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BONNE SANTE' - CHEMICAL Health & WELLNESS CENTER
NEW ROADS, LOUISIANA

Annual Financial Statements
Year Ended June 30, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the 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 11-17-04

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REPORT OF INDEPENDENT ACCOUNTANT

September 22, 2004

Bonne Sante' - Chemical Health & Wellness Center
New Roads, Louisiana

I have audited the accompanying basic financial statements of the Bonne Sante' - Chemical Health & Wellness Center, a component unit of the Pointe Coupee Parish Police Jury, as of and for the year ended June 30, 2004, as listed in the Table of Contents. These basic financial statements are the responsibility of the Bonne Sante' - Chemical Health & Wellness Center's management. My responsibility is to express an opinion of these basic financial statements based on my audit.

I conducted my 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. Those standards require that I 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. I believe that my audit provided a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Bonne Sante' - Chemical Health & Wellness Center as of June 30, 2004, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

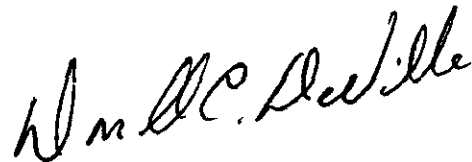
As described in Note 1, the Bonne Sante' - Chemical Health & Wellness Center has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis-For State and Local Governments, as of June 30, 2004.

The budgetary information on page 28-30, is not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

The Bonne Sante' - Chemical Health & Wellness Center has not presented Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In accordance with Government Auditing Standards, I have also issued a report dated September 22, 2004, on our consideration of Bonne Sante' - Chemical Health & Wellness Center's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

Respectively submitted,

A handwritten signature in cursive script, appearing to read "Wm. B. DeWille". The signature is written in dark ink and is positioned below the typed text "Respectively submitted,".

GOVERNMENT WIDE FINANCIAL STATEMENTS

GOVERNMENT WIDE STATEMENT OF NET ASSETS

**BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
JUNE 30, 2004**

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS:	
Cash	\$93,566
Taxes Receivable	11,741
Grants Receivable	11,466
Accounts Receivable	2,544
Capital assets, net of accumulated depreciation	2,572
Total Assets	<u>121,889</u>
 LIABILITIES AND FUND BALANCES:	
LIABILITIES:	
Accounts Payable	\$0
Payroll Taxes Payable	345
Compensated Absences	1,993
Total Liabilities	<u>2,338</u>
 FUND BALANCES:	
Invested in Capital Assets, net of debt	2,572
Reserved-Prevention	2,470
Unreserved-Undesignated	114,508
Total Fund Balance	<u>119,550</u>
 Total Liabilities and Fund Balances	 <u>121,888</u>

The accompanying notes are an integral part of this statement.

GOVERNMENT WIDE STATEMENT OF ACTIVITIES

**BONNE SANTE' - CHEMICAL HEALTH AND WELLNESS CENTER
NEW ROADS, LOUISIANA**

For the Year Ended June 30, 2004

	Program Revenues			Net (Expenses) Revenues and Increases (Decreases) in Net Assets
	Operating			
	Charges for Services	Grants and Contributions	Capital Grants & Contributions	
Governmental Activities				
HEALTH AND WELFARE SUPPORT SERVICES				
Administration	\$108,202	\$6,664	\$0	(101,538)
Substance Abuse Prevention	87,622	0	87,622	0
	27,424	0	29,894	2,470
Total Governmental Activities	<u>223,248</u>	<u>6,664</u>	<u>117,516</u>	<u>(99,068)</u>
General Revenues:				
Sales Taxes				104,777
Investment earnings				488
Other general revenues				1,142
Special-Sale of Fixed Assets				0
Total general revenues and transfers				<u>106,407</u>
Change in Net Assets				7,339
Net assets-beginning				<u>112,211</u>
Net assets-ending				<u>119,550</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

