



DOCTORS HOSPITAL

CELEBRATING OUR HEROES

ASSOCIATES, PHYSICIANS, LEADERSHIP



ANNUAL REPORT 2022

ABOUT DOCTORS HOSPITAL HEALTH SYSTEM

MISSION

Doctors Hospital Health System exists to provide a network of healthcare facilities which meet and exceed the healthcare needs and expectations of our patients, provides an enriching and rewarding professional work environment for our Associates and Physicians, makes a positive contribution to the advancement of healthcare in the Region, and provides increasing value to our shareholders.



VISION

Doctors Hospital Health System will be the best healthcare provider in the Region.

OUR BRAND PROMISE

To provide a safe, high-touch, high-tech, high quality and upscale healthcare experience.

STRATEGIC PRIORITIES



Using the acronym **G.L.O.W.** (see below) and outlined in the G.L.O.W. Vision 2025 and beyond, Doctors Hospital has focused its strategic priorities to produce enhanced growth and development within the health system.

THE GLOW TENETS REPRESENT:

G - GROW
L - LEARNING
O - OUTREACH
W - WOW!

WORDS WE OWN

**Trusted and
Best Care Now,
Isn't Your Health
Worth It?**

OUR CORE VALUES

The phrase "**WE CARE**" is more than just a slogan to us, it is an acronym for the behaviors we believe are essential to our business:

W - WELCOMING
E - EMPATHETIC
C - COMMITTED
A - ACCOUNTABLE
R - RESPECTFUL
E - EXCELLENT

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CHAIRMAN'S REPORT



FELIX STUBBS
CHAIRMAN OF THE BOARD

As we closed the 2022 fiscal year, it came as no surprise that COVID-19 testing and care dominated services provided within the Doctors Hospital Health System. The challenges of the pandemic were formidable, as was the response of all our healthcare workers. It is to these brave and selfless heroes that we owe a great deal of gratitude. It is through their tireless efforts that we have not only braved the storms of FYE 2022, but upon which we eagerly set off into FYE 2023, continuing to provide necessary services to the Bahamian public, and significantly increasing our capacity to care for all those in need. I am honored and thankful to have led the Board of Directors for Doctors Hospital Health System this year, as we celebrate our healthcare champions!

While FYE 2020 marked the onset of the COVID-19 pandemic, FYE 2022 continued to bring with it new associated global constraints and challenges, paired however with opportunities for us at Doctors Hospital Health System to manifest our WE CARE core values. Perhaps like never before, our healthcare workers had an opportunity to demonstrate that we were Welcoming, and that we were Empathetic. We remained Committed, Accountable, Respectful, and firmly grounded in our pursuit of Excellence. I acknowledge and applaud the physicians, nurses, phlebotomists, specimen collectors, patient care technicians, respiratory therapists, radiologists, all of the allied health professionals, the administrators and all of our support staff for their committed and dedicated work over the last year. You have done an amazing job! Despite all of the uncertainty, health system disruptions, and demands which pushed you out of your comfort zones and burdened

you with challenging workloads, you persevered and delivered quality care to our patients. I also congratulate our Executive Team for maintaining a firm grasp on the monumental task at hand and pivoting to lead the Health System to meet the demands of the public and deliver a record strong financial performance. Our visionary executive leader, our President and Chief Executive Officer Dr. Charles Diggiss is worthy of special commendation. His "Associates First" philosophy coupled with his vision to stand up capacity wherever it is needed has strategically and uniquely positioned the Health System to withstand the pressures of the last year and yet to boldly seize upon the opportunities of FYE 2023 and beyond. We continue to reap the benefits of his passionate and focused leadership. On behalf of the Board of Directors, I say thank you, and publicly affirm our continued full support.

The COVID-19 pandemic brought with it a lot of lessons for healthcare services in the world. For Doctors Hospital, one of the key takeaways is that we must make it easier for the public to access and afford care. Our response to this realization has manifested itself in a number of ways – expansion of inpatient and outpatient services, and improvements to our LAMP (Loyalty Advantage Membership Program) initiative, of which we are particularly proud. In addition to a number of amendments to the LAMP benefits package for members, we added a new, free entry point called LAMP Access. This plan allows members to access discounts on Doctors Hospital services at no registration cost to them. As we move into FYE 2023, we remain committed to improving our LAMP offerings to make accessing and affording healthcare within our Doctors Hospital Health System easier.

