



STEPHEN GOOCH
GENERAL RECEIVER OF THE CIRCUIT COURT
FOR THE
COUNTY OF BUCHANAN

FOR THE YEAR ENDED
JUNE 30, 2021

Auditor of Public Accounts
Staci A. Henshaw, CPA

www.apa.virginia.gov

(804) 225-3350



COMMENTS TO MANAGEMENT

We noted the following matter involving internal control and its operation that has led or could lead to noncompliance with laws and regulations, the loss of assets or revenues, or otherwise compromise the General Receiver's fiscal accountability.

Reconcile Bank Account Timely

Repeat: No

The General Receiver did not reconcile his official bank account timely during the audit period. We noted a delay of six months between receipt of the year-end bank statement and completion of the reconciliation. Timely and complete reconciliations are an essential internal control. Allowing reconciling items to go unresolved can lead to errors and irregularities going undetected and increases the risk of loss of funds. The General Receiver should perform reconciliations upon receipt of the bank statement as outlined in the General Receiver Accounting Manual.

File Annual Trust Fund Report

Repeat: No

The General Receiver did not file the 2021 annual trust fund report with the Buchanan County Circuit Court as required by Code of Virginia § 8.01-600. The General Receiver must submit a report of trust funds by October 1st of each year, which includes account balances, amounts received, invested, and paid during the year, and the expected date of distribution. The General Receiver should immediately file the 2021 trust fund annual report with the Buchanan County Circuit Court and thereafter, file an annual report each year by October 1st.

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Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

February 10, 2022

The Honorable Brian K. Patton
Chief Judge
County of Buchanan

We have audited the cash receipts and disbursements of Stephen Gooch, General Receiver of the Circuit Court for this locality, for the year ended June 30, 2021. Our primary objectives were to test the accuracy of financial transactions recorded in the General Receiver's financial records; evaluate the General Receiver's internal controls related to the management of trust funds; and test the General Receiver's compliance with court orders, significant state laws, regulations, and policies.

The General Receiver has responsibility for maintaining the records supporting financial transactions, establishing and maintaining internal controls, and complying with applicable laws and regulations. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Deficiencies in internal controls could possibly lead to the loss of revenues or assets, or otherwise compromise fiscal accountability.

We noted matters involving internal control and its operation necessary to bring to management's attention. These matters are discussed in the section titled Comments to Management.

We acknowledge the cooperation extended to us by the General Receiver during this engagement.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

LH: clj

cc: Beverly S. Tiller, Clerk
Stephen Gooch, General Receiver
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia