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

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2012**

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

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2012**

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**INDEPENDENT AUDITORS' REPORT**

Board of Commissioners  
East Ascension Parish Hospital Service District  
Of Ascension Parish, Louisiana  
Gonzales, Louisiana

We have audited the accompanying financial statements of the East Ascension Parish Hospital Service District of Ascension Parish, Louisiana (the District), a component unit of the Ascension Parish Council, as of and for the eighteen months ended September 30, 2012 and year ended March 31, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the East Ascension Parish Hospital Service District of Ascension Parish, Louisiana as of September 30, 2012 and March 31, 2011, and the respective changes in financial position and cash flows thereof for the eighteen months and year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 29, 2013, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 2 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Postlethwaite & Netterville*

Gonzales, Louisiana  
March 29, 2013

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**September 30, 2012**

This section of the District's annual financial report presents our discussion and analysis of the District's financial performance during the eighteen months that ended on September 30, 2012. Please read it in conjunction with the District's financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

- The District's total assets decreased by \$7.8 million over the course of this eighteen month's operations.
- During the year, the District's revenues were \$1.2 million less than the \$1.8 million in expenses. The District generated \$664,000 in rental income and \$24,000 for interest income.
- On July 31, 2012, the District closed the Hospital and signed an intergovernmental agreement with the Ascension Parish Government to transfer the net assets. Contracts with Promise Hospital of Ascension, Inc. and Seaside Health System to lease the District's premises and equipment were expired and/or transferred over the Parish Government. As of September 30, 2012, the District closed the books and transferred funds to the Parish Government.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of two parts—management's discussion and analysis (this section), and the basic financial statements. The basic financial statements include government-wide financial statements that provide both long-term and short-term information about the District's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The notes are followed by additional reports as required by *Governmental Auditing Standards*. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Figure A-1 summarizes the major features of the District's financial statements, including the portion of the District's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**September 30, 2012**

Figure A-1  
Major Features of District's Government Financial Statements

Government-wide Statements

Scope	Entire District government and the District's component units
Required financial statements	<ul style="list-style-type: none"><li>• Statement of net assets</li><li>• Statement of revenues, expenses, and changes in net assets</li><li>• Statement of cash flows</li></ul>
Accounting basis and measurements focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid

**Government-wide Statements**

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statements of net assets include all of the government's assets and liabilities. All of the current eighteen month's revenues and expenses are accounted for in the statements of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net assets and how they have changed. Net assets—the difference between the District's assets and liabilities—is one way to measure the District's financial health, or position.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District you need to consider additional nonfinancial factors such as the condition of the District's building and equipment.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**September 30, 2012**

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

**Net assets.** The District's net assets decreased between fiscal years March 31, 2011 and September 30, 2012 by approximately \$7.8 million. (See Table A-1.)

**Table A-1**  
**District's Net Assets**

	<u>Governmental Activities</u>	
	<u>2012</u>	<u>2011</u>
Current and other assets	\$ -	\$ 6,079,400
Capital assets	-	1,690,410
<b>Total assets</b>	<u>-</u>	<u>7,769,810</u>
Current liabilities	-	26,642
<b>Total liabilities</b>	<u>-</u>	<u>26,642</u>
Net assets		
Invested in capital assets, net of related debt	-	1,690,410
Unrestricted	-	6,052,758
<b>Total net assets</b>	<u>\$ -</u>	<u>\$ 7,743,168</u>

Net assets of the District's governmental activities were transferred to the Ascension Parish Government at the eighteen months ended September 30, 2012.

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**September 30, 2012**

**Changes in net assets.** The District's total revenues decreased by 29 percent (See Table A-2.). On September 30, 2011, the District's rental income, with Promise Hospital of Ascension Inc., for leasing of the District's building and premise expired. The District entered into a new contract with Seaside Health Systems in January 2012 for \$23,000 per month. At September 30, 2012, the lease with Seaside Health System was transferred to the Ascension Parish Government.

The total operating expenses increased approximately \$916,000. Increases in bad debts of \$260,000 and utility payments of \$261,000 were contributed to this increase. The District also showed a \$6.6 million non-operating expense for the transfer of net assets to the Ascension Parish Government. The District signed an Act of Donation and Transfer with the Parish of Ascension, whereby it ceased all operations and transferred all of its assets to the Parish Government.