**BALANCE SHEET
GOVERNMENTAL FUNDS**

**BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
June 30, 2004**

	<u>GENERAL</u>	<u>GRANT</u>	<u>PREVENTION</u>	<u>TOTAL</u>
ASSETS:				
Cash	\$72,063	\$15,763	\$5,739	\$93,565
Taxes Receivable	11,741	0	0	11,741
Grants Receivable	0	8,637	2,829	11,466
Accounts Receivable	2,544	0	0	2,544
Due From Other Funds	30,498	0	0	30,498
Total Assets	<u>116,846</u>	<u>24,400</u>	<u>8,568</u>	<u>149,814</u>
LIABILITIES AND FUND BALANCES:				
LIABILITIES:				
Accounts Payable	\$0	\$0	\$0	\$0
Payroll Taxes Payable	345	0	0	345
Due To Other Funds	0	24,400	6,098	30,498
Total Liabilities	<u>345</u>	<u>24,400</u>	<u>6,098</u>	<u>30,843</u>
FUND BALANCES:				
Reserved-Prevention	0	0	2,470	2,470
Unreserved-Undesignated	116,501	0	0	116,501
Total Fund Balance	<u>116,501</u>	<u>0</u>	<u>2,470</u>	<u>118,971</u>
Total Liabilities and Fund Balances	<u>116,846</u>	<u>24,400</u>	<u>8,568</u>	<u>149,814</u>

The accompanying notes are an integral part of this statement.

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO THE GOVERNMENT-WIDE FINANCIAL STATEMENT OF NET ASSETS

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
JUNE 30, 2004

Amounts reported for governmental activities in the
Statement of Net Assets are different because:

Total Governmental Fund Balance	\$118,971
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	2,572
Some expense reported in the statement of activities such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in government funds: Compensated Absences	<u>(1,993)</u>
Net Assets of Governmental Activities	<u><u>119,550</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

BONNE SANTE' - CHEMICAL HEALTH AND WELLNESS CENTER
NEW ROADS, LOUISIANA
June 30, 2004

	<u>GENERAL</u>	<u>GRANT</u>	<u>PREVENTION</u>	<u>TOTAL</u>
REVENUE				
Intergovernmental	\$0	\$87,622	\$26,894	\$114,516
Sales Taxes	104,777	0	0	104,777
Fines	680	0		680
Charges For Services	5,984	0	0	5,984
Donations	0	0	3,000	3,000
Interest Income	488	0	0	488
Miscellaneous Income	1,142	0	0	1,142
	<u>113,071</u>	<u>87,622</u>	<u>29,894</u>	<u>230,587</u>
EXPENDITURES				
HEALTH AND WELFARE				
CURRENT				
Salaries	72,645	30,085	22,894	125,624
Fringe	9,149	3,371	1,831	14,351
Travel	719	1,500	0	2,219
Operating Services	17,557	16,684	2,466	36,707
Operating Supplies	2,852	1,700	233	4,785
Other	1,124	0	0	1,124
Professional	1,749	34,282	0	36,031
Capital Outlay	2,060	0	0	2,060
	<u>107,855</u>	<u>87,622</u>	<u>27,424</u>	<u>222,901</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	5,216	0	2,470	7,686
FUND BALANCE, BEGINNING	<u>111,285</u>	<u>0</u>	<u>0</u>	<u>111,285</u>
FUND BALANCE, END	<u>116,501</u>	<u>0</u>	<u>2,470</u>	<u>118,971</u>

The accompanying notes are and integral part of this statement.

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2004

Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances-Total Governmental Funds	\$7,686
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	1,646
Repayment of notes payable is an expenditure in the governmental funds, but the repayment reduces long-term liability in this statement of net assets.	-0-
Some expense reported in the statement of activities such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	<u>(1,993)</u>
Changes in Net Assets of Governmental Activities	<u><u>7,339</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. INTRODUCTION

The Bonne Sante' Chemical Health & Wellness Center (Center) was created as part of the Pointe Coupee Health Service District No. 1 under the authority of Louisiana Revised Statutes 46:1051-1069. The Center is located in the City of New Roads and services the entire parish from this location. The center employs about eight employees and contractors.

b. BASIS OF PRESENTATION

The accompanying financial statements of the Bonne Sante' - Chemical Health & Wellness Center have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement 34, Basic Financial Statements-and Management Discussion and Analysis-for State and Local Governments, issued in June 1999.

c. REPORTING ENTITY

The Bonne Sante' - Chemical Health & Wellness Center does not possess all the corporate powers to make it a legally separate entity and the Pointe Coupee Parish Police Jury holds the Bonne Sante' -Chemical Health & Wellness Center's corporate powers. For this reason, the Bonne Sante' - Chemical Health & Wellness Center is a component unit of the Pointe Coupee Parish Police Jury, the Financial reporting entity.