In outpatient services, we expanded our footprint in New Providence and throughout The Bahamas with new testing sites, our Micro-Center program, the soon to launch Kavala Medical Center in Eight Mile Rock, Grand Bahama and our out-patient services in Exuma. These latter two facilities will provide access to primary care in two population dense areas of the country. Additionally, The Kavala Medical Centre will offer much-needed dialysis services, lab and other services. Further expansion in outpatient



CHAIRMAN'S REPORT

care was also evidenced in the launch of our Ambulatory Surgical Center at Centreville Medical Center. This center offers outpatient surgical services and 23-hour procedures. Led by our newly minted VP of Surgical Services Dr. Wesley Francis, this facility increases access to out-patient procedures for the general public. Additionally, our Cable Beach outpatient rehab facility as well as our Carmichael Road Centre were both operational: busy and profitable. I should mention as well that our Luden building outpatient services centre was well into development as we ended FYE 2022. The Board looks forward to realizing the growth potential in this space.

Our vision to expand access remains a priority as we look to the future of the Health System. These efforts include the relaunch of our Hyperbaric Oxygen Therapy facility at Doctors Hospital West, the launch of our Extended Care facility at Doctors Hospital Harbourside, the build out of our flagship facility in Grand Bahama, and additional improvements at our main facility at Collins Avenue.

Our human resources remain our greatest asset. The President and CEO, along with the GLOW team continued to refine the Journey to Best program this past year. With the goal of refocusing our Associates attention on the WE CARE core values and injecting renewed and refreshed Associates into our environment, the Journey to Best continues to resonate throughout the Health System. Led by a multi-departmental team inclusive of representatives from HR, MIS, Marketing and consultant Candice Turnquest, and lectured by Dr. Diggiss and Dr. Delano Rolle this program remains a key initiative in the organization. The feedback and ideas generated in this forum have indicated that this program remains effective in invigorating our Associates as they return to the work environment. We remain committed to making Doctors Hospital the best place to work. The Board and I are excited to see the exponential fruit from this program.

A part of making Doctors Hospital the best place to work is by offering opportunities for continued development. In FYE 2022, we officially launched Doctors Hospital The Institute of Learning (DHTIOL) as a part of that commitment. DHTIOL offers training

and upskilling for both current and future Associates in the health system. This includes professional certification courses such as the Certified Management Course and clinical training programs for our EMTs. As we prepare to see our first graduates later this year, I am impressed with the strides made by this team and look forward to fulfilling the goal of growing our own and bridging the future to the next generation of Associates.

On behalf of the Board, I want to thank the entire Doctors Hospital team for their amazing efforts and results maintaining the standard of excellence in the service and care of our patients. Our Executive Team, Managers, Physicians and Associates are to be commended for ensuring that we hit the mark of offering trusted and best care now. On behalf of the board, I also want to thank you, our shareholders, for the opportunity to continue to lead such a dynamic and strong institution and team. As we entered FYE 2023 in full stride mode preparing for our Joint Commission International accreditation survey I was reminded of the comprehensive and expansive strategy of the DHHS organization. I am proud to continue to Chair the Board of Directors of such a trail blazing organization.

Sincerely



**FELIX
STUBBS**

CHAIRMAN OF THE BOARD
Doctors Hospital Health System Limited



MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

Health systems globally continued to navigate the challenges presented by the SARS-COV-2 (“COVID-19”) pandemic, and this drove a significant portion of Doctors Hospital Health System’s strategic executions and operational responses for the twelve month period ending January 31, 2022 (“FYE 2022”). Concurrently, the Group planned for and executed several expansion initiatives in anticipation of a likely rebound in non-COVID-19 (“organic”) related healthcare needs.