**Governmental Activities**

Revenues for the District's governmental activities decreased by 17% from March 31, 2011. Of the revenue received by the District, 96% is attributed to rental income and 4% is from interest income. Approximately \$24,000 of interest income earned was from the District's \$5 million NOW checking account balance.

**Table A-2**  
**Changes in District's Net Assets**

	<b>Governmental Activities</b>	
	<b>September 30, 2012</b>	<b>March 31, 2011</b>
<b>Revenues</b>		
Rental income	\$ 663,613	\$ 797,724
Interest income	24,299	35,192
<b>Total revenues</b>	<b>687,912</b>	<b>832,916</b>
<b>Expenses</b>		
Operating expenses	1,815,029	898,583
Intergovernmental transfer	6,616,051	-
<b>Total expenses</b>	<b>8,431,080</b>	<b>898,583</b>
<b>Decrease in net assets</b>	<b>\$ (7,743,168)</b>	<b>\$ (65,667)</b>



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

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**September 30, 2012**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2012, the District had transferred all capital assets to the Ascension Parish Government. (See Table A-3.)

**Table A-3**  
**District's Capital Assets**  
(net of depreciation)

	<b>Governmental Activities</b>	
	<b>2012</b>	<b>2011</b>
Land	\$ -	\$ 70,000
Land improvements	-	101,446
Buildings and improvements	-	9,007,147
Equipment	-	3,931,003
Total capital assets	-	13,109,596
Accumulated depreciation	-	(11,419,186)
<b>Net Capital Assets</b>	<b>\$ -</b>	<b>\$ 1,690,410</b>

**CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Wayne Sheets, Chief Financial Officer, 615 East Worthey Road, Gonzales, LA 70737.

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

**STATEMENTS OF NET ASSETS**  
**SEPTEMBER 30, 2012 AND MARCH 31, 2011**

	<b><u>ASSETS</u></b>	
	<u>2012</u>	<u>2011</u>
<b><u>CURRENT ASSETS</u></b>		
Cash and cash equivalents	\$ -	\$ 5,805,963
Patient accounts receivable, net of allowance	-	18,568
Estimated third-party payor settlements	-	243,100
Other current assets	-	11,769
Total current assets	-	6,079,400
<b><u>PROPERTY AND EQUIPMENT</u></b> - net	-	1,690,410
<b>Total assets</b>	\$ -	\$ 7,769,810

	<b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>		
Accounts payable	\$ -	\$ 15,427
Accrued expenses	-	11,215
Total current liabilities	-	26,642
<b><u>NET ASSETS</u></b>		
Invested in capital assets, net of related debt	-	1,690,410
Unrestricted	-	6,052,758
Total net assets	-	7,743,168
<b>Total liabilities and net assets</b>	\$ -	\$ 7,769,810

The accompanying notes are an integral part of these statements.

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

**STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS**  
**FOR THE EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2012**  
**AND YEAR ENDED MARCH 31, 2011**

	<u>2012</u>	<u>2011</u>
<b><u>REVENUE</u></b>		
Rental Income	\$ 663,613	\$ 797,724
<b><u>EXPENSES</u></b>		
Professional fees	629,359	620,311
Travel	-	3,327
Insurance	144,836	28,721
Repairs	141,592	6,363
Bad debt	260,260	-
Utilities	261,029	-
Other	3,859	1,943
Depreciation expense	374,094	237,918
Total expenses	<u>1,815,029</u>	<u>898,583</u>
<b><u>OPERATING LOSS</u></b>	<u>(1,151,416)</u>	<u>(100,859)</u>
<b><u>NONOPERATING REVENUE (EXPENSE)</u></b>		
Interest income	24,299	35,192
Intergovernmental transfer	(6,616,051)	-
Total nonoperating revenue (expense)	<u>(6,591,752)</u>	<u>35,192</u>
Decrease in net assets	(7,743,168)	(68,667)
<b><u>NET ASSETS</u></b>		
Balance, beginning of year	<u>7,743,168</u>	<u>7,808,835</u>
Balance, end of year	<u>\$ -</u>	<u>\$ 7,743,168</u>

The accompanying notes are an integral part of these statements.

