

CITY COURT OF BASTROP
 Bastrop, Louisiana

Report On The Audit
 Of The
 Basic Financial Statements
 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 2/9/11

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone 318/323-4656 • FAX 318/388-0724

CITY COURT OF BASTROP

Bastrop, Louisiana

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CITY COURT OF BASTROP
Bastrop, Louisiana

Basic Financial Statements
With Supplementary Information Schedules
For the Year Ended June 30, 2010

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Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone 318-323-4656 Fax 318-388-0724

Independent Auditor's Report

City Court of Bastrop
Bastrop, Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City Court of Bastrop, Louisiana, (a component unit of the City of Bastrop, Louisiana) as of and for the year ended June 30, 2010, which collectively comprise the Court's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City Court of Bastrop's management. My responsibility is to express opinions on these 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* 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 opinions.

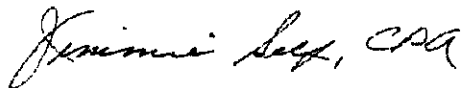
In my opinion, the financial statements referred to above present fairly, in all material respects, financial position of the governmental activities, and each major fund of the City Court of Bastrop, as of June 30, 2010, and the respective changes in financial position thereof, for the year then ended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

In accordance with *Government Auditing Standards*, I have also issued my report dated December 21, 2010, on my consideration of the City Court of Bastrop's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, 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 internal control over financial reporting or on compliance. That report is an integral part of an

audit performed in accordance with Governmental Auditing Standards and should be considered in assessing the results of my audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7 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 to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about 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 financial statements that collectively comprise the City Court of Bastrop, Bastrop, Louisiana's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, are presented for purposes of additional analysis and are not a required part of the financial statements and accordingly, I express no opinion or provide any assurance on it.



Jimmie Self, CPA
Monroe, Louisiana
December 21, 2010

Required Supplementary Information
(Part I)

Management Discussion and Analysis

CITY COURT OF BASTROP
Bastrop, Louisiana
MANAGEMENT DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2010

Our Management Discussion and Analysis (MD&A) of the City Court of Bastrop's financial performance provides an overview of the court's financial activities for the fiscal year ended June 30, 2010. The MD&A is a format for reporting the information required by the Governmental Accounting Standards Board Statement Number 34 (known as GASB 34) which is now required for reporting the financial activities of all state and local governmental units.

The MD&A is being presented to provide the reader with an overview of the financial operations of the City Court of Bastrop during the current fiscal year. It is only a part of the financial report as presented in the annual financial audit for the year ending June 30, 2010 and should be read and considered with the financial statements, notes to the financial statements, and the audit report as a whole.

FINANCIAL HIGHLIGHTS

The City Court's net assets for the prior year ended June 30, 2009 were \$247,426 as compared to the net assets for the current year ended June 30, 2010, which are \$316,404.

The City Court's total program revenues for the prior year ended June 30, 2009 were \$790,138. The Court's total program revenues for the current year ended June 30, 2010 are \$762,086.

Total expensed expenditures/expenses for the prior year ended June 30, 2009 were \$761,928. Total expensed expenditures/expenses for the current year ending June 30, 2010 are \$663,108.

USING THIS ANNUAL REPORT

This report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the City Court of Bastrop as a whole. The Statement of Fiduciary Net Assets and the Statement of Changes in Fiduciary Net Assets show the activity in which the court acts only as an agent or trustee for the benefit of agencies outside the court; henceforth the name Agency Funds is applied to these reports. Notes to the Financial Statements serve as a form of explanation to the financial statements in the report.

As the governing authority for the city, for reporting purposes, the City of Bastrop, Louisiana is the reporting entity for the city. The City Court of Bastrop is determined to be a component unit of the City of Bastrop as it depends on the city for certain financial support and the provision of office space, courtroom facilities, and related utilities, as well as a portion of salaries and related employee benefit costs.

