

HOSPITAL SERVICE DISTRICT NO. 1C
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
MANGHAM OUTPATIENT CLINIC
Mangham, Louisiana

Component Unit Financial Statements
As of and for the Year Ended December 31, 2002
With Supplemental Information Schedules

CONTENTS

	Statement	Page
Accountant's Report on the Financial Statements		2
General Purpose Financial Statements:		
Hospital Enterprise Fund		
Balance Sheet – Unrestricted Funds	A	3
Statement of Operations – Unrestricted Funds	B	4
Statement of Changes in Fund Balance – Unrestricted Funds	C	5
Statement of Cash Flows – Unrestricted Funds	D	6
Notes to the Financial Statements		7
	Schedule	Page
Supplemental Information Schedules:		
Schedule of Compensation Paid Board Members	1	12

KAREN M. HOLLIS, CPA

Accountant's Report

**BOARD OF COMMISSIONERS
HOSPITAL SERVICES DISTRICT NO. 10
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
BANGHAM OUTPATIENT CLINIC
Mangrove, Louisiana**

I have compiled the accompanying component unit financial statements of the Hospital Service District No. 10, a component unit of the Richland Parish Police Jury, as of and for the year ended December 31, 2002, and the accompanying supplementary information contained in Schedule I which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements and supplementary schedules information that is the representation of the Board. I have not audited or reviewed the accompanying financial statements or supplementary schedule and, accordingly, do not express an opinion or any other form of assurance on them.

Karen M. Hollis

Rayville, Louisiana
March 19, 2003

Statement A

**HOSPITAL SERVICE DISTRICT NO. 1C
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
BANGHAM OUTPATIENT CLINIC
Mangham, Louisiana
HOSPITAL ENTERPRISE FUND**

**Balance Sheet - Unrestricted Funds
December 31, 2002**

ASSETS	<u>2002</u>
Current	
Cash and cash equivalents	<u>\$17,787</u>
Total Current Assets	17,787
Property, plant and equipment, less accumulated depreciation of \$8,712 in 2002	<u>690</u>
Total Assets	<u>\$18,477</u>
LIABILITIES AND FUND BALANCE	
Current	
Current portion of lease obligation	<u>189</u>
Total Liabilities	189
 Fund Balance-Unrestricted	 <u>18,288</u>
Total Liabilities and Fund Balance	<u>\$18,477</u>

See the accountant's report and the accompanying notes.

Statement B

HOSPITAL SERVICE DISTRICT NO. 10
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
MANORIAN OUTPATIENT CLINIC
Mangham, Louisiana
HOSPITAL ENTERPRISE FUND

Statements of Operations - Unrestricted Funds
Year Ended December 31, 2002

	2002
REVENUES	
Operating Revenue	\$101,000
Total revenues	101,000
EXPENSES	
Contract Labor	6,340
Depreciation	200
Insurance	1,359
Interest	30
Professional fees	729
Repairs	5,874
Supplies	152
Taxes	15
Total expenses	14,799
OPERATING INCOME (LOSS)	(2,799)
NON-OPERATING INCOME (LOSS)	
Interest Income	944
Total non-operating income (loss)	944
EXCESS OF REVENUE OVER EXPENSES	(1,855)

See the accountant's report and the accompanying notes.

HOSPITAL SERVICE DISTRICT NO. 1C
 OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
 MANORHAM OUTPATIENT CLINIC
 Mangham, Louisiana
 HOSPITAL ENTERPRISE FUND

Statement of Changes in Fund Balance - Unrestricted Funds
 Year Ended December 31, 2002

	2002
CHANGES IN FUND BALANCE:	
Balance, beginning of year	\$80,000
Excess of expenses over revenues	(1,846)
Fund balance, December 31	\$78,154
 COMPOSITION OF FUND BALANCE:	
Excess of expenses over revenues	\$18,218
Total	\$78,218

See the accountant's report and the accompanying notes

Statement D

HOSPITAL SERVICE DISTRICT NO. 10
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
BAMNHAM OUTPATIENT CLINIC
Mangham, Louisiana
HOSPITAL, ENTERPRISE FUND

Statement of Cash Flows - Unrestricted Funds
Year Ended December 31, 2002

	2002
Cash Flows from Operating Activities:	
Operating income (loss)	(\$1,948)
Interest expense considered capital financing activity	30
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	200
Change in current assets (Increase) decrease	
Accounts receivable	8,000
Accounts payable	100
	4,491
Net cash provided by operating activities	4,491
Cash Flows from Investing Activities:	
Net cash provided by investing activities	0
Cash Flows from Capital and Related Financing Activities:	
Principal payments on lease	(1,797)
Interest paid on lease	(58)
	(1,855)
Net increase (decrease) in cash and cash equivalents	2,636
Cash and cash equivalents, beginning of year	78,082
Cash and cash equivalents, end of year	80,718
Supplemental disclosures of cash flow information:	
Cash paid during the year for:	
Interest	812

See the accountant's report and the accompanying notes.

**HOSPITAL SERVICE DISTRICT NO. 1C
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
MANORIAN OUTPATIENT CLINIC
Mangham, Louisiana**

Notes to the Financial Statements
As of and for the Year Ended December 31, 2003

INTRODUCTION

Hospital Service District No. 1C (the Hospital or the District) was created by an ordinance of the Richland Parish Police Jury on October 27, 1999, for the purpose of providing outpatient care and to promote the general health of the community. The Hospital is comprised of and embraces the territory contained within Wards 5 through 7 of the Parish of Richland, State of Louisiana, as constituted as of the date of the ordinance. The Hospital is governed by a board of commissioners consisting of five members. The commissioners are appointed by the Richland Parish Police Jury and receive no compensation for their services. The Hospital has no employees.

