

WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA
 Donaldsonville, Louisiana

BALANCE SHEETS
AUGUST 31, 1996 AND 1995

ASSETS

	1996	1995
CURRENT ASSETS		
Cash and cash equivalents	\$ 203,448	\$ 251,233
Certificates of deposit	2,306,803	2,795,649
Patient accounts receivable, (net of estimated uncollectibles of \$292,283 in 1996 and \$431,834 in 1995)	496,446	528,878
Inventory	118,923	108,517
Sales tax receivable	144,680	93,618
Estimated third-party payer settlements	163,851	132,707
Investments - Treasury notes	1,486,168	989,979
Investments - Deferred compensation plan	381,397	222,358
Other current assets	69,285	68,694
Total current assets	5,732,211	5,183,731
PROPERTY AND EQUIPMENT, NET	792,762	889,179
TOTAL ASSETS	\$ 6,524,973	\$ 6,072,910

LIABILITIES AND FUND BALANCES

CURRENT LIABILITIES		
Accounts payable	\$ 120,586	\$ 104,094
Deferred compensation plan payable	381,397	222,358
Accrued expenses	90,729	23,818
Total liabilities	592,712	350,270
Fund balance (unrestricted)	6,032,262	5,682,640
TOTAL LIABILITIES AND FUND BALANCE	\$ 6,624,974	\$ 6,032,910

The accompanying notes are an integral part of these statements.





Postlethwaite & Netterville

A PROFESSIONAL ACCOUNTING CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

5000 AIRWAY DRIVE • POST OFFICE BOX 100 • DONALDSONVILLE, LOUISIANA 70046 • TELEPHONE (504) 434-4700 • FACSIMILE (504) 434-4344

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
West Assessor's Parish Hospital Service District
of Assessor's Parish, Louisiana
Donaldsonville, Louisiana

We have audited the accompanying financial statements of the West Assessor's Parish Hospital Service District of Assessor's Parish, Louisiana, a component unit of the Assessor's Parish Council, as of and for the years ended August 31, 1996 and 1995, as listed in the Table of Contents. These financial statements are the responsibility of the Hospital's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with generally accepted auditing standards and Government Auditing Standards issued by the Comptroller General of the United States. 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 audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the West Assessor's Parish Hospital Service District of Assessor's Parish, Louisiana as of August 31, 1996 and 1995, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated October 11, 1996 on our consideration of West Assessor's Parish Hospital Service District of Assessor's Parish's internal control structure and a report dated October 11, 1996 on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules on pages 14 - 15 are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Postlethwaite & Netterville

Donaldsonville, Louisiana
November 7, 1996

WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA
 Donaldsonville, Louisiana

STATEMENTS OF OPERATIONS
YEARS ENDED AUGUST 31, 1996 AND 1995

	1996	1995
REVENUE		
Net Patient Service Revenue	3,155,658	3,582,214
OPERATING EXPENSES		
Salaries and benefits	1,338,113	1,302,714
Professional contracted services	958,021	1,169,823
Medical supplies and drugs	521,754	338,888
Other operating	427,134	372,314
Provision for bad debts	433,989	506,455
Provision for depreciation	180,041	124,114
Total operating expenses	3,781,041	3,813,298
LOSS FROM OPERATIONS	(625,383)	(231,779)
NON OPERATING REVENUES		
Sales tax	682,896	581,945
Interest income	218,230	168,467
Grant revenue	308,714	75,080
Total non operating revenues	1,209,840	825,492
EXCESS OF REVENUES OVER EXPENSES	\$ 584,457	\$ 593,713

The accompanying notes are an integral part of these statements.



**WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA**
Denhamville, Louisiana

**STATEMENTS OF CHANGES IN FUND BALANCES
YEARS ENDED AUGUST 30, 1996 AND 1995**

	1996	1995
Fund balance, beginning of year	\$ 5,687,565	\$ 5,698,826
Excess of revenues over expenses	378,718	(99,696)
Fund balance, end of year	\$ 6,066,283	\$ 5,599,130

The accompanying notes are an integral part of these statements.

**WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA**
Bossierite, Louisiana

**STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 1998 AND 1995**

	1998	1995
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from patients and other third-party payors	\$ 2,749,140	\$ 3,228,230
Cash payments to suppliers for goods and services	(1,602,371)	(2,173,894)
Cash payments to employees for services	(1,193,831)	(1,188,595)
Net cash used by operating activities	(48,062)	(134,259)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Sales taxes received	635,874	580,486
Grants received	108,214	75,080
Net cash provided by non-capital financing activities	744,088	655,566
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(18,991)	(48,154)
Cash received from sales of capital assets	3,080	6,508
Net cash used by capital and related financing activities	(15,911)	(41,646)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net decrease in certificates of deposit	90,646	319,812
Net (decrease) in treasury notes	(486,189)	(949,979)
Interest on investments	236,241	133,788
Net cash used by investing activities	(259,502)	(596,379)
Net increase (decrease) in cash and cash equivalents	12,213	(90,949)
Cash and cash equivalents at beginning of year	231,253	362,902
Cash and cash equivalents at end of year	\$ 243,466	\$ 271,953

The accompanying notes are an integral part of these statements.

**WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA**

Denham Springs, Louisiana

NOTES TO FINANCIAL STATEMENTS

3. Cash and Cash Equivalents (continued)

Even though the pledged securities are considered unaffiliated (Category II) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:0729 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the district that the fiscal agent has failed to pay deposited funds upon demand.

4. Net Patient Service Revenues

The Hospital has agreements with third-party payers that provide for payments to the Hospital at amounts different from its established rates. A summary of the payment arrangements with major third-party payers follows.

Medicare - Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Inpatient convalescent services, certain outpatient services, and defined capital and medical education costs related to Medicare beneficiaries are paid based on a cost reimbursement methodology. The Hospital is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audit thereof by the Medicare fiscal intermediary. The Hospital's classification of patients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization under contract with the Hospital. The Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through August 31, 1993.

Medicaid - Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed under a cost reimbursement methodology. The Hospital is reimbursed at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audit thereof by the Medicaid fiscal intermediary. The Hospital's Medicaid cost reports have been audited by the Medicaid fiscal intermediary through August 31, 1993.

The Hospital has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Hospital under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.





Postlethwaite & Netterville

A Professional Accounting Corporation
100 PETER BIRD PLACE, SUITE 200, MONROE, LA 70601

MONROE OFFICE ■ PO BOX 1002 BOX 1100 ■ MONROE OFFICE ■ MONROE OFFICE ■ 504-235-0000 (24 HOURS) ■ 504-235-0000 (24 HOURS) ■ FAX 504-235-0000

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

Board of Commissioners
West Assumption Parish Hospital Service District
Donaldsonville, Louisiana

We have audited the financial statements of the West Assumption Parish Hospital Service District of Assumption Parish, Louisiana as of and for the year ended August 31, 1996, and have issued our report thereon dated

We conducted our audit in accordance with generally accepted auditing standards and Governmental Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws and regulations applicable to West Assumption Parish Hospital Service District of Assumption Parish, Louisiana is the responsibility of West Assumption Parish Hospital Service District's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Hospital's compliance with certain provisions of laws and regulations. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under Governmental Auditing Standards.

This report is intended for the information of the Board of Commissioners and management. However, this report is a matter of public record and its distribution is not limited.

Postlethwaite & Netterville

Donaldsonville, Louisiana
November 7, 1996

We noted certain matters involving the internal control structure and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Finding:	The segregation of duties is inadequate to provide effective internal control.
Cause:	The condition is due to the limited number of accounting personnel.
Recommendation:	No action is recommended.
Management's response:	We concur in the finding.

A material weakness is a reportable condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we noted the following matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above. These conditions were considered in determining the nature, timing, and extent of the procedures to be performed in our audit of the financial statements of West Alexandria Parish Hospital Service District, for the year ended August 31, 1996.

