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**BEAUREGARD MEMORIAL HOSPITAL
EMPLOYEES RETIREMENT PLAN
DeRidder, Louisiana
EIN #72-0491106
Plan #001**

**Financial Statements
December 31, 1997**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date OCT 28 1998

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1
Financial Statements	
Statement of Net Assets Available for Benefits	2
Statement of Changes in Net Assets Available for Benefits	3
Notes to Financial Statements	4 - 7
Schedule of Assets Held for Investment Purposes (Item 27a)	8



Founded in 1978

BROUSSARD & COMPANY, APC

CERTIFIED PUBLIC ACCOUNTANTS

EIN #72-0491106

INDEPENDENT AUDITOR'S REPORT

To the Trustees
Beauregard Memorial Hospital
Employee Retirement Plan
DeRidder, Louisiana

We were engaged to audit the financial statements and supplemental schedule of Beauregard Memorial Hospital Employee Retirement Plan as of December 31, 1997 and 1996, and for the year ended December 31, 1997, as listed in the accompanying index. These financial statements and schedule are the responsibility of the plan administrator.

As permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure Under the Employee Retirement Income Security Act of 1974, the plan administrator asked us not to perform, and we did not perform, auditing procedures on the information summarized in Note 3, which was certified by Hartford Life Insurance Company, a trustee of the plan, except for comparing that information with the related information included in the financial statements and schedule. The plan administrator informed us that the trustee holds the plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee that the information provided to the plan administrator by the trustee as of and for the year ended December 31, 1997 is complete and accurate.

As described in Note 2, these financial statements were prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Accordingly, the accompanying financial statements are not intended to be presented in conformity with generally accepted accounting principles.

Because of the significance of the information that we did not audit, we are unable to and do not express an opinion on the accompanying financial statements and schedule taken as a whole. The form and content of the information included in the financial statements and schedule, other than that derived from the information certified by the trustee have been audited by us in accordance with generally accepted auditing standards and, in our opinion, are presented in compliance with Department of Labor Rules and Regulations for Reporting and Disclosure Under the Employee Retirement Income Security Act of 1974 on the basis of accounting described in Note 2.

October 12, 1998

/tlb

SULPHUR OFFICE

704 First Avenue, Sulphur, LA 70663
Ph: (318) 527-0010 Facsimile: (318) 527-0014

LAKE CHARLES OFFICE

1 Lakeshore Drive, Ste. 120, Lake Charles, LA 70629
Ph: (318) 439-6600 Facsimile: (318) 439-6607

BEAUREGARD MEMORIAL HOSPITAL
EMPLOYEES RETIREMENT PLAN
DeRidder, Louisiana
ID #72-0491106

Statement of Changes in Net Assets Available for Benefits
Year Ended December 31, 1997

ADDITIONS TO NET ASSETS ATTRIBUTED TO:

Employer contributions	\$ 268,648
Participant contributions	195,954
Unrealized appreciation of assets	280,226
Interest earned	170,794
Other income	-
Total Additions	<u>915,622</u>

DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:

Benefits paid to participants and others	327,656
Administrative charges and loan fees	2,000
Total Deductions	<u>329,656</u>

Net Increase 585,966

NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year	3,962,242
End of year	<u>\$ 4,548,208</u>

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

BEAUREGARD MEMORIAL HOSPITAL
EMPLOYEES RETIREMENT PLAN
DeRidder, Louisiana
ID #72-0491106

Statement of Net Assets Available for Benefits
December 31,

	<u>1997</u>	<u>1996</u>
Receivables		
Loans to participants	\$ 428,276	\$ 347,101
Investments at fair value		
Pooled separate accounts	1,674,507	1,297,590
Unallocated group annuity contract	<u>2,445,425</u>	<u>2,317,551</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 4,548,208</u>	<u>\$ 3,962,242</u>

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

BEAUREGARD MEMORIAL HOSPITAL
EMPLOYEES RETIREMENT PLAN
DeRidder, Louisiana
EIN #72-0491106

Notes to Financial Statements
December 31, 1997

Note 1 - Description of the Plan

The following description of the Beauregard Memorial Hospital Employees Retirement Plan provides only general information. Participants should refer to the Plan Document for a more complete description of the plan's provisions.

General

The plan is a Money Purchase Pension Plan for the benefit of eligible employees, which covers substantially all of the employees of Beauregard Memorial Hospital.

Eligibility

To become eligible, an employee must complete one year of service (at least 1,000 hours of service in a plan year) and attain the age of 21. To become a participant, an employee must meet the above eligibility requirements and execute an application authorizing the employer to make regular payroll deductions equal to the basic contribution.

Contributions

The basic contribution required by all participating employees is an amount equal to three percent (3%) of his compensation. Each participant may make additional voluntary contributions to bring the total contribution to ten percent (10%) of his compensation.

For each month that the participant makes the basic contributions, the employer shall make monthly employer contributions to the participating employees' account equal to five percent (5%) of the participants' monthly salary.

Participant Accounts

The balance in each participant's account that is attributable to his own contributions shall be fully vested at all times.