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

**STATEMENTS OF CASH FLOWS**  
**FOR THE EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2012**  
**AND YEAR ENDED MARCH 31, 2011**

	2012	2011
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Cash received from rental income	\$ 665,021	\$ 798,314
Cash paid to suppliers	(1,195,548)	(662,616)
Net cash provided by (used in ) operating activities	(530,527)	135,698
<b><u>CASH FLOWS FROM CAPITAL AND RELATING FINANCING ACTIVITIES</u></b>		
Purchases of property and equipment	-	(184,215)
Interest income	24,299	35,192
Net cash provided by (used in) capital and related financing activities	24,299	(149,023)
<b><u>CASH FLOWS FROM NONCAPITAL FINANCING</u></b>		
Transfer of assets to Ascension Parish Government	(5,299,735)	-
Net cash used in noncapital financing	(5,299,735)	-
<b><u>NET DECREASE IN CASH AND CASH EQUIVALENTS</u></b>	(5,805,963)	(13,325)
<b><u>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</u></b>	5,805,963	5,819,288
<b><u>CASH AND CASH EQUIVALENTS AT END OF YEAR</u></b>	\$ -	\$ 5,805,963
<b><u>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</u></b>		
Operating loss	\$ (1,151,416)	\$ (100,859)
Adjustments to reconcile operating loss to net cash provided by operating activities		
Depreciation	374,094	237,918
Bad debt	260,260	-
Changes in operating assets and liabilities:		
Patient accounts receivables	(241,692)	590
Other current assets	11,769	-
Estimated third-party payor settlements	243,100	-
Accounts payable	(15,427)	(5,172)
Accrued expenses payable	(11,215)	3,221
Net cash provided by (used in) operating activities	\$ (530,527)	\$ 135,698

The accompanying notes are an integral part of these statements.

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

**NOTES TO FINANCIAL STATEMENTS**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

East Ascension Parish Hospital Service District of Ascension Parish, Louisiana, d/b/a Ascension Hospital (the District) is a rental facility that leases the District's building and premises to tenants under contract terms. The District was approved by the Ascension Parish Police Jury (Police Jury), and is a political subdivision organized under the State of Louisiana laws. The District has a Board of Commissioners who are appointed by the Ascension Parish Council, formally known as the Police Jury.

**Basis of Presentation**

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to governments. The basic financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses, excluding depreciation, are recorded when a liability is incurred, regardless of the timing of related cash flows.

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the District has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB), including those issued after November 30, 1989 that do not conflict with or contradict GASB pronouncements.

**Measurement Focus, Basis of Accounting**

*Government-wide Financial Statements.* The government-wide financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

**NOTES TO FINANCIAL STATEMENTS**

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**Reporting Entity**

As the governing authority of the parish, for reporting purposes, the Ascension Parish Council (the 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 the 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 criteria on for including a potential component unit within the reporting entity are 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 fiscally 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.

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.

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

**NOTES TO FINANCIAL STATEMENTS**

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**Patient Accounts Receivable**

Patient accounts receivable are reported at their outstanding unpaid balance, adjusted for any write-offs and the allowance for doubtful accounts. Interest income is not accrued on any unpaid balances.

Accounts are considered past due at the time that the balance is 30 days delinquent. Accounts are written off when management deems that they are uncollectible.

**Allowance for Doubtful Accounts**

The allowance for doubtful accounts is established as losses are estimated to have occurred through a provision for doubtful accounts charged to earnings. Losses are charged against the allowance when management believes the uncollectability of an account is confirmed. Subsequent recoveries, if any, are credited to the allowance.

The allowance for doubtful accounts is evaluated on a regular basis by management and is based upon management's periodic review of the collectability of the accounts in light of historical experience, the nature and volume of the accounts, and the agreements with the respective third-party payers.

**Statement of Revenue and Expenses**

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

**Property and Equipment**

Property and equipment acquisitions are recorded at cost. Property and equipment donated for District operations are recorded as additions at fair value at the date of receipt when the assets are placed in service.

Depreciation is provided over the estimated useful life of each class of depreciable assets and is computed using the straight-line method. The buildings and improvements are being depreciated over 25 to 50 years, land improvements over 20 years, and equipment over 5 to 20 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.