The accompanying financial statements present information only on the funds maintained by the Bonne Sante' - Chemical Health & Wellness Center and do not present information on the parish Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

d. Presentation of Statements:

The Bonne Sante' - Chemical Health & Wellness Center's statements are prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standard Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

The Bonne Sante' - Chemical Health & Wellness Center has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds; however, the Bonne Sante' - Chemical Health & Wellness Center has chosen not to do so because it does not have any business-type activities or enterprise funds. The more significant accounting policies established in GAAP and used by the Bonne Sante' - Chemical Health & Wellness Center are discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis-for State and Local Governments. Certain of the significant changes in the statement include the following:

For the first time the financial statements include:

A Management Discussion and Analysis (MD&A) section providing an analysis of the Bonne Sante' - Chemical Health & Wellness Center's overall financial position and results of operations.

Governmental-Wide Financial statements prepared using full accrual accounting for all of the Bonne Sante' - Chemical Health & Wellness Center's activities.

A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements). The Bonne Sante' - Chemical Health & Wellness Center has elected to implement the general provisions of the GASB Statement 34 in the current year.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

e. Basic Financial Statements - Government-Wide Statements

The Bonne Sante' - Chemical Health & Wellness Center's basic financial statements include both Government-Wide (reporting the Bonne Sante' - Chemical Health & Wellness Center as a whole) and fund financial statements (reporting the Bonne Sante' - Chemical Health & Wellness Center's major funds). Both the Government-Wide and Fund Financial Statements categorize primary activities as either governmental or business type. The Bonne Sante' - Chemical Health & Wellness Center's functions and programs have been classified as governmental activities. The Bonne Sante' - Chemical Health & Wellness Center does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the Government-Wide financial statements do not include any of these activities or funds.

In the Government-Wide Statement of Net Assets, the governmental type activities column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Bonne Sante' - Chemical Health & Wellness Center's net assets are reported in three parts -invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets.

Invested in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. Restricted net assets consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Unrestricted net assets include all other net assets that do not meet the definition of "restricted" of "invested in capital assets, net of related debt."

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Government-Wide Statement of Activities reports both the gross net cost of each of the Bonne Sante' - Chemical Health & Wellness Center's functions and significant programs. Many functions and programs are supported by general government revenues like intergovernmental revenues, and unrestricted investment income, particularly if the function or program has a net cost. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation, and then reduces the expenses by related program revenues, such as operating and capital grants and contributions, to derive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used directly offset its cost. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants. The Bonne Sante' - Chemical Health & Wellness Center did not receive any capital-specific grants this year.

The Government-Wide Statements focus upon the Bonne Sante' - Chemical Health & Wellness Center's ability to sustain operations and the change in its net assets resulting from the current year's activities.

f. Basic Financial Statements - Fund Financial Statements

The financial transactions of the Bonne Sante' - Chemical Health & Wellness Center are reported in individual funds in the Fund Financial Statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are reported by generic classification within the financial statements.

The Bonne Sante' - Chemical Health & Wellness Center uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is considered major if it is the primary operating fund of the Bonne Sante' - Chemical Health & Wellness Center or if its total assets, liabilities, revenues or expenditures are at least 10% of the corresponding total for all funds of that category or type.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Governmental fund equity is called the fund balance. Fund balance is further classified as reserved and unreserved, with unreserved being further split into designated and undesignated. Reserved means that the fund balance is not available for expenditure because resources have already been expended (but not consumed), or a legally restriction has been placed on certain assets that makes them only available to meet future obligations. Designated fund balances result when management tentatively sets aside or earmarks certain resources to expend in a designated manner. In contrast to reserved fund balances, designated amounts can be changed at the discretion of management.