The vested portion of the participant's account attributable to employer contributions shall be based on the number of years of service as of the date of termination of employment as follows:

<u>Years of Service</u>	<u>Vested Percentage</u>
2	20%
3	40%
4	60%
5	80%
6	100%

Continued

BEAUREGARD MEMORIAL HOSPITAL
EMPLOYEES RETIREMENT PLAN
DeRidder, Louisiana
EIN #72-0491106

Notes to Financial Statements (Continued)
December 31, 1997

Note 1 - Description of the Plan (Continued)

Benefit Payments

Upon the participant's retirement, the administrator shall take the steps necessary to distribute to the participant the value of his account. The normal form of retirement benefit shall be a contingent annuity or a life annuity with 120 payments guaranteed.

The administration shall purchase an annuity contract with an insurance company to service the annuity. (Currently, Hartford Life Insurance Company)

A participant may elect a regular life annuity option or cash settlement option in lieu of the normal form of retirement benefit.

Note 2 - Summary of Significant Accounting Policies

General

The financial statements of the plan are prepared on a modified cash basis, which is a comprehensive method of accounting other than generally accepted accounting principles. Employer and Employee contributions are recognized when received. Dividends and capital gains income are accrued as of the ex-dividend date. Employee benefits are expensed when paid.

Benefits covered by annuity contracts are excluded from the projected benefit obligation as well as plan assets.

Transactions

All transactions listed on the accompanying statements are recorded on the trade date. The cost of investments sold is determined on the basis of identified costs. Dividends and capital gains income are accrued as of the ex-dividend date.

Investments

The plan's investments are held under an insurance contract with Hartford Life Insurance Company. Unallocated contracts include pooled separate accounts, as well as an unallocated group annuity contract.

BEAUREGARD MEMORIAL HOSPITAL
EMPLOYEES RETIREMENT PLAN
DeRidder, Louisiana
EIN #72-0491106

Notes to Financial Statements (Continued)
December 31, 1997

Note 2 - Summary of Significant Accounting Policies (Continued)

The value of the pooled separate accounts is determined by multiplying the total number of accumulation units credited to the contract by the current Accumulation Unit Value. The value of an Accumulation Unit is determined by reference to the value as determined by the New York Stock Exchange.

The value of the unallocated group annuity contracts is determined by applying the appropriate credit or charge for employer contributions or benefit payments. A monthly adjustment is credited based on an annual interest rate agreed upon in the contract with Hartford Life Insurance Company. Miscellaneous credits and charges in relation to participant loans, transfers to and from separate accounts, and administration fees also affect the value of the fund. The book value equals fair market value.

Note 3 - Limited Scope - Certified Information

The Hartford Life Insurance Company, a trustee of the plan, holds all of the plan's investment assets and executes transactions therein. Financial information relating to the assets is included in the accompanying financial statements and schedule and is based on information provided by the trustee. The plan administrator has instructed the independent public accountants not to examine the information certified as complete and accurate by the trustee/custodian. The trustee custodian's certification applies to substantially all plan assets and transactions for the dates presented.

The trustee certification applies to all investments and the Statement of Assets Held for Investment Purposes.

Note 4 - Participant Loans

Upon written application by any participant, the trustees, may make a loan to such participant. The trustees must make loans available in a uniform nondiscriminatory manner.

All loans made to participants by the plan must be adequately secured and bear a reasonable rate of interest equal to the interest rate then being charged for similar types of loans by commercial banks in the area of the employer's place of business plus 1%.

The amount of any loan made by the plan to a participant is limited to the vested interest in his account at the time such loan is made, less the amount any outstanding loans that have been made to such participant.

Continued

6

BEAUREGARD MEMORIAL HOSPITAL
EMPLOYEES RETIREMENT PLAN
DeRidder, Louisiana
EIN #72-0491106

Notes to Financial Statements (Continued)
December 31, 1997

Note 5 - Plan Termination

Although it has not expressed an intention to do so, the Company has the right under the plan to discontinue its contributions at any time and to terminate the plan, subject to the provisions of ERISA. In the event of plan termination, employees become 100% vested in their accounts.

Note 6 - Tax Status

The Internal Revenue Service has determined and informed the Administrator by a letter dated November, 1995, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code. No provision for income taxes has been included in the plan's financial statements.

Note 7 - Expenses Paid by Employer Sponsor

The employer sponsor paid \$2,500 on behalf of the plan during the year for auditing fees.

Note 8 - Minimum Funding Standards

The plan has complied with the minimum funding requirement as applied to money purchase plans subject to ERISA.

Note 9 - Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from these estimates.

ITEM 27A - SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

Attachment to Form 5500

Plan Sponsor: Beauregard Memorial Hospital

ER ID No.: 72-0491106

(a)	(b) Identity of Issue	(c) Description of Investment Maturity date, rate of interest, collateral, per maturity value	(d) Cost	(e) Current Value
	Hartford Life Insurance Co.	Unallocated Group Annuity Contract (Funds held in insurance company general account)	\$ 1,488,251	\$ 2,445,425
	Hartford Life Insurance Co.	Participation in an insurance company pooled separate account	\$ 1,021,127	\$ 1,674,507