CITY COURT OF BASTROP
Bastrop, Louisiana
MANAGEMENT DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2010

STATEMENT OF NET ASSETS AND STATEMENT OF ACTIVITIES

Our analysis of the funds maintained by the City Court as a whole begins with the Statement of Net Assets and the Statement of Activities. These two reports provide information about the funds maintained by the City Court as a whole and about its activities in a way that helps to answer one of the most important questions asked about the City Court's finances, "Is the City Court, as a whole, better off or worse off as a result of the year's activities?" These statements include all assets and liabilities using the accrual basis of accounting used by most private sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash was received or paid.

These two statements report the City Court's net assets and changes in those assets. The net assets, the difference between the assets and the liabilities, is one way to measure the City Court's financial position or financial health and over time, increases or decreases in the net assets are one indicator if whether its financial health is improving or deteriorating.

We record the funds maintained by the City Court as governmental activities in the Statement of Net Assets and the Statement of Activities.

All of the expenses paid from the funds maintained are reported here as governmental activities and consist primarily of salaries, fees paid, benefits, office expenses, contract services, memberships, and educational conferences. Fines and fees, and contributions from the City of Bastrop, finance most of the activities of the City Court.

All of the City Court's expenses are reported in the governmental funds, which focus on how money flows into and out of these funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual method, which measures cash and all other assets that could be readily converted to cash. The governmental fund statements provide a detailed short-term view of the City Court general operations and the expenses paid from these funds. The information in the governmental funds helps determine if there are more or less financial resources to finance future City Court expenses.

THE CITY COURT AS A TRUSTEE

The City Court acts as a trustee for agency funds for its civil division, collection of restitution funds, and criminal division. Since these funds are simply held for other parties and cannot be used for any of the court activities, they are not included in the government-wide statements but are separately reported in the statements of the fiduciary funds as agency funds.

CITY COURT OF BASTROP
Bastrop, Louisiana
MANAGEMENT DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2010

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of an entity's financial position. The Court's total net assets for the prior year ended June 30, 2009 were \$247,426. The Court's total net assets for the current year ended June 30, 2010 are \$316,404.

The following tables provide a simplified accounting of Total Net Assets of the City Court of Bastrop and Changes in Net Assets, comparing the prior year ended June 30, 2009 with the current year ended June 30, 2010.

TABLE 1 – TOTAL NET ASSETS	2009	2010
Current Assets	\$ 235,929	\$ 306,500
Capital Assets	11,497	9,904
Total Assets	<u>\$ 247,426</u>	<u>316,404</u>
 Current Liabilities	 -	 -
 Net Assets:		
Invested in Capital Assets (See Note 6)	\$ 11,497	\$ 9,904
Unrestricted	235,929	306,500
Total Net Assets	<u>\$ 247,426</u>	<u>\$ 316,404</u>

TABLE 2 – CHANGE IN NET ASSETS	2009	2010
Revenues:		
Court Cost Fees	\$ 131,966	\$145,303
Other	658,172	616,783
Total Revenues	<u>\$ 790,138</u>	<u>\$ 762,086</u>
 Expenditures		
Personal Services and Related Benefits	\$ 51,669	\$ 40,605
Operating Services	704,408	652,503
Total Expenditures	<u>\$ 761,928</u>	<u>\$ 693,108</u>
 Excess of Revenues over Expenditures	 <u>\$ 28,210</u>	 <u>\$ 68,978</u>
Fund Balance Beginning of Year	219,216	247,426
Fund Balance End of Year	<u>\$ 247,426</u>	<u>\$ 316,404</u>

CITY COURT OF BASTROP
Bastrop, Louisiana
MANAGEMENT DISCUSSION AND ANALYSIS
As of and for the Year Ended June 30, 2010

CAPITAL ASSETS

Purchases made during the prior year ended June 30, 2009 that were expensed in the financial reports as Capital Outlay (additions to capital assets) were in the amount of 0. Capital Outlay (additions to capital assets) during the current year ending June 30, 2010 were \$4,731. Current Depreciation for the year ended June 30, 2010 was in the amount of \$6,324.

CONTACTING THE CITY COURT'S FINANCIAL MANAGEMENT

This financial Management Discussion and Analysis is designed to provide our citizens and taxpayers with a general overview for the funds maintained by the City Court and to show the Court's accountability for the money it receives. If you have any questions or need additional financial information, contact *City Court of Bastrop, Beth Freeman*, Clerk of Court, P. O. Drawer 391, Bastrop, Louisiana 71221.

Basic Financial Statements

**CITY COURT OF BASTROP
 Bastrop, Louisiana
 Governmental Funds Balance Sheet/Statement of Net Assets
 For the Year ended June 30, 2011**

Statement A

	General Fund	Other Funds	Total	Adjustments Note 6	Statement of Net Assets
ASSETS					
Cash and cash equivalents	\$ 105,445	\$ 201,055	\$ 306,500	\$ -	\$ 306,500
Capital assets, net of accumulated depreciation (Note 6)	158,885	-	158,885	(148,981)	9,904
Total Assets	\$ 264,330	\$ 201,055	\$ 465,385	\$ (148,981)	\$ 316,404
LIABILITIES					
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	-	-	-	-	-
FUND BALANCES/NET ASSETS					
Fund balances:					
General Fund	105,445	-	105,445	-	105,445
Other Funds	-	201,055	201,055	-	201,055
Total Fund Balances	105,445	201,055	306,500	-	306,500
Total Liabilities and Fund Balances	105,445	201,055	306,500	-	306,500
NET ASSETS					
Invested in Capital Assets, Net of Related Deprec.	158,885	-	158,885	(148,981)	9,904
Total Net Assets	\$ 264,330	\$ 201,055	\$ 465,385	\$ (148,981)	\$ 316,404

The accompanying notes are an integral part of this statement.

Statement of Governmental Fund Revenues,
Expenditures, and Changes in Fund Balances/
Statement of Activities
For the Year Ended June 30, 2010

	General Fund	Other Funds	Total	Adjustments Note 6	Statement of Activities
EXPENDITURES/EXPENSES					
Judiciary:					
Personal services	\$ 40,605	\$ -	\$ 40,605	\$ -	\$ 40,605
Operating services	6,107	555,927	562,034	-	562,034
Supplies, Printing & Postage	25,690	-	25,690	-	25,690
Travel and Professional Development	8,186	-	8,186	-	8,186
Purchase C D	55,000	-	55,000	-	55,000
Depreciation	-	-	-	6,324	6,324
Capital Outlay	-	-	-	(4,731)	(4,731)
Total Expenditures/Expenses	<u>135,588</u>	<u>555,927</u>	<u>691,515</u>	<u>1,593</u>	<u>693,108</u>
General Revenues					
Court Costs and Fees	112,456	-	-	-	112,456
Other	32,847	616,783	649,630	-	649,630
	<u>145,303</u>	<u>616,783</u>	<u>762,086</u>	<u>-</u>	<u>762,086</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	9,715	60,856	70,571	(1,593)	68,978
FUND BALANCE/NET ASSETS:					
Beginning of the Year	<u>95,730</u>	<u>140,199</u>	<u>235,929</u>	<u>11,497</u>	<u>247,426</u>
End of Year	<u>\$ 105,445</u>	<u>\$ 201,055</u>	<u>\$ 306,500</u>	<u>\$ 9,904</u>	<u>\$ 316,404</u>

The accompanying notes are an integral part of this statement.

Fund Financial Statements

**CITY COURT OF BASTROP
 Bastrop, Louisiana
 Statement of Fiduciary Net Asset
 June 30, 2010**

Statement C

	Agency Funds						
	Criminal Court Fund	Civil court Certificate of Deposit	New Civil Court Fund	New Cash Bond Fund	Judicial Building Fund	Bastrop City Court Registry	Totals
ASSETS							
Cash and cash equivalents	\$ 31,541	\$ 55,000	\$ 70,568	\$ 20,281	\$ 21,588	\$ 2,077	\$ 201,055
Total Assets	<u>\$ 31,541</u>	<u>\$ 55,000</u>	<u>\$ 70,568</u>	<u>\$ 20,281</u>	<u>\$ 21,588</u>	<u>\$ 2,077</u>	<u>\$ 201,055</u>
LIABILITIES							
Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS	<u>\$ 31,541</u>	<u>\$ 55,000</u>	<u>\$ 70,568</u>	<u>\$ 20,281</u>	<u>\$ 21,588</u>	<u>\$ 2,077</u>	<u>\$ 201,055</u>

The accompanying notes are an integral part of this statement.