1. KEY STRATEGIES AND RESULTING FISCAL PERFORMANCE

- 1. Scaling up COVID-19 testing capacity considering national burgeoning demand** – The Group significantly grew its capacity in Rapid Antigen and PCR COVID-19 testing to support return to work programs and to provide capacity for local and international travel visa requirements. Special attention was paid to key hospitality clients and travel/entry requirements imposed by the United States Government, considering the obvious and essential nature of tourism and outbound resident travel to the opening of the Bahamian economy.

Doctors Hospital prioritized quality in service delivery, price leadership, technology customization and accessibility in designing its network of COVID-19 testing centers. Critical expansions during the period occurred in Freeport, Grand Bahama, Georgetown, Exuma and at strategic new access points in New Providence including the Town Center Mall and on Carmichael Road. The Group was also embedded at several large resorts in New Providence and on Paradise Island, where in addition to COVID-19 testing, Doctors Hospital provided physician support to help hotels manage the containment of COVID-19 on-site.

At its peak, COVID-19 testing output reached 100,000 tests per month and involved the employment of over +275 associates. The Group performed 884,675 COVID-19 tests in FYE 2022 associated with revenues of \$22.5 million. For the same period in the prior year, tests performed were 103,732 with \$7.7m in attributable revenues. In addition to establishing price and quality leadership for both Rapid Antigen and RT-PCR testing, net profit margins for the service line were 39.5%, demonstrating the Group’s efficiency in scaling to meet national demand.

- 2. Anticipating surge levels of inpatient hospitalization and caring for the sick** – The Group worked in concert with The Government of The Bahamas (“GOTB”) to deliver a national network of inpatient accommodation for those requiring hospitalization attributable to COVID-19. This involved ongoing use of Blake Road (“Doctors Hospital West” or “DHW”) as the National Centre for those critically ill with COVID-19. At its peak, the facility’s capacity was optimized to thirty-one (31) beds. Patients moved from the public healthcare system into Doctors Hospital based on acuity and capacity balancing, with GOTB as a guarantor for COVID-19 related care nationally for all uninsured Bahamians.

Inpatient admissions and patient days at Doctors Hospital West for COVID-19 care grew by 76.1% to 4,075 in FYE 2022 compared to 2,323 in FYE 2021 corresponding with the uptick in activity, surging in the Fall 2021 when bed occupancy approached 100%. Revenue associated with COVID-19 hospitalization was \$24.0 million FYE 2022 compared to \$7.7 million during the same period in the prior year.

Total inpatient days across all facilities including non-COVID care were 13,644 in FYE 2022, compared to 15,716 in the prior year.



MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

COVID-19 Related Effects

Revenue in Millions of BSD

	TESTING		HOSPITALIZATION		Revenue Sub-total
	Test Count	Revenue	Patient Days	Revenue	
FYE 2021	103,732	\$7.747	2,323	\$7.732	\$15.479
FYE 2022	884,675	\$22.499	4,075	\$20.054	\$42.553
Year Over Year	780,943	\$14.752	1,752	\$12.322	

- 3. Preparing for post-COVID organic growth at a national level** - As COVID-19 related revenues grew exponential tied to higher rates of infection and hospitalization nationally, the Group noted an anticipated fall off in its non-COVID (“organic”) service lines. Illustratively, emergency room visits rebounded marginally to 9,154 in FYE 2022 vs. 8,066 in the previous year, but were still significantly off the pace in FYE 2020 which were 13,615. Similarly, outpatient imaging studies grew to 8,956 in FYE 2022 compared with 7,060 in the previous year, against a pre-COVID backdrop of 9,537.

Recognizing the significant one-time revenue and earnings drivers related to COVID-19 in FYE 2022, the Group defined several core strategies to position itself for the anticipated post-COVID-19 needs principally for traditional primary care and outpatient and ambulatory services. This involved focused executions as summarized below:

- (1) the establishment of a new internal medicine group to provide dedicated specialist coverage (Dowdeswell Street, New Providence)
- (2) the addition of two ambulatory operating theatres at a new outpatient surgical center (Centerville, New Providence)
- (3) the establishment of new medical access centers, based on a conversion of COVID-19 testing infrastructure to provide for traditional laboratory services (Meldon/Palmdale, New Providence) (Carmichael, New Providence)
- (4) beginning construction of a state-of-the-art dialysis enabled community clinic in Eight Mile Rock, following the acquisition of the practice/medical home of Dr. Kavala
- (5) establishing a planning framework for a new 30-bed hospital in Grand Bahama, as well as a new clinic in Georgetown, Exuma

As COVID-19 vaccination options became globally available, the Group coordinated with GOTB to develop the inaugural information technology (“IT”) platform for national vaccination administration, and directly administered +600 shots to its associates. All vaccination were done on a pro-bono basis, including support for national delivery with GOTB and at select signature hotel/resort clients.



MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

2. ENSURING FISCAL RESILIENCY AS A CRITICAL NATIONAL ASSET

During the period, the group successfully executed a private placement for 2.0 million common shares with Fairfax Financial Holdings Limited, a financial holding company based in Toronto, Ontario Canada, associated with an equity injection of \$13.5 million. Beyond the provision of unrestricted cash for future strategic growth, it demonstrated international confidence in the vision, strategies and operational management for Doctors Hospital, under the leadership of Dr. Charles Diggiss – President and CEO.

The Group also defined a relationship with The Cleveland Clinic, framing an advisory council through a strategic agreement to provide Doctors Hospital access to The Cleveland Clinic's network of internal experts for strategic planning, clinical education and leadership development.

Cash and investments convertible to cash were \$26.2 million at period end, compared to \$12.9 million at January 31, 2021, and is net of a \$0.2 million provision for investments in Bahamas Government Registered Stock ("BGRS"). Subsequent to the reporting date, a major third-party payor effectively liquidated a significant accounts receivable ("AR") balance, associated with an \$18.8 million conversion of AR to cash.

Dividends in the year were also paid in accordance with expectations at \$0.18 per share, including an extraordinary amount of \$0.07 per share. Total dividends paid were \$2.1 million.

No new borrowings were undertaken in the period.

3. THE FISCAL POSITION OF THE GROUP AT JANUARY 31, 2022 REMAINS STRONG

Considering the Group's response to the global crisis brought on by COVID-19, and its focused executions tied to positioning for a rebound in organic healthcare services demand, Doctors Hospital generated revenues of \$128.3 million dollars and recorded net income of \$28.6 million.

Matching a commitment to an "associates first" strategic human resources management model, the company affirmed several programs designed to provide a rich compensation framework for associates. To the extent possible, existing compensation program increases as well as new initiatives were variable, to provide for sustainability should business activity decline as was the case at the onset of the COVID-19 pandemic in March 2020.

Personnel costs, the company's largest single expense category, were \$43.4 million for the period. Key drivers are discussed in brief below:

- (1) The Group saw total employment levels of up to +935 full-time associates and contractual employees during the period at peak;
- (2) The Group ratified its annual profit-sharing program, which tangibly allows for associate participation in the fiscal performance of the company. Profit sharing for associates involved an accrual of \$2.9 million in FYE 2022, which translated to 338.6 hours per eligible full-time associate compared with \$1.3 million in FYE 2021 or 195.1 hours per eligible full-time associate. Profit sharing was paid in cash in April 2022;



MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL RESULTS

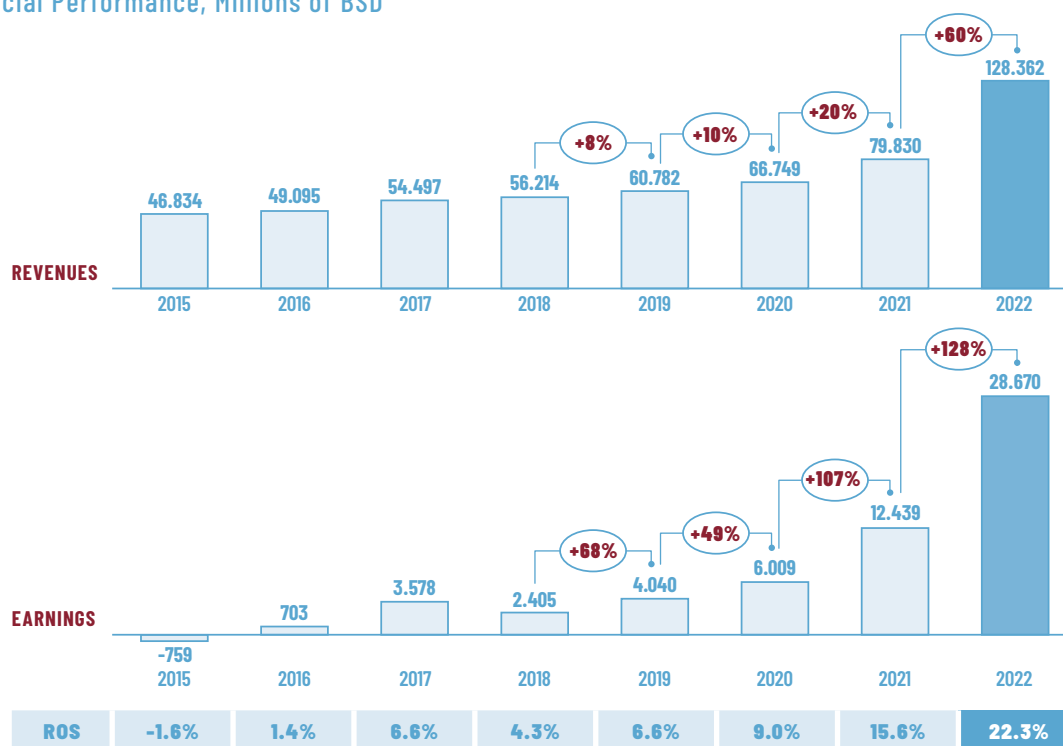
- (3) In addition to profit sharing, the Group continued per hour “hazard premiums” into FYE 2022 for associates directly involved with COVID-19 care. These costs were associated with an expense of \$1.9 million, an increase of +\$0.6 million vs. FYE 2021;
- (4) For full-time and eligible associates who became ill due to COVID-19, the Group provided fully compensated sick leave; and managed any symptoms or complications arising thru its associate health function at no charge;
- (5) Given the surge in COVID-19 testing demand, related personnel costs were \$3.4 million in FYE 2022, an increase of +\$2.8 million compared to the prior fiscal period. Personnel costs for associates working at DHW on Blake Road were \$1.9 million in FYE 2022, modestly higher compared to FYE 2021;
- (6) Spending for incentives and associate award programs grew to \$0.4m in FYE 2022, a four-fold increase compared to FYE 2021.

At January 31, 2022, the fiscal position of the Group remained strong and the health system poised for future growth.

All Figures in Millions of Bahamian Dollars

REVENUE AND NET INCOME

Financial Performance, Millions of BSD





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INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Doctors Hospital Health System Limited:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Doctors Hospital Health System Limited and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at January 31, 2022, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at January 31, 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	Summary of the Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Expected credit losses on Financial Assets	<p>At January 31, 2022, the Group has gross trade receivables of \$57,385,704 against which an expected credit loss (“ECL”) of \$3,546,553 was recorded (refer to Note 8 to the consolidated financial statements). Further as at January 31, 2022, the Group has gross investments of \$19,650,029 against which a provision of \$196,932 was recorded (refer to Note 11 to the consolidated financial statements). The determination of ECL is considered to be a significant matter as it requires the application of judgment and use of subjective assumptions by management based on historical loss data adjusted for forward-looking information.</p>	<p>We reviewed the Group’s methodology for determining its ECL for trade receivables. We also tested the design and implementation of the controls surrounding the ECL provision process. We analyzed the key assumptions used in management’s analysis including historical loss data and forward-looking information and tested the data for accuracy and completeness. We independently recalculated the ECL and performed a sensitivity analysis on management’s loss rates to identify the impact that a change in the rates would have on the expected credit loss, and to assist in determining the assumptions that required greater audit consideration.</p>
Recognition of Patient Service Revenue	<p>For the year ended January 31, 2022, the Group continues to recognize revenue in accordance with IFRS 15 Revenue from Contracts with Customers and its five-step model approach to revenue recognition. In determining whether a contract exists with patients, management assesses whether any classes of customers do not have the ability and intent to pay consideration when due, and this forms part of the revenue recognition criteria. This assessment requires significant judgment on the inclusion of certain classes of customers, based on patient demographics and historical payment patterns. Additionally, as a part of the national COVID-19 response, the Group agreed to assist the Government of The Bahamas (the “Government”) with testing capacity, accommodations and medical care to certain public health system patients with COVID-19. The Group did not have a formally executed contract with the Government during the year ended January 31, 2022, requiring the use of significant management judgment to determine whether the revenue recognition requirements of IFRS 15 had been met.</p>	<p>We assessed the reasonableness of management’s determination of classes of customers and individual customers. We reviewed information supporting the customers’ demographics, payment history, and other relevant factors to determine if a contract exists with the patients in the context of IFRS 15. We reviewed the historical bad debt write offs in order to identify whether any changes were necessary to the classes of customers for whom revenue should not be recognized under the Group’s standard recognition model.</p> <p>We challenged management’s judgment as to whether the recognition criteria had been met for Government related COVID-19 revenue. We assessed whether a contract existed, as defined under IFRS 15, and whether the consideration to which the Group would be due was likely to be collected. We considered events arising beyond the date of the consolidated statement of financial position related to a formal execution of a contract with the Government and payments received on outstanding balances in assessing management’s judgment.</p>