The following is a description of the governmental funds of the Bonne Sante' - Chemical Health & Wellness Center:

General Fund is the general operating fund of the Bonne Sante' - Chemical Health & Wellness Center. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

The Bonne Sante' - Chemical Health & Wellness Center has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

MAJOR SPECIAL REVENUE FUNDS

Grant Fund is used to account for funds which are used to administer the Bonne Sante' - Chemical Health & Wellness Center's substance abuse grant.

Prevention Fund is used to account for funds which are used to administer the Bonne Sante' - Chemical Health & Wellness Center's prevention grant.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

g. Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues or expenditures/ expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Bonne Sante' - Chemical Health & Wellness Center as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange takes place.

2. Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental funds types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e. when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Bonne Sante' - Chemical Health & Wellness Center considers all revenues "available" if they are collected within 60 days after year end. Expenditures are generally recorded under modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due, and (2) claims and judgements and compensated absences are recorded as expenditures when paid expendable available financial resource resources.

h. Interfund Activities

Interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers represent a permanent relocation of resources between funds. Transfers between funds are netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net assets in the Government-wide Financial Statements.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalent include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amounts that equal their fair values.

j. Prepaid Expenses/Expenditures

Prepaid expenses include amounts paid for services in advance. These are shown as assets on the Government-Wide Statement of Net Assets. In the Fund Financial Statements, the Bonne Sante' - Chemical Health & Wellness Center has elected not to include amounts paid for future services as expenditures until those services are consumed to comply with the cost reimbursement terms of grant agreements. As a result, the prepaid expenditures are shown as an asset on the balance sheet of the Fund Financial Statements until they are consumed. In addition, a corresponding amount of the fund balance of the General Fund has been reserved to reflect the amount of fund balance not currently available for expenditure.

k. Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased or acquired with an original cost of at lease \$1000 and that have an estimated useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Assets. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provide the resources to acquire the assets. If the asset purchased, it is recorded in the books at it cost. If the asset was donated, when it is recorded at its estimated fair market value at the date of donation.

For capital assets recorded in the Government-Wide Financial Statements, depreciation is computed and recorded using the straight-line method for the asset's estimated useful life. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Computers	5 Years
Equipment	5-7 Years

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Capital Assets (Continued)

Salvage values have not been established by management when calculating how much of an asset's cost needs to be depreciated except for vehicles. For that category of capital asset, management has used 10% of the vehicle's initial cost as a salvage value estimate.

Depreciation is not computed or recorded on capital assets for purposes of the Fund Financial Statements.

The Bonne Sante' - Chemical Health & Wellness Center's policies for vacation time permit employees to accumulate earned but unused vacation leave. Accordingly, a liability for the unpaid vacation leave has been recorded in the Government-Wide Statements. Management has estimated the current and long-term portions of this liability based on historical trends. The amount accrued as the compensated absence liability was determined using the number of vested vacation hours for each employee multiplied by the employee's wage rate in effect at the end of the year. An amount is added to this total for social security and medicare taxes. In contrast, the governmental funds in the Fund Financial Statements report only compensated absence liabilities that are payable from expendable available financial recourse to the extent that the liabilities mature (or come due for payment). Vacation leave does not come due for payment until an employee makes a request to use it or terminates employment with the organization. Accordingly, no amounts have been accrued as fund liabilities as the year-end in the Fund Financial Statements. The differences in the methods of accruing compensated absences creates a reconciling item between the Fund and Government-Wide Financial Statement presentations.

The Bonne Sante' - Chemical Health & Wellness Center's sick leave policy does not provide for the vesting of sick leave thereby requiring the employee to be paid for any unused leave upon termination of employment. Accordingly, no amounts have been accrued as unpaid compensated absence in the Government-Wide Financial Statements relative to sick leave.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

m. MANAGEMENT'S USE OF ESTIMATES

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

n. Elimination and Reclassifications:

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

o. Deferred Revenue:

The Bonne Sante' - Chemical Health & Wellness Center reports deferred revenues on its Statement of Net Assets and on the balance sheet of the Fund Financial Statements. Deferred Revenues arise when the Bonne Sante' - Chemical Health & Wellness Center receives resources before it has a legal claim to them, as when grant monies are received before the occurrence of qualifying expenditures. In subsequent periods, when the Bonne Sante' - Chemical Health & Wellness Center has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

NOTE 2 - REVENUE RECOGNITION

Revenues are recorded in the Government-Wide Statements when they are earned under the accrual basis of accounting.