CITY COURT OF BASTROP
Bastrop, Louisiana
Statement of Changes in Fiduciary Net Assets
For the Year Ended June 30, 2010

Statement D

	AGENCY FUNDS							Total
	Criminal Court Fund	Old Civil Court Fund	New Civil Court Fund	Cash Bond Fund	Judicial Building Fund	Bastrop City Court Registry	New Civil Court Certificate of Deposit	
ADDITIONS								
Funds, Forfeiture and Criminal Costs	\$ 412,048	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 412,048
Civil Fees	-	-	175,754	6,850	22,022	-	-	204,626
Withdrawal - Open CD	-	(54,891)	-	-	-	-	55,000	109
Total Additions	\$ 412,048	\$ (54,891)	\$ 175,754	\$ 6,850	\$ 22,022	\$ -	\$ 55,000	\$ 618,783
DEDUCTIONS								
Service Charge	\$ -	\$ -	\$ -	\$ -	\$ 108	\$ -	\$ -	\$ 108
Attorney Answer Fee	-	-	280	-	-	-	-	280
Art	-	-	-	-	-	-	-	-
Bond Forfeitures	-	-	-	-	-	-	-	-
Breath Test	575	-	-	-	-	-	-	575
CBR	-	-	-	9,626	-	-	-	9,626
CMIS	2,723	-	-	-	-	-	-	2,723
Court Costs	115,150	-	-	-	-	-	-	115,150
Crime Lab	28,587	-	-	-	-	-	-	28,587
Crimestoppers	3,208	-	-	-	-	-	-	3,208
Curator Fees	-	-	249	-	-	-	-	249
Deposit Slips	-	-	195	-	-	-	-	195
Div	7,688	-	-	-	-	-	-	7,688
Fines	132,130	-	-	-	-	-	-	132,130
HSIF	2,184	-	-	-	-	-	-	2,184
IDB	41,131	-	-	-	-	-	-	41,131
Interpreter	350	-	-	-	-	-	-	350
IRS	-	-	1,789	-	-	-	-	1,789
JBF	14,593	-	7,170	-	-	-	-	21,763
Judge Fees	-	-	61,698	-	-	-	-	61,698
LLE1	2,162	-	-	-	-	-	-	2,162
LLE 2	2,681	-	-	-	-	-	-	2,681
Marshall	29,750	-	16,144	-	-	-	-	45,894
Medicare	-	-	(895)	-	-	-	-	(895)
Miscellaneous	150	-	-	-	-	-	-	150
Office Supplies	26	-	-	-	-	-	-	26
Office Renovation	-	-	-	-	3,555	-	-	3,555
Police Witness	7,270	-	-	-	-	-	-	7,270
Probatopm	22,317	-	-	-	-	-	-	22,317
Refunds	397	-	19,161	-	-	-	-	19,558
Restitution	45	-	-	-	-	-	-	45
SCF	-	-	6,193	-	-	-	-	6,193
SF	-	-	305	-	-	-	-	305
Returned Checks	-	-	-	-	-	-	-	-
Supplemental Comp Fund	-	-	15,524	-	-	-	-	15,524
Security	-	-	-	-	1,379	-	-	1,379
Transcripts	150	-	-	-	-	-	-	150
Witness	50	-	40	-	-	-	-	90
Other	-	-	90	-	-	-	-	90
Total Deductions	413,316	-	127,943	9,626	5,042	-	-	555,927
CHANGE IN NET ASSETS	(1,268)	-	47,811	(2,776)	16,980	-	-	60,856
Net Assets - Beginning	32,809	54,891	22,757	23,057	4,608	2,077	-	140,199
Net Assets - Ending	\$ 31,541	\$ -	\$ 70,568	\$ 20,281	\$ 21,588	\$ 2,077	\$ 55,000	\$ 201,055

The accompanying notes are an integral part of this statement.