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

**NOTES TO FINANCIAL STATEMENTS**

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**Cash and Cash Equivalents**

Cash and cash equivalents include investments in highly liquid debt instruments with an original maturity of three months or less, excluding amounts whose use is limited by board designation or those amounts with third-party payers.

**Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; and natural disasters. The District continues to carry commercial insurance for all other risks of loss.

**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 those estimates.

**Reclassifications**

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

2. **CUSTODIAL CREDIT RISK- DEPOSITS**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of September 30, 2012, the bank balances were not exposed to custodial credit risk.

3. **COMMITMENTS AND CONTINGENCIES**

As of September 30, 2012, there were not any material lawsuits are pending against the District.



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

**NOTES TO FINANCIAL STATEMENTS**

**4. PROPERTY AND EQUIPMENT**

A summary of property and equipment at September 30, 2012 and March 31, 2011, follows:

	Balance 2011	Additions	Transfers	Balance 2012
Land	\$ 70,000	\$ -	\$ (70,000)	\$ -
Land improvements	101,446	-	(101,446)	-
Buildings and improvements	9,007,147	-	(9,007,147)	-
Equipment	3,931,003	-	(3,931,003)	-
	13,109,596	-	(13,109,596)	-
Less: accumulated depreciation	11,419,186	374,094	(11,793,280)	-
Property and equipment – net	<u>\$ 1,690,410</u>			<u>\$ -</u>

Depreciation expense for the eighteen months ended September 30, 2012 and the year ended March 31, 2011 amounted to \$374,094 and \$237,918, respectively.

**5. OPERATING LEASE COMMITMENTS**

The District ended all lease agreements with tenants on September 30, 2012.

**6. INTERGOVERNMENTAL AGREEMENT**

The District has a twelve month intergovernmental agreement with the Ascension Parish Council and Ascension Parish School Board. The District provides funding for various types of mental health and medical services to local schools and health units. For the eighteen months ended September 30, 2012, total cost for these services was \$571,418.

**7. CLOSURE OF THE EAST ASCENSION PARISH HOSPITAL SERVICE DISTRICT**

The District signed an Act of Donation and Transfer with the Parish of Ascension on July 31, 2012, whereby it ceased all operations and transferred all of its assets to the Parish of Ascension.

**8. SUBSEQUENT EVENT**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 29, 2013, and determined that no events occurred that require disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Commissioners  
East Ascension Parish Hospital Service District  
of Ascension Parish, Louisiana  
Gonzales, Louisiana

We have audited the financial statements of the East Ascension Parish Hospital Service District of Ascension Parish, Louisiana, component unit of the Ascension Parish Council, as of and for the eighteen months ended September 30, 2012, which collectively comprise of the East Ascension Parish Hospital Service District's basic financial statements and have issued our report thereon dated March 29, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered East Ascension Parish Hospital Service District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the East Ascension Parish Hospital Service District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the East Ascension Parish Hospital Service District's internal control over financial reporting.

*A deficiency in internal controls* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether East Ascension Parish Hospital Service District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of the Board of Commissioners, management, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Gonzales, Louisiana  
March 29, 2013

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

**SCHEDULE OF FINDINGS AND RESPONSES**  
**EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2012**

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion of the financial statements of East Ascension Parish Hospital Service District of Ascension Parish, Louisiana.
2. No significant deficiencies relating to the audit of the financial statements were reported in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. No instance of noncompliance material to the financial statements of East Ascension Parish Hospital Service District of Ascension Parish, Louisiana was reported.

**B. FINDINGS-FINANCIAL STATEMENT AUDIT**

NONE

**C. NON COMPLIANCE**

NONE

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

**SCHEDULE OF PRIOR AUDIT FINDINGS**  
**YEAR ENDED MARCH 31, 2011**

**A. FINDINGS-FINANCIAL STATEMENT AUDIT**

None

**B. NON COMPLIANCE**

**2011-01 PUBLIC BID LAW VIOLATION**

- Finding:*** The District declared a public emergency and purchased equipment greater than \$30,000; however it was not published in the official journal within 10 days of declaring the public emergency.
- Actions taken:*** The District implemented procedures to ensure that emergency purchases are published in the official journal within 10 days of declaring a public emergency in order to comply with State Public Bid Law.
- Status:*** No similar finding noted in current year.