



# Commonwealth of Virginia

**Walter J. Kucharski, Auditor**

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

March 1, 2006

The Honorable David S. Whitacre  
Chief Judge  
County of Clarke General District Court  
5 North Kent Street  
Winchester, VA 22601

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Clarke General District Court for the period April 1, 2004 through December 31, 2005.

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.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system; and no instances of noncompliance with applicable laws, regulations, and policies. However, we noted a weakness in internal controls that the Clerk needs to address as described below.

## Properly Reconcile Bank Account

The Clerk did not reconcile nine of 21 monthly bank statements tested to the Court's automated financial system as required by the Financial Management User's Guide, Chapter 7-30-1. Reconciling the bank account monthly is a fundamental internal control.

Failing to properly reconcile and correct differences could result in errors or irregularities going undetected. The Clerk should reconcile the court's bank account monthly and promptly investigate and resolve differences between the bank statement, checkbook and the automated system.

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We discussed these comments with the Clerk on March 1, 2006 and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:sks

cc: The Honorable Norman deV. Morrison, Judge  
Monica A. Christian, Clerk  
Paul Delosh, Director of Technical Assistance  
Supreme Court of Virginia