Notes to the Financial Statements

CITY COURT OF BASTROP
Bastrop, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended June 30, 2010

INTRODUCTION

As provided for by Chapter Seven of Title Thirteen of the Louisiana Revised Statutes, the City Court of Bastrop has limited jurisdiction in civil and criminal matters in the City of Bastrop, Louisiana including Wards 3 and 4 of Morehouse Parish.

NOTE 1, SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the City Court of Bastrop 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.

B. REPORTING ENTITY

As the governing authority of the city, for reporting purposes, the City of Bastrop is the financial reporting entity for the Court. The financial reporting entity consists of (a) the primary government (city), (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 determining which component units should be considered part of the City of Bastrop for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial responsibility. 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 city 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 city.

**CITY COURT OF BASTROP
Bastrop, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended June 30, 2010**

2. Organizations for which the city does not appoint a voting majority but are fiscally dependent on the city.
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 city provides the Court's building, its furnishings, and pays most of its operating expenditures, the Court was determined to be a component unit of the City of Bastrop, the financial reporting entity.

The financial statements of the Bastrop City Court are prepared in accordance with generally accepted accounting principles (GAAP). The Court applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accompanying basic financial statements maintained by the Court present information only on the funds maintained by the Court, and do not present information on the city, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

The Court uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions and activities. A fund is defined as a separate fiscal and accounting entity with a self-balancing set of accounts.

Governmental Funds

Governmental funds account for all or most of the Court's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the City Court of Bastrop. The following are the Court's governmental funds:

General Fund - the primary operating fund of the Court and it accounts for all financial resources, except those required to be accounted for in other funds. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to court policy.

CITY COURT OF BASTROP
Bastrop, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended June 30, 2010

Fiduciary Funds

Fiduciary funds reporting focuses on net assets and changes in net assets. The only funds accounted for in this category by the Court are agency funds. The agency funds accounts for assets held by the Court as an agent for litigants pending court action. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Consequently, the agency funds have no measurement focus, but use the modified accrual basis of accounting.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund and Other Funds, of Statements A and B, are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of court operations.

The amounts reflected in the General Fund and Other Funds, of Statements A and B use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). *Measurable* means the amount of the transaction can be determined and *available* means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Court considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Judge's costs and other court costs are recorded in the year they are earned.

Proceeds from sales and seizures are recognized when costs related to a sale or seizure of property is incurred.

Substantially all other additions are recognized when received by the Court. Based on the above criteria, judge's costs, other court costs and proceeds from sales and seizures are treated as susceptible to accrual.

CITY COURT OF BASTROP
Bastrop, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended June 30, 2010

Expenditures

Reductions are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Government-Wide Financial Statements (GWFS)

The column labeled Statement of Net Assets (Statement A) and the column labeled Statement of Activities (Statement B) display information about the Court as a whole. These statements include all the financial activities of the Court. Information contained in these columns reflect the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues - Program revenues included in the column labeled Statement of Activities (Statement B) are derived directly from Court users as a fee for services; program revenues reduce the cost of the function to be financed from the Court's general revenues.

Budget Practices

No budget is prepared and adopted, since this is a very small entity.

Fund Equity

No funds are reserved.

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Under state law, the Court may deposit funds within a fiscal agent bank 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 Court may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At June 30, 2010 the Court has cash (bank balances) totaling \$306,601, and book values totaling \$306,500.

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

CITY COURT OF BASTROP
Bastrop, Louisiana

NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended June 30, 2010

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. 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. Cash (book balances) at June 30, 2010, are secured as follows:

Bank Balances	\$ 251,500
Certificate of Deposit	55,000
TOTAL CASH	<u>\$ 306,500</u>
Federal Deposit Insurance (3 Banks	\$ 750,000
Pledged Securities – Book Value	270,124
Pledged Securities – Market Value	\$ 254,867

The Court bank accounts are adequately secured.