This report is intended for the information of the Board of Commissioners and management. However, this report is a matter of public record and its distribution is not limited.

Paul B. Harvath & Associates

Shreveport, Louisiana
November 2, 1996

8300000
COMMERCIAL DIVISION
ST. LOUIS, MO 63103

**WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA**

**OFFICIAL
FILE COPY**

DO NOT SEND OUT

These materials
originate from this
copy and should
NOT be FILED

FINANCIAL STATEMENTS

AUGUST 31, 1996 AND 1995

Under provisions of state law, this report is a public document. A copy of this report has been submitted to the Auditor, or reviewed and approved by the appropriate public officials. This report is available for public inspection at the Eastern Region office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date FEB 5 1997



Postlethwaite & Netterville

(A Professional Accounting Firm)
CERTIFIED PUBLIC ACCOUNTANTS

BAFON ROUGE • DONALDSONVILLE • MONROE • NEW ORLEANS • ST. FRANCISVILLE
LOUISIANA

**WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA**

Broussards, Louisiana

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

West Ascension Parish Hospital Service District of Ascension Parish, Louisiana (Prozac Memorial Hospital) was created by a resolution of the Ascension Parish Council on May 2, 1963 under provisions of Chapter 10 of Title 48 of the Louisiana Revised Statutes of 1950.

Basis of Presentation

The accompanying component unit financial statements of the West Ascension Parish Hospital Service District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

As the governing authority of the parish, for reporting purposes, the Ascension Parish Council is the financial reporting entity for Ascension Parish. The financial reporting entity consists of (a) the primary government (council), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which 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 Statement No. 14 established criteria for determining which component units should be considered part of the Ascension Parish Council for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. 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 council 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 council.
2. Organizations for which the council does not appoint a voting majority but are financially dependent on the council.
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.



**WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA**

Broussardsville, Louisiana

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Reporting Entity

Because the council appoints all members to the district's Board of Commissioners, the district was determined to be a component unit of the Ascension Parish Council, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the council, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

Investments and Investment Income

Marketable debt securities are stated at amortized cost, adjusted for impairments in value that are deemed to be other than temporary. Investment income from all investments is a nonoperating revenue.

Statement of Revenue and Expenses

For purposes of display, transactions deemed by management to be ongoing, major, or critical to the provision of health care services are reported as revenues and expenses. Peripheral or incidental transactions are reported as nonoperating revenues.

Property and Equipment

Property and equipment acquisitions are recorded at cost. Property and equipment donated for hospital operations are recorded as additions at fair value at the date of receipt.

Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed on the straight-line method. The buildings and improvements are being depreciated over 20 to 28 years, land improvements over 20 years, and equipment over 5 to 30 years. Maintenance and repairs are charged to expense and improvements are capitalized. Gains and losses from sales or retirements are recognized in the period of disposition.



WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA
 Thibodauxville, Louisiana

STATEMENTS OF CASH FLOWS
YEARS ENDED AUGUST 31, 1996 AND 1995

	1996	1995
RECONCILIATION OF LOSS FROM OPERATIONS TO NET CASH USED BY OPERATING ACTIVITIES		
Loss from operations	\$(625,811)	\$(351,779)
Adjustments to reconcile loss from operations to net cash used by operating activities:		
Depreciation	130,941	124,114
Gain on disposition of assets	(4,834)	17,517
Provision for uncollectible accounts, contractual adjustments, and courtesy allowances	1,400,948	1,182,334
Changes in assets and liabilities:		
(Increase) in receivables	(1,359,318)	(1,040,784)
(Increase) decrease in inventory	(12,411)	60
(Increase) in estimated third-party payer settlements	(33,144)	(132,707)
Decrease in other current assets	(582)	699
(Increase) in accounts payable	16,185	(27,558)
Increase (decrease) in accrued expenses payable	6,981	(61,337)
Total adjustments	144,331	98,488
Net cash used by operating activities	\$(481,480)	\$(253,291)

The accompanying notes are an integral part of these statements.



WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA
Donaldsonville, Louisiana

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

Risk Management

The Hospital is exposed to various risks of loss related to theft, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Hospital is a member of two separate trust funds established by the Louisiana Hospital Association that maintains self insurance of workers' compensation and liability insurance. The management of the trust funds has complete control over the rate setting process. The Hospital continues to carry commercial insurance for all other risks of loss.

2. Sales Tax

In a general election held on November 3, 1988, the voters of the District approved a one-half percent sales tax. The net proceeds from this tax can be used for the expansion and/or operation of the Hospital.

3. Cash and Cash Equivalents

Under state law, deposits (or the resulting bank balances) must be secured by federal deposit insurance or 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 so deposited with the fiscal agent.

At year end, the carrying amount of the Hospital's deposits were \$2,965,451 and the bank balance was \$3,698,926. Of the bank balance, \$208,000 was covered by federal depository insurance, \$1,489,624 was covered by collateral held by the pledging bank's agent in the Hospital's name (Category 2) and \$1,901,302 was covered by collateral held by the pledging bank's agent in the bank's name (Category 3).

WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA

C O N T E N T S

	Page
Independent Auditors' Report	1
Balance Sheets, August 31, 1998 and 1999	2
Statements of Operations, Years Ended August 31, 1998 and 1999	3
Statements of Changes in Fund Balances, Years Ended August 31, 1998 and 1999	4
Statements of Cash Flows, Years Ended August 31, 1998 and 1999	5 - 6
Notes to Financial Statements	7 - 13
Supplemental Schedules and Reports	
Patient Service Revenues, Years Ended August 31, 1998 and 1999	Schedule I 14
Independent Auditors' Report on Internal Control	15 - 16
Independent Auditors' Report on Compliance	17



**WEST ABERDEEN PARISH HOSPITAL SERVICE DISTRICT
OF ASCIENNON PARISH, LOUISIANA
Broussardsville, Louisiana**

NOTES TO FINANCIAL STATEMENTS

5. Contingency

Effective March 9, 1993 the Hospital was certified by the Department of Health and Human Services to meet its Hill-Burton obligation through the Public Facility Compliance Alternative. Under this program, the Hospital has until February 11, 1997 to meet its Hill-Burton obligation.

6. Investments

Under state law, the Hospital is authorized to invest in United States bonds, treasury notes, certificates or other obligations of the United States of America, which may include certificates or other evidence of an ownership interest in such obligations, or any other federally insured investments.

The Hospital's investments are categorized into one of three categories to give an indication of the level of risk assumed by the Hospital at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the Hospital or its agent in the Hospital's name. Category 2 includes uninsured or unregistered investments for which the securities are held by the dealer bank's trust department or agent in the Hospital's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker-dealer or by the dealer's bank.

The Hospital's investments include U.S. Treasury Notes as August 31, 1996 and 1995. These investments are categorized in Category 3.

	1996		1995	
	Carrying Amount	Market Value	Carrying Amount	Market Value
U.S. Treasury Note	\$ 486,168	\$ 482,678	\$ 599,978	\$ 616,999

7. Property and Equipment

A summary of property and equipment as August 31, 1996 and 1995 follows.

	8/31/96	8/31/95
Land	\$ 14,842	\$ 14,842
Buildings and grounds	1,478,110	1,473,811
Fixed equipment	763,916	761,908
Furniture and fixtures	33,257	33,257
Construction in progress	2,943	
	2,294,068	2,283,818
Less accumulated depreciation	1,511,893	1,439,349
Property and equipment, net	\$ 782,175	\$ 844,469



**WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA
Donaldsonville, Louisiana**

NOTES TO FINANCIAL STATEMENTS

8. Deferred Compensation Plan

The hospital participates in the State of Louisiana Public Employees Deferred Compensation Plan, which is a cost-sharing multiple employer profit sharing employee deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all hospital employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held, paid or made available to the employee or other beneficiary solely the property and rights of the hospital subject only to the claims of the hospital's general creditors. Participant's rights under the plan are equal to those of general creditors of the hospital in an amount equal to the fair market value of the deferred account for each participant.

