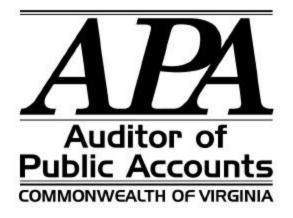
PAT B. HALE GENERAL RECEIVER OF THE CIRCUIT COURT of the COUNTY OF BUCHANAN

REPORT ON AUDIT FOR THE YEAR ENDED JUNE 30, 2001



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Commonwealth of Mirginia

Walter J. Kucharski, Auditor

Auditor of Public Accounts P.O. Box 1295 Richmond, Virginia 23218

September 21, 2001

The Honorable Donald A. McGlothlin, Jr. Chief Judge of the Circuit Court Buchanan County, Virginia

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying statement of assets and liabilities arising from cash transactions of

PAT B. HALE GENERAL RECEIVER OF THE CIRCUIT COURT of the COUNTY OF BUCHANAN

as of June 30, 2001, and the related statement of cash receipts and disbursements for the period July 1, 2000 through June 30, 2001. All records supporting these financial statements are the responsibility of the General Receiver. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note 1, these financial statements have been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of the General Receiver of the Circuit Court of the County of Buchanan as of June 30, 2001, and the cash receipts and disbursements for the period July 1, 2000 through June 30, 2001, on the basis of accounting described in Note 1.

AUDITOR OF PUBLIC ACCOUNTS

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COUNTY OF BUCHANAN GENERAL RECEIVER OF THE CIRCUIT COURT STATEMENT OF ASSETS AND LIABILITIES

As of June 30, 2001	Exhibit A
ASSETS	
Cash	\$ 13,216
Certificates of Deposit	 1,022,767
Total Assets	 1,035,983
LIABILITIES	
Interest payable	\$ 2,494
General receiver	1,469
Bond premiums payable	9,253
Trust funds	 1,022,767
Total Liabilities	\$ 1,035,983

The accompanying notes to financial statements are an integral part of this statement.

COUNTY OF BUCHANAN GENERAL RECEIVER OF THE CIRCUIT COURT STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For the Period Ended June 30, 2001							Exhibit A-1
	I	Balance					Balance
		July 1,			D	isburse-	June 30,
		2000	R	eceipts		ments	2001
Undistributed Interest	\$	3,274	\$	420	\$	1,200	\$ 2,494
General Receiver fees		1,468		3,453		3,452	1,469
Bond premium account		8,206		3,803		2,756	9,253
Trust Funds		889,494		326,038		192,765	1,022,767
Total receipts, disbursements							
and balances	\$	902,442	\$	333,714	\$	200,173	\$ 1,035,983

The accompanying notes to financial statements are an integral part of this statement.

COUNTY OF BUCHANAN

GENERAL RECEIVER OF THE CIRCUIT COURT

NOTES TO FINANCIAL STATEMENTS

AS OF JUNE 30, 2001

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the General Receiver of the Circuit Court of the County of Buchanan have been prepared using the cash basis of accounting. Under the cash basis of accounting, revenues are recorded when received in cash and disbursements are recorded when made.

2. SURETY BOND

The General Receiver was bonded under a Trust Fund Administrators Bond with the Firemen's Insurance Company of Newark, New Jersey, as surety.