware of fraud or illegal acts we shall immediately notify, in writing, the Legislative Auditor and the appropriate law enforcement agency, including the local District Attorney and Sheriff.

We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement.

Due Professional Care. A compilation may not meet the needs of all report users, who may require additional information and assurances on the financial statements, internal control, and compliance with laws and regulations. In accordance with *Government Auditing Standards*, you should consider whether additional testing of financial statement amounts and presentations, controls, and compliance are necessary to supplement the coverage of these areas and to meet the reasonable needs of report users. These additional needs are quite often met by:

- an audit of financial statements conducted in accordance with *Government Auditing Standards*,
- supplemental (or agreed-upon) procedures, or
- an examination of compliance or internal control resulting in an opinion.

If during the performance of our engagement we become aware that a compilation will not satisfy the requirements of all report users, laws, and regulations, we will notify you as soon as this comes to our attention. We will then submit another engagement letter for your approval that complies with the applicable requirements, and will submit the engagement to the Legislative Auditor for approval.

We will consider all standards that may apply, but in particular, we will be cognizant of:

- State of Louisiana's audit law.
- Audit requirements of *Government Auditing Standards*.
- Office of Management and Budget Circular A-133 audit requirements for a single audit or program-specific audit when federal award expenditures equal or exceed $500,000 for the fiscal year.

- Bond requirements, either to issue bonds or as a bond indenture provision.
- Other contractual requirements.

We are available to discuss the expanded needs of report users, the nature of the expanded examinations, and the degree to which these type examinations, or other examinations, will meet the needs of the district and its report users.

Management Responsibilities. Management is responsible for making all financial records and related information available to us. We understand that you will provide us with the basic information required for our procedures and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. We will prepare a general ledger trial balance for use during the performance of our procedures. Our preparation of the trial balance will be limited to formatting information in the District's general ledger into a working trial balance.

Reporting Package. The reporting package will consist of:

- the accountant's compilation report prepared in accordance with *Standards for Accounting and Review Services,*
- a schedule of per diem paid to board members, if applicable
- management's corrective action plan for any findings contained in the report, which management will complete, and
- a summary schedule of prior year findings, which management will complete

We will assist you in the preparation of the data collection form, management's corrective action plan, if applicable, and the summary schedule of prior year findings, if applicable.

Recommendations. During the course of our engagement, it is possible that we may observe opportunities for economies of operation, for improved internal administrative and accounting controls, or we may observe variances with applicable laws and regulations or other matters that should be brought to your attention. Our comments and recommendations concerning such matters, if any, will be conveyed to you in written form.

Prior Comments and Recommendations. Our engagement will include a review of any prior-year suggestions, recommendations, and/or comments included in the summary schedule of prior findings. As to any current-year recommendations, suggestions, and/or comments, we will afford you the opportunity to respond to such matters and include your response in management's corrective action plan.

Compensation. We estimate our fee for these services to be $600, plus other out of pocket expenses and assumes maximum cooperation from the District's staff with the understanding that your employees will provide certain schedules and analyses and other items which our staff may request. We will submit billings on a monthly basis as the engagement progresses and are payable upon presentation. In accordance with our firm's policies, work may be suspended if the account becomes sixty days or more overdue and may not be resumed until the account is paid in full. If we elect to terminate our services for nonpayment, the District will be obligated to compensate us for the time expended and to reimburse us for all out-of-pocket costs through the date of termination. If extraordinarily unusual circumstances are encountered,

which make it necessary for us to perform procedures beyond the scope originally anticipated, we will immediately report such conditions to negotiate such additional compensation as appears justified.

If any dispute arises among the parties thereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceedings shall be shared equally by all parties.

Engagement Completion At the completion of our engagement, we will send the District three (3) copies of our reports. We will send either one unbound copy or one .pdf/.tif file of our reports, including the management letter, if applicable, and management's plan of corrective action, if applicable, to the Legislative Auditor. Either the accountant or the district shall send a copy of the report, any management letter, and management's corrective action plan, if applicable, to each member of the governing board, each federal grantor agency providing direct federal assistance and the federal cognizant agency, and to each state grantor agency and any state cognizant agency, if applicable.

If we find events subsequent to the issuance of our reports that would cause us to reissue the reports, we shall reissue the reports in the same fashion and to the same individuals and organizations as the original reports.

Changes. The Legislative Auditor will be notified immediately in writing, of the accountant's decision to withdraw from the engagement or if the engagement is cancelled, to include all substantive reasons for the withdrawal or cancellation.

The Legislative Auditor will be notified immediately, in writing, if there are any significant disagreements.

The Legislative Auditor will be notified immediately, in writing, if there are any changes in this agreement or if there are any restrictions placed on our staff during the engagement, to include failure to provide the appropriate books and records in a timely manner or denial of access to appropriate books and records, that would impact the scope of the engagement or the nature of the tests required under the previously discussed standards.

Engagement Documentation. It is understood that our engagement documentation is confidential information. However, we will make our engagement documentation available to the Legislative Auditor, any successor auditor, any federal or state grantor agencies, the cognizant agency, or any organization of the Louisiana Board of Certified Public Accountants authorized to perform quality assurance reviews. Should we become aware of any illegal acts, we shall make our engagement documentation available to the local district attorney or any other state or federal enforcement or regulatory agency without liability. We will retain the engagement documentation for five years.

Personnel. I will personally act as the manager for this engagement, and will / shall exercise overall control and management of our engagement. It is our understanding that you have assigned the Office Administrator, Ms. Michelle L. Eppley of your staff, 301 Main Street, Belle Chasse, LA. 70037, 504 297-5265, as your representative during the engagement.

External Quality Review. Enclosed is our last external quality review.

Other Services You may request that we perform additional non-attest services not contemplated by this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We may also issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Approval. We appreciate the opportunity to be of service to you, and believe this letter accurately summarizes the significant terms of our engagement. If these comments and arrangements meet with your approval, please sign below and return the agreement to us.

In accordance with the provisions of state law, this engagement agreement must be approved by the Legislative Auditor prior to commencement of our work. Upon your signature and approval, we will seek approval of the Legislative Auditor of this engagement.

We look forward to a pleasant association and the opportunity to provide the services included in this engagement. If you have any questions, please let us know.

Respectfully,

Estess & Associates, LLC
Certified Public Accountants

John M. Estess, CPA

Enclosure

RESPONSE:
This letter correctly sets forth the understanding of 25th Judicial District Court – Divisions A & B

By_____

Title Chief Judge, 25th JDC

Date 2/6/2014