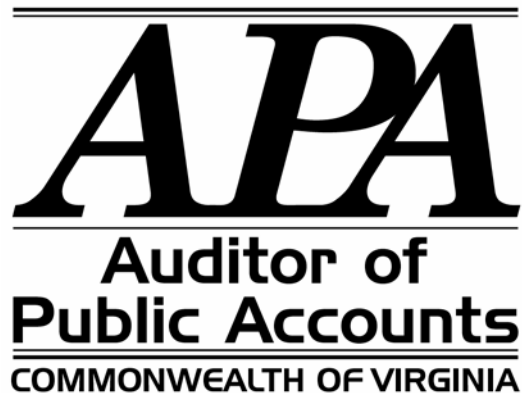


**RONALD B. HALL
CLERK OF THE CIRCUIT COURT
of the
COUNTY OF BLAND, VIRGINIA**

**REPORT ON AUDIT
JANUARY 1, 2004 THROUGH MARCH 31, 2005**





Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295

Richmond, Virginia 23218

Walter J. Kucharski, Auditor

March 31, 2005

Rebecca I. Johnson
Clerk of the Circuit Court
County of Bland

Board of Supervisors
County of Bland

We have audited the accompanying Statement of Assets and Liabilities of Ronald B. Hall, former Clerk of the Circuit Court of the County of Bland for the period January 1, 2004 through March 31, 2005. All records supporting the amounts presented in this financial statement are the responsibility of this Clerk. Our responsibility is to express an opinion on the financial statement based on our audit.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

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 statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting 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.

The purpose of the audit was to determine the accountability of the former Clerk at March 31, 2005, and to turn over the assets, accounts, and records of the office to Rebecca I. Johnson, the newly appointed Clerk of the Circuit Court.

As described in Note 1, this financial statement has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. This basis of accounting is prescribed by the State Comptroller and approved by the Auditor of Public Accounts as it is deemed the appropriate method of reporting by Clerks of the Circuit Court.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the assets and liabilities of the Clerk of the Circuit Court of the County of Bland as of March 31, 2005, on the basis of accounting described in Note 1.

We acknowledge the cooperation extended to us during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:cam

cc: The Honorable Ray W. Grubbs, Chief Judge
Jonathan D. Sweet, County Administrator
G. Paul Nardo, Chief Policy and Communications Advisor to the Speaker
Paul Delosh, Director of Technical Assistance
Supreme Court of Virginia
Martin Watts, Court Analyst
Supreme Court of Virginia

COUNTY OF BLAND
CLERK OF THE CIRCUIT COURT
STATEMENT OF ASSETS AND LIABILITIES
AS OF MARCH 31, 2005

ASSETS

Cash and cash equivalents	<u>\$229,663</u>
Total	<u>\$229,663</u>

LIABILITIES

Due to the Commonwealth of Virginia	\$ 5,727
Due to the County of Bland	25,987
Collections for others	132,163
Moneys under control of the court	13,304
Condemnation funds	<u>52,482</u>
Total	<u>\$ 229,663</u>

The accompanying Notes to the Financial Statement are an integral part of this statement.

COUNTY OF BLAND
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENT
AS OF MARCH 31, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Clerk of the Circuit Court is an elected constitutional officer who administers the County of Bland's court of record. The Circuit Court is where individuals file documents requiring formal recording by law to include deeds, wills, marriage licenses and various other documents. The Circuit Court has exclusive original jurisdiction in all felony criminal cases, in civil chancery, and civil cases where the amount exceeds \$15,000. It also hears appeals from district courts.

Basis of Accounting

The financial statement is prepared using the cash basis of accounting, which records cash receipts when received and disbursements when made.

2. SURETY BOND

In accordance with Sections 2.2-1840 and 2.2-1841, Code of Virginia, the Clerk was bonded under a Public Officials Position Schedule Bond in the amount of \$500,000 with the Fidelity and Deposit Company of Maryland and through a self-insurance plan administered by the Department of General Services, Division of Risk Management as sureties.