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement Partner on the audit resulting in this independent auditors' report is S. Tshombe Godet.



Nassau, Bahamas
June 30, 2022

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT JANUARY 31, 2022

(Expressed in Bahamian dollars)

	2022	2021
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents (Note 7)	\$ 6,760,452	\$ 6,517,292
Trade receivable - patients, net (Note 8)	10,267,234	4,693,558
Trade receivable - third-party payors, net (Note 8)	43,303,917	15,400,525
Inventories (Note 9)	8,197,722	4,407,049
Other assets (Note 10)	3,243,339	4,437,253
Total current assets	<u>71,772,664</u>	<u>35,455,677</u>
NON-CURRENT ASSETS:		
Investments (Note 11)	19,453,277	6,422,191
Goodwill (Note 12)	430,902	430,902
Other intangible assets (Note 13)	230,869	234,280
Property and equipment (Note 14)	30,359,942	23,582,398
Right of use assets (Note 15)	1,937,532	1,701,177
Total non-current assets	<u>52,412,522</u>	<u>32,370,948</u>
TOTAL ASSETS	<u>\$ 124,185,186</u>	<u>\$ 67,826,625</u>

(Continued)

See notes to consolidated financial statements.


DOCTORS HOSPITAL HEALTH SYSTEM LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JANUARY 31, 2022***(Expressed in Bahamian dollars)*

	2022	2021
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable and other liabilities (Notes 16 and 21)	\$ 25,988,176	\$ 9,670,384
Current portion of lease liabilities (Note 15)	564,031	322,148
Current portion of long-term debt (Note 17)	238,021	226,749
Total current liabilities	26,790,228	10,219,281
NON-CURRENT LIABILITIES:		
Lease liabilities (Note 15)	1,511,240	1,521,778
Long-term debt (Note 17)	3,204,423	3,442,444
Total non-current liabilities	4,715,663	4,964,222
TOTAL LIABILITIES	31,505,891	15,183,503
EQUITY		
Share capital:		
Authorized 12,500,000 common shares at par value of \$0.04 (2021: 12,500,000); issued and fully paid 11,971,634 (2021: 9,971,634)	478,865	398,865
Contributed surplus	25,778,030	12,358,030
Retained earnings	66,422,400	39,886,227
Total equity	92,679,295	52,643,122
TOTAL LIABILITIES AND EQUITY	\$ 124,185,186	\$ 67,826,625

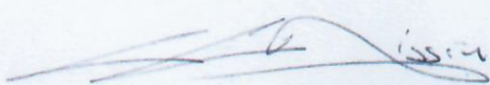
(Concluded)

See notes to consolidated financial statements.