Effective as of November 1, 1999, Hospital Service District No. 1C (which operated hospitals in Dahn and Rayville and the clinic in Mangham) transferred operations and management of the Mangham Outpatient Clinic to Hospital Service District No. 1C.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying (unaudited) unit financial statements of the Hospital Service District No. 1C 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.

B. REPORTING ENTITY

The Hospital is a component unit of the Richland Parish Police Jury, the financial reporting entity. The police jury is financially accountable for the Hospital because it appoints a voting majority of the board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the Hospital and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

C. FUND ACCOUNTING

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body

**HOSPITAL SERVICE DISTRICT NO. 02
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
MAMORHAM OUTPATIENT CLINIC
Mangham, Louisiana
Notes to the Financial Statements (Continued)**

is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

D. BASIS OF ACCOUNTING

The Hospital uses the accrual method of accounting. Revenues consist of rental income from the physician currently leasing the building. This revenue is reported at the amount realized each month. Expenses are recorded when incurred. Hospital accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:514 and to the guide set forth in the Louisiana Governmental Audit Guide, the AICPA Audit and Accounting Guide - Health Care Organizations published by the American Institute of Certified Public Accountants.

E. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Hospital may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

F. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recorded as expenditures at the time purchased, constructed, or at fair market value on the date of donation. The Hospital uses straight-line depreciation for financial reporting. The following estimated useful lives are generally used.

Machinery and Equipment	3 to 20 years
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Expenditures for additions, major renewals and betterments are capitalized and expenditures for maintenance and repairs are charged to operations as incurred.

G. SIGNIFICANT CONCENTRATION OF ECONOMIC DEPENDENCE

The Hospital has an economic dependence on one physician that rents the Clinic space from the Hospital.

2. CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents are deposits with the depository bank for the checking account. Of the \$77,727 total deposits at December 31, 2002, \$77,727 was secured at balance

**HOSPITAL SERVICE DISTRICT NO. 90
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
MANORHAM OUTPATIENT CLINIC
Mangham, Louisiana
Notes to the Financial Statements (Continued)**

sheet date by federal depository insurance coverage. For all deposits, the market value and carrying value are the same.

3. RECEIVABLES

A summary of accounts receivable is presented below:

	<u>2001</u>
Accounts Receivable	<u>90</u>
Total	<u>90</u>

4. CHANGES IN PROPERTY, PLANT AND EQUIPMENT

The following is a summary of property, plant and equipment and related accumulated depreciation for the year ended December 31:

ASSET COST	31-Dec	Additions	Deductions	Balance
	2001			31-Dec
	2001			2001
Equipment	\$5,812	\$0	\$0	\$5,812
Total	<u>\$5,812</u>	<u>\$0</u>	<u>\$0</u>	<u>\$5,812</u>

ACCUMULATED DEPRECIATION	31-Dec	Additions	Deductions	31-Dec
	2001			2001
	2001			2001
Equipment	\$5,812	\$000	\$0	\$5,812
Total	<u>\$5,812</u>	<u>\$000</u>	<u>\$0</u>	<u>\$5,812</u>

5. PENSION PLAN

**HOSPITAL SERVICE DISTRICT NO. 1C
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
MARGHAM OUTPATIENT CLINIC
Margham, Louisiana
Notes to the Financial Statements (Continued)**

The Hospital has no employees and therefore does not contribute to a pension plan.

6. LEASES

A lease purchase obligation for a AFP MiniMed 90 Automatic Film Processor was entered into on May 17, 1989. The lease calls for 36 monthly payments of \$156 which includes principal and interest of 14% per annum plus sales tax. The lease has been completed. The asset is recorded at fair value and depreciated over its estimated productive life.

7. AFFILIATED ORGANIZATION

Affiliated organizations include Richland Parish Hospital Service District No. 1, Richland Parish Hospital Service District No. 1B and 1A, and the Richland Parish Police Jury. The Hospitals are related because they are all political subdivisions of the Richland Parish Police Jury who appoints their commissioners.

During the fiscal year ended December 31, the Hospital had no transactions or ending balances with its affiliated organizations as listed above.

8. INSURANCE

The Hospital is required by the operating agreement to carry \$1,000,000 of general liability. The Hospital Service District No. 1B will carry the building and contents insurance and any physicians leasing the building must carry their own professional liability insurance.

9. LITIGATION AND CLAIMS

The Hospital is not aware of any lawsuits or possible threats of any lawsuits at December 31.

HOSPITAL SERVICE DISTRICT NO. 10
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
BANGHAM OUTPATIENT CLINIC
Birmingham, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULES
For the Year Ended December 31, 2002

COMPENSATION PAID BOARD MEMBERS

A schedule of compensation paid board members is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

**HOSPITAL SERVICE DISTRICT NO. 10
OF THE PARISH OF RICHLAND, STATE OF LOUISIANA
MANORIAN OUTPATIENT CLINIC
Bogalusa, Louisiana
HOSPITAL ENTERPRISE FUND**

**Schedule of Compensation Paid Board Members
Year Ended December 31, 2012**

	TERM		
	BEGAN	ENDING	2012
Johnny L. Natt	10/28/2003	10/28/2008	NONE
Ida G. Roberts, Resigned	10/28/2003	10/28/2008	NONE
Robert R. Harsell	10/28/1999	10/28/2004	NONE
Darcy Karen Williamson	10/28/2003	10/28/2004	NONE
Zosa McKay, Chairman	10/28/2003	10/28/2004	NONE
Ronnie Magoun	4/1/2002	10/28/2008	NONE

See the accountant's report and the accompanying notes.