Revenues are recorded in the Fund Financial Statements governmental using the modified accrual basis of accounting. In applying the susceptible to accrual concept using this basis of accounting, intergovernmental grant revenues, program service fees, and interest income are usually both measurable and available. However, the timing and amounts of the receipts of public support and miscellaneous revenues are often difficult to measure; therefore they are recorded as revenue in the period received.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 3 - CASH AND CASH EQUIVALENTS

At June 30, 2004, the Bonne Sante' - Chemical Health & Wellness Center has cash and cash equivalent (book balances) totaling \$93,565.

These deposits are stated at cost, which approximates market. Under state law, these 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 on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At **June 30, 2004**, the Bonne Sante' - Chemical Health & Wellness Center had \$87,975 in deposits (collected bank balances).

These deposits are insured from risk by \$87,975 of federal deposit insurance.

NOTE 4 - RECEIVABLES AND PAYABLES

A. A Summary of Receivables at year end follows:

<u>CLASS OF RECEIVABLES</u>	<u>GENERAL</u>	<u>GRANT</u>	<u>PREVENTION</u>	<u>TOTAL</u>
Taxes Receivable	\$11,741	\$-0-	\$-0-	\$11,741
Grants Receivable	-0-	8,637	2,829	11,466
	<u>11,741</u>	<u>8,637</u>	<u>2,829</u>	<u>23,207</u>

Accounts receivable are written-off under the direct write-off method whereby bad debts are recorded when a receivable is deemed uncollectible. If they are subsequently collected they are recorded as miscellaneous income. The direct charge-off method is not a material departure from GAAP as it approximates the valuation method.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 5 - CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2004, is as follows:

<u>GOVERNMENTAL ACTIVITIES</u>	<u>Balance</u> <u>6-30-03</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6-30-04</u>
Equipment & Computers	\$12,070	\$2,060	-0-	\$14,130
Accumulated Depreciation: Equipment & Computers	(11,144)	(414)	-0-	(11,558)
Net Capital Assets	<u>926</u>	<u>1,646</u>	<u>-0-</u>	<u>2,572</u>

Depreciation was charged to governmental activities as follows:

Administration	\$414
Total governmental activities depreciation expense	<u>414</u>

NOTE 6 - PENSION PLAN AND RETIREMENT COMMITMENTS

Plan Description.

Substantially all Bonne Sante' Center's employees are members of the Parochial Employees' Retirement System of Louisiana ("System"), a multiple-employer, public employee retirement system (PERS), controlled and administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and separate benefit provisions. All employees of the Bonne Sante' Center are members of Plan A. All permanent Bonne Sante' Center employees working at least 28 hours a week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of credited service, at or after age 55 with 25 years of credited service, or at any age with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of creditable service. However, for most employees who were members of the supplemental plan only prior to January 1, 1980, the benefit is equal to one per cent of final average salary plus \$24 for each year of supplemental plan only service earned prior to January 1, 1980.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 6 - PENSION PLAN AND RETIREMENT COMMITMENTS

Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of credited service stated above and do not withdraw their employee contributions may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employee's Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (504) 928-1361.

Funding Policy

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the Bonne Sante' Center is required to contribute at an actuarially determined rate. The current rate is 8.0 percent of annual covered payroll. Contributions to the System also include one-fourth of one per cent of the taxes shown to be collectible by the tax rolls of each parish, except Orleans and East Baton Rouge Parishes. These tax dollars are divided between Plan A and Plan B, based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Bonne Sante' Center are established and may be amended by state statute.

As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Bonne Sante' Center's contributions to the System under Plan A for the years ended June 30, 2004, and June 30, 2003, June 30, 2002, were \$12,354, \$8,176 and \$7,412, respectively, equal to the required contributions for each year.

NOTE 7 - POST-RETIREMENT BENEFITS

The Bonne Sante' - Chemical Health & Wellness Center does not offer any post-retirement benefits.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE 8 - COMPENSATED ABSENCES

At June 30, 2004, employees of the Bonne Sante' - Chemical Health & Wellness Center have accumulated and vested \$1,993 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, all is recorded as an obligation of the General Fund.

NOTE 9 - LITIGATION AND CLAIMS

As of June 30, 2004, there was no litigation pending against the Bonne Sante' - Chemical Health & Wellness Center, nor was the Organization aware of any unasserted claims.

No claims or litigation costs were incurred in the current year.

NOTE 10 - COMPENSATION PAID TO BOARD MEMBERS

In compliance with the Bonne Sante' - Chemical Health & Wellness Center Law of Louisiana (Act 36 of 1926), no compensation is paid to any member of the Board.

NOTE 11 - RISK MANAGEMENT

The Bonne Sante' - Chemical Health & Wellness Center is exposed to various risks of loss related to torts, theft of, damage of and destruction of assets; errors and omissions and natural disasters for which the Bonne Sante' - Chemical Health & Wellness Center carries commercial insurance. There have been no significant reductions in coverage from prior year and settlements have not exceeded coverage in the past three years.

NOTE #12. RELATED PARTY TRANSACTIONS

The Pointe Coupee Health Service District provides office space, certain utilities, telephone services and maintenance to the Center.

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2004

NOTE #13 FEDERALLY ASSISTED PROGRAMS

Federal and State grant programs represent an important source of funding to finance social programs which are beneficial to the Center. These funds are recorded in the Special Revenue Funds. The grants normally specify the purpose for which the funds may be used and are audited annually in accordance with Office of Management and Budget Circular A-128 under the "Single Audit Concept." Accordingly, a Schedule of Federal Financial Assistance is presented in this report.

NOTE #12 FEDERAL COMPLIANCE CONTINGENCIES

The Center receives the majority of its revenue from funds provided through grants administered by the Louisiana Department of Health & Hospitals and the Special 1% Sales Tax. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of funds the Center receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Center will receive in the next fiscal year.

REQUIRED SUPPLEMENTAL INFORMATION

**BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
 NEW ROADS, LOUISIANA
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2004**

	BUDGET AMOUNTS		ACTUAL	VARIANCE
			AMOUNTS	FINAL BUDGET
	ORIGINAL	FINAL	GAAP BASIS	FAVORABLE UNFAVORABLE)
REVENUES:				
Sales Taxes	\$104,136	\$104,136	\$104,777	\$641
Fines	500	500	680	180
Charges For Services	5,500	5,500	5,984	484
Investment Income	900	900	488	(412)
Miscellaneous	650	650	1,142	492
Total Revenues	111,686	111,686	113,071	1,385
EXPENDITURES:				
Current				
Personnel	77,875	77,875	72,645	5,230
Fringe	20,151	20,151	9,149	11,002
Travel	1,500	1,500	719	781
Operating Services	4,450	4,450	17,557	(13,107)
Operating Supplies	5,960	5,960	2,852	3,108
Other	0	0	1,124	(1,124)
Professional	1,750	1,750	1,749	1
Capital Outlay	0	0	2,060	(2,060)
Total Expenditures	111,686	111,686	107,855	3,831
Excess (Deficiency) Of Revenue Over Expenditures	0	0	5,216	5,216
FUND BALANCE, Beginning	0	0	111,285	0
FUND BALANCE, Ending	0	0	116,501	5,216

**BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
 NEW ROADS, LOUISIANA
 BUDGETARY COMPARISON SCHEDULE - GRANT FUND
 FOR THE YEAR ENDED JUNE 30, 2004**

