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**FIFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD**

**FINANCIAL STATEMENTS
December 31, 1998**

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

JUN 02 1999

Release Date _____

PREPARED BY:

**JOHN M. GATHINGS
CERTIFIED PUBLIC ACCOUNTANT
OAK GROVE, LOUISIANA 71263**

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Mr. John Hoychick, Jr., President
And Members of the Fifth Judicial District
District Indigent Defender Board
Winnsboro, Louisiana 71295

INDEPENDENT AUDITOR'S REPORT

Sirs:

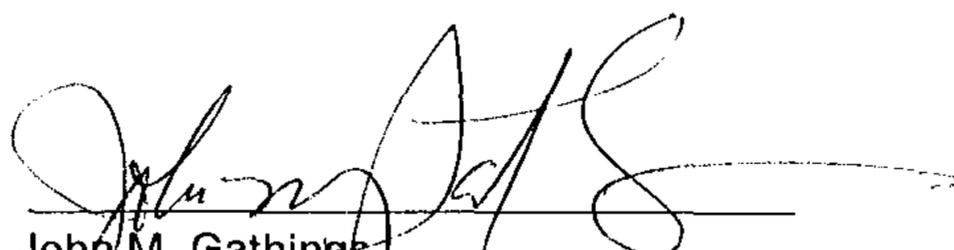
I have audited the general purpose financial statements of the Fifth Judicial District Indigent Defender Board (the Board) as of and for the year ended December 31, 1998, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Board. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the general purpose financial statements referred to above, present fairly, in all material respects, the financial position of the Board at December 31, 1998, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, I have also issued my report dated March 18, 1999, on my consideration of the Board's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants.

My audit was made for the purpose of forming an opinion on the financial statements taken as a whole.



John M. Gathings
Certified Public Accountant

OAK GROVE, LOUISIANA
MARCH 18, 1999

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

Mr. John Hoychick, Jr., President
and Members of the Fifth Judicial
District Indigent Defender Board
Winnsboro, Louisiana 71295

I have audited the general purpose financial statements of the Fifth Judicial District Indigent Defender Board (the Board) as of and for the year ended December 31, 1998, and have issued my report thereon dated March 18, 1999. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

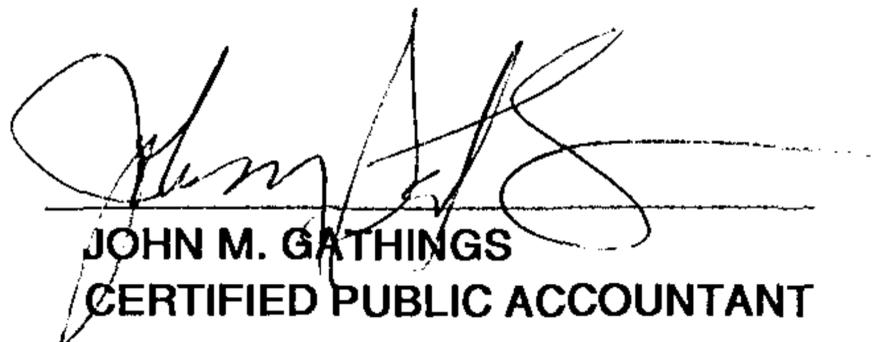
COMPLIANCE

As part of obtaining reasonable assurance about whether the Board's general purpose financial statements are free of material misstatement, I performed tests of the Board's compliance with certain provisions of laws and regulations, 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.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing my audit, I considered the Board's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. My 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 misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the Board and the Legislative Auditor. However, this report is also a matter of public record and its distribution is not limited.



JOHN M. GATHINGS
CERTIFIED PUBLIC ACCOUNTANT

OAK GROVE, LOUISIANA
MARCH 18, 1999

FIFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
Combined Balance Sheet
All Fund Types and Account Groups

December 31, 1998

	Governmental <u>Fund Type</u>
	General <u>Fund</u>
 <u>ASSETS:</u>	
Cash in Bank	\$43,268
Investments	119,249
Accounts Receivable	<u>11,104</u>
 TOTAL ASSETS	 <u><u>\$173,621</u></u>
 <u>LIABILITIES and FUND BALANCE:</u>	
 <u>LIABILITIES:</u>	
Accounts Payable	\$730
 <u>FUND BALANCE:</u>	
Unreserved--undesignated	<u>\$172,891</u>
 TOTAL LIABILITES and FUND BALANCE	 <u><u>\$173,621</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

FIFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
STATEMENT OF RECEIPTS, DISBURSEMENTS AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED

December 31, 1998

	Governmental <u>Fund Type</u>
	General <u>Fund</u>
REVENUES:	
Court costs and fines	\$151,001
Other - interest	<u>7,764</u>
TOTAL REVENUES	\$158,765
EXPENDITURES:	
Accounting fees	\$2,700
Professional services	135,081
Officers' Compensation	<u>1,200</u>
TOTAL EXPENDITURES	<u>\$138,981</u>
EXCESS OF REVENUES OVER EXPENDITURES	\$19,784
FUND BALANCE AT BEGINNING OF YEAR	<u>\$153,107</u>
FUND BALANCE AT THE END OF YEAR	<u><u>\$172,891</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

**FIFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 1998**

INTRODUCTION

REPORTING ENTITY

The Fifth Judicial District Indigent Defender Board, established in compliance with Louisiana Revised Statutes 15:144–149, provides counsel to represent indigents (needy individuals) in criminal and quasi-criminal cases at the district court level. The judicial district encompasses the parishes of Franklin, Richland, and West Carroll, Louisiana. The Board is composed of members who are appointed by the district court. Revenues to finance the Board's operations are primarily provided from court costs on fines imposed by the district court.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Fifth Judicial District Indigent Defender Board have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. FUND ACCOUNTING

The accounts of the Board are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into one fund category and one fund category and one fund type as follows:

GOVERNMENTAL FUNDS – General Fund – The General Fund is the operating fund of the Board. It is used to account for all financial resources.

**FIFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 1998**

GENERAL FIXED ASSETS AND LONG-TERM OBLIGATIONS – The Board has no fixed assets or long-term obligations at December 31, 1998.

BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting related to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

BUDGETS AND BUDGETARY ACCOUNTING

Local indigent defender boards are not political subdivisions within the meaning of the Louisiana Local Government Budget Act. Thus, no obligation exists to prepare a budget for the Board's funds.

NOTE 2: GENERAL OPERATIONS

The General Fund receives court costs levied for criminal offenses and remitted to the Board by the respective parish Sheriffs. This fund serves as the operating fund of the Board.

NOTE 3: CASH

The Board's cash consists of demand deposits that are insured by federal deposit insurance and stated at cost.

NOTE 4: INVESTMENTS

The Board purchased \$49,556 in U S Treasury Bills that have various interest rates and maturity dates. On December 31, 1998 the Board had an additional amount of amount of \$358 in Ready Assets bringing total investment in Merrill Lynch to \$49,914.00. The current market value of the account as of December 31, 1998 is \$50,254.00. All investments are stated at cost. See Note 7 for additional information.

John M. Gathings
Certified Public Accountant
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P.O. BOX 1088

March 19, 1999

**RE: Fifth Judicial District
Indigent Defender Board
Management Letter**

**John Hoychick, Jr., President
And Members of the Fifth Judicial
District Indigent Defender Board
Winnsboro, Louisiana 71295**

Sirs:

I have completed the audit for the year ended December 31, 1998. I appreciated the opportunity to serve as your auditor. I found no situations during this audit that needs the Board's immediate attention.

If I can be of any further assistance, do not hesitate to contact me at the address or telephone number listed above.


JOHN M. GATHINGS
CERTIFIED PUBLIC ACCOUNTANT

cc Daniel Kyle, Legislative Auditor

**FIFTH JUDICIAL DISTRICT
INDIGENT DEFENDER BOARD
NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 1998**

NOTE 5: RECEIVABLES

The Board's receivables consist of court costs collected in 1998 and remitted to the Board in 1999.

NOTE 5: ACCOUNTS PAYABLE

The Board's accounts payable consist of monthly bills owed for the month of December and remitted in January 1999.

NOTE 6: COMPENSATION

The governing board received \$1,200.00 for the year as per diem for their services.

NOTE 7: CASH AND CASH EQUIVALENTS:

The Board had \$43,267.92 in checking account number 0011031 as of December 31, 1998. On January 9, 1998 the Board reinvested CD# 332177 in the amount of \$66,085.69 its value on December 31, 1998 was \$69,333.68. See Note 4 for details on the investments with Merrill Lynch. The total amount held by Hibernia Bank is in excess of \$100,000. Hibernia has pledged Federal Securities, with a Book Value of \$20,943.58, to cover the balance of the funds that exceed the \$100,000 FDIC coverage. The Board's policy as to cash and cash equivalents is that any funds invested for 90 days or less and are available to pay current liabilities is cash or cash equivalents. Funds invested for more than 90 days are considered investments.