It is the opinion of the hospital's legal counsel that the hospital has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The hospital believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

Investments are managed by the plan's trustee, who provides certain options. The choice of the investment option is made by the participants.

9. Concentration of Credit Risk

The Hospital is located in Donaldsonville, Louisiana. The Hospital grants credit without collateral to its patients, most of whom are local residents. Revenue from patients and third party payers were as follows:

	<u>1996</u>
Medicare and Medicaid	73.3 B
Blue Cross	1.3
Commercial	17.3
Private Pay	<u>3.2</u>
	<u>105.1B</u>



WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA
SUPPLEMENTAL SCHEDULES
AUGUST 31, 1996 AND 1995



WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA
 Donaldsonville, Louisiana

Schedule 1

SCHEDULE OF PATIENT SERVICE REVENUES
YEARS ENDED AUGUST 31, 1996 AND 1995

	<u>1996</u>	<u>1995</u>
Medicine services:		
Routine service (daily service charge)	\$ 303,878	\$ 330,745
Operating rooms	27,300	22,086
Emergency room	119,865	286,470
Recovery room	6,000	5,015
Therapy	383,986	303,704
Conrad services and supply	<u>326,782</u>	<u>213,172</u>
	<u>1,270,783</u>	<u>1,200,112</u>
Other services:		
Laboratory	1,048,934	872,608
Pharmacy	864,538	411,327
Radiology	440,100	471,988
Emergency room physicians	425,413	429,026
Pathology	2,312	3,581
Medical transcription fees	4,753	3,827
EEG	353,900	129,480
Physical therapy	3,658	629
Oncology	34,340	51,480
Ultrasound	39,218	28,170
Psychiatry	-	635
Mammography	26,985	24,320
Chemical addiction unit	-	294,315
Medical disproportionate share	123,268	-
Miscellaneous	<u>66,568</u>	<u>56,847</u>
	<u>3,884,245</u>	<u>3,273,186</u>
Total patient service revenues	4,154,938	4,473,298
Adjustments:	(328,800)	(324,084)
Net Patient Service Revenue	\$ 3,153,638	\$ 3,582,714





Pustlethwaite & Netterville

A Professional Accounting Corporation
CERTIFIED PUBLIC ACCOUNTANTS

800 663-6666 (TOLL FREE) • 703-527-1100 • 703-527-1101 (LOCAL) • TELEPHONE (703) 527-1100 • FAX (703) 527-1101

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL

Board of Commissioners
West Ascension Parish Hospital Service District
Denham Springs, Louisiana

We have audited the financial statements of the West Ascension Parish Hospital Service District of Ascension Parish, Louisiana, component unit of the Ascension Parish Council, as of and for the year ended August 31, 1996 and have issued our report thereon dated

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of West Ascension Parish Hospital Service District is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projections of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the general purpose financial statements of West Ascension Parish Hospital Service District, for the year ended August 31, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and we do provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA

FINANCIAL STATEMENTS

AUGUST 31, 1996 AND 1995



**WEST ASCENSION PARISH HOSPITAL SERVICE DISTRICT
OF ASCENSION PARISH, LOUISIANA**
BossierCity, Louisiana

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies (continued)

Inventory

Inventory is valued at the lower of cost (using the first-in, first-out method) or market.

Allowance for Uncollectible Accounts

An allowance for uncollectible patient accounts receivable is maintained. It is based on historical data and management's assessment of the collectibility of accounts receivable.

Debtors

Debtors are recorded at market value at the time of donation.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires 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 and expenses during the reporting period. Actual results could differ from these estimates.

Proprietary Fund Accounting

The Hospital utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual basis. Substantially all revenues and expenses are subject to accrual.

Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with an original maturity of three months or less. Under state law, the district may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Accounting Standards

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 20, Accounting and Financial Reporting for Proprietary Fund and Other Governmental Entities That Use Proprietary Fund Accounting, the Authority has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB), including those issued on or before November 30, 1989.