	BUDGET AMOUNTS		ACTUAL	VARIANCE
	ORIGINAL	FINAL	AMOUNTS	FINAL BUDGET
			GAAP	FAVORABLE
			BASIS	UNFAVORABLE)
REVENUES:				
Intergovernmental	\$95,100	\$93,625	\$87,622	(\$6,003)
Donations	0	0	0	0
Total Revenues	95,100	93,625	87,622	(6,003)
EXPENDITURES:				
Current				
Personnel	30,085	30,085	30,085	0
Fringe	6,725	6,725	3,371	3,354
Travel	1,500	1,500	1,500	0
Operating Services	13,330	13,330	16,684	(3,354)
Operating Supplies	1,700	1,700	1,700	0
Other	0	0	0	0
Professional	41,760	40,285	34,282	6,003
Capital Outlay	0	0	0	0
Total Expenditures	95,100	93,625	87,622	6,003
Excess (Deficiency) Of Revenue Over Expenditures	0	0	0	0
FUND BALANCE, Beginning	0	0	0	0
FUND BALANCE, Ending	0	0	0	0

**BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
 NEW ROADS, LOUISIANA
 BUDGETARY COMPARISON SCHEDULE - PREVENTION FUND
 FOR THE YEAR ENDED JUNE 30, 2004**

	BUDGET AMOUNTS		ACTUAL	VARIANCE
			AMOUNTS	FINAL BUDGET
	ORIGINAL	FINAL	GAAP BASIS	FAVORABLE UNFAVORABLE)
REVENUES:				
Intergovernmental	\$30,000	\$29,230	\$26,894	(\$2,336)
Donations	0	3,000	3,000	0
Total Revenues	30,000	32,230	29,894	(2,336)
EXPENDITURES:				
Current				
Personnel	26,000	25,230	22,894	2,336
Fringe	4,000	4,000	1,831	2,169
Travel	0	0	0	0
Operating Services	0	0	2,466	(2,466)
Operating Supplies	0	0	233	(233)
Other	0	0	0	0
Capital Outlay	0	0	0	0
Total Expenditures	30,000	29,230	27,424	1,806
Excess (Deficiency) Of Revenue Over Expenditures	0	3,000	2,470	(530)
FUND BALANCE, Beginning	0	0	0	0
FUND BALANCE, Ending	0	3,000	2,470	(530)

OTHER SUPPLEMENTAL INFORMATION

Certified Public Accountant



Donald C. DeVille

Member
American Institute CPAs

Member
Louisiana Society CPAs

7829 BLUEBONNET BLVD.
BATON ROUGE, LA 70810
(225) 767-7829

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

September 22, 2004

Bonne Sante' - Chemical Health & Wellness Center
New Roads, Louisiana

I have audited the financial statements of the Bonne Sante' - Chemical Health & Wellness Center as of and for the year ended June 30, 2004, and have issued my report thereon dated September 22, 2004. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

COMPLIANCE

As part of obtaining reasonable assurance about whether Bonne Sante' - Chemical Health & Wellness Center's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that is required to be reported under Government Auditing Standards.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing my audit, I considered Bonne Sante' - Chemical Health & Wellness Center's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements 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.

I noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. This report is intended for the information of the management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and distribution is not limited. Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

Under Louisiana Revised Statutes 24:513, this report is distributed by the Legislative Auditor as a public document.

Donald O. Duville

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED June 30, 2004

FISCAL YEAR	FINDING	CORRECTIVE	PLANNED
REF	INITIALLY	ACTION TAKEN	ACTION/PARTIAL
<u>NO.</u>	<u>OCCURRED</u>	<u>DESCRIPTION OF FINDING</u>	<u>(YES,NO,PARTIALLY)</u>
			<u>CORRECTIVE</u>
			<u>ACTION TAKEN</u>

NONE

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
SUMMARY SCHEDULE OF CURRENT YEAR'S FINDINGS
FOR THE YEAR ENDED June 30, 2004

NONE

BONNE SANTE' - CHEMICAL HEALTH & WELLNESS CENTER
NEW ROADS, LOUISIANA
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED June 30, 2004

<u>REF</u> <u>NO.</u>	<u>DESCRIPTION</u> <u>OF FINDING</u>	<u>CORRECTIVE</u> <u>ACTION</u> <u>PLANNED</u>	<u>NAME OF</u> <u>CONTACT</u> <u>PERSON</u>	<u>ANTICIPATED</u> <u>COMPLETION</u> <u>DATE</u>
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NOT APPLICABLE