F. ESTIMATES

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

NOTE 2. CHANGES IN AGENCY FUNDS – DEPOSITS DUE OTHERS

A summary of the changes in agency funds' deposits due others for the year ended June 30, 2010, is as follows:

Balance July 1, 2009	\$ 140,199
Additions	616,783
Deletions	<u>(555,927)</u>
Balance June 30, 2010	<u>\$ 201,055</u>

NOTE 3. EXPENDITURES OF THE CITY COURT OF BASTROP

**CITY COURT OF BASTROP
Bastrop, Louisiana**

**NOTES TO THE FINANCIAL STATEMENTS
As of and For the Year Ended June 30, 2010**

Additions, 2010		
1/6/2010	Digital Recorder	3,976.10
1/6/2010	Computer	<u>755.00</u>
TOTAL		4,731.00

The total adjustment of Accumulated Depreciation, \$6,324, was charged to the General Fund – Administration.

NOTE 7. COMPENSATED ABSENCES

Both vacation and sick leave are expensed when they occur. They are not carried forward.

NOTE 8. OTHER POST EMPLOYMENT BENEFITS

The Court does not provide for Other Post Employment Benefits.

NOTE 9. RISK MANAGEMENT

The City of Bastrop provides for all insurance for the Court, except for a surety bond for Court employees, which is provided by the Court.

NOTE 10. SUBSEQUENT EVENTS

Subsequent events were evaluated by management up to and including the issue date of this report, December 21, 2010. There were no subsequent events noted which would affect the financial statement for the year ended June 30, 2010.

Supplementary Information

JIMMIE SELF, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone (318) 323-4656 Fax (318) 388-0724

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

City Court of Bastrop
Bastrop, Louisiana

I have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City Court of Bastrop, Louisiana (a component unit of the City of Bastrop, Louisiana) as of and for the year ended June 30, 2010, which collectively comprise the City Court of Bastrop, Louisiana's basic financial statements and have issued my report thereon dated December 21, 2010. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the 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 City Court of Bastrop, Louisiana'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 City Court of Bastrop's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the City Court of Bastrop'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 detected and corrected on a timely basis.

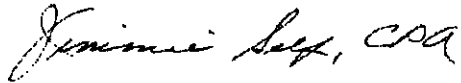
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses.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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City Court of Bastrop's financial statements are free of material misstatement, I performed tests of its compliance with certain

provisions of laws, regulations, contracts, grant agreements, and other matters, 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 or other such matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management of City Court of Bastrop, others within the City Court of Bastrop, and the Louisiana Legislative Auditor and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in cursive script that reads "Jimmie Self, CPA".

Jimmie Self, CPA
Monroe, Louisiana
December 21, 2010

JIMMIE SELF, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone (318) 323-4656 • Fax (318) 388-0724

SCHEDULE OF FINDINGS AND RESPONSES
CITY COURT OF BASTROP
BASTROP, LOUISIANA

Current Year Audit Findings and Responses
For the Year Ended June 30, 2010

There are no current year findings for the year ended June 30, 2010.

Prior Year Audit Findings and Responses
For the Year Ended June 30, 2009

There were no prior year findings for the year ended June 30, 2009.

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone (318) 323-4656 Fax (318) 388-0724

SUMMARY SCHEDULE OF FINDINGS
CITY COURT OF BASTROP
BASTROP, LOUISIANA
For the Year Ended June 30, 2010

I have audited the financial statements of City Court of Bastrop as of and for the year ended June 30, 2010 and have issued my report dated December 21, 2010. I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My audit of the financial statements as of June 30, 2010 resulted in an unqualified opinion (qualified, adverse, disclaimer).

Section I Summary of Auditor's Reports

a. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses yes no Internal Control Deficiencies yes no

Compliance

Compliance material to Financial Statements yes no

b. Federal Awards: None

c. Identification of major Programs:

None.