These consolidated financial statements were approved by the Board of Directors on June 30, 2022, and are signed on its behalf by:



Director



Director

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JANUARY 31, 2022

(Expressed in Bahamian dollars)

	2022	2021
REVENUE:		
Patient services revenue, net	\$ 123,036,161	\$ 76,398,365
Other revenue, net	<u>5,325,957</u>	<u>3,417,548</u>
Total revenue	<u>128,362,118</u>	<u>79,815,913</u>
EXPENSES:		
Salaries and benefits (Notes 18, 21 and 22)	43,369,960	30,670,318
Medical supplies (Note 9)	21,853,882	11,134,056
Medical services (Note 21)	10,460,765	7,103,308
Other operating expenses	5,493,029	2,969,459
Depreciation and amortization (Notes 13, 14 and 15)	3,543,313	3,290,467
Utilities	1,785,590	1,642,239
Government taxes and fees (Note 19)	2,035,965	1,861,761
Outside services	2,931,062	1,909,848
Repairs and maintenance	2,059,172	1,095,837
Insurance	960,110	870,523
Dietary expenses	827,766	559,397
Loss allowance (Note 8)	3,546,980	3,598,344
Rent	245,800	92,122
Interest expense	272,179	270,547
Loss on disposal of property and equipment	116,574	15,657
Legal expenses	<u>189,188</u>	<u>293,160</u>
Total expenses	<u>99,691,335</u>	<u>67,377,043</u>
PROFIT AND COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 28,670,783</u>	<u>\$ 12,438,870</u>
EARNINGS PER SHARE (Note 23):		
Basic and fully diluted	<u>\$ 2.54</u>	<u>\$ 1.25</u>

See notes to consolidated financial statements.

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JANUARY 31, 2022*(Expressed in Bahamian dollars)*

	<u>Number of shares</u>	<u>Share capital</u>	<u>Contributed surplus</u>	<u>Retained earnings</u>	<u>Total</u>
Balance at January 31, 2020	9,971,634	\$ 398,865	\$ 12,358,030	\$ 27,846,222	\$ 40,603,117
Total comprehensive income	-	-	-	12,438,870	12,438,870
Dividends paid (\$0.04 per share (Note 20))	-	-	-	(398,865)	(398,865)
Balance at January 31, 2021	9,971,634	398,865	12,358,030	39,886,227	52,643,122
Shares issued	2,000,000	80,000	13,420,000	-	13,500,000
Total comprehensive income	-	-	-	28,670,783	28,670,783
Dividends paid (\$0.18 per share (Note 20))	-	-	-	(2,134,610)	(2,134,610)
Balance at January 31, 2022	<u>11,971,634</u>	<u>\$ 478,865</u>	<u>\$ 25,778,030</u>	<u>\$ 66,422,400</u>	<u>\$ 92,679,295</u>

See notes to consolidated financial statements.

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JANUARY 31, 2022*(Expressed in Bahamian dollars)*

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES:		
Profit for the year	\$ 28,670,783	\$ 12,438,870
Adjustments to reconcile net profit to net cash provided by operating activities:		
Interest expense	272,179	270,547
Loss on disposal of property and equipment	116,574	15,657
Loss allowance (Note 8)	3,546,980	3,598,344
Depreciation and amortization (Notes 13, 14 and 15)	3,543,313	3,290,467
Operating income before working capital changes	36,149,829	19,613,885
Increase in trade receivable	(37,024,048)	(14,375,002)
Increase in inventories	(3,790,673)	(1,994,589)
Increase in other assets	1,193,914	(1,947,749)
Increase in accounts payable and other liabilities	16,317,792	3,403,116
Net cash from operating activities	12,846,814	4,699,661
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment (Note 14)	(9,838,847)	(3,145,624)
Proceeds from the sale of property and equipment	1,840	-
Purchase of intangible assets (Note 13)	(110,750)	(35,723)
Purchase of investments (Note 11)	(13,031,086)	(1,500,000)
Net cash used in investing activities	(22,978,843)	(4,681,347)

(Continued)

See notes to consolidated financial statements.

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JANUARY 31, 2022***(Expressed in Bahamian dollars)*

	2022	2021
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal repayment of long-term debt (Note 17)	\$ (226,749)	\$ (213,927)
Interest paid	(173,524)	(185,336)
Payment of lease liabilities (Note 15)	(589,928)	(618,112)
Issuance of shares	13,500,000	-
Dividends paid to shareholders (Note 20)	<u>(2,134,610)</u>	<u>(398,865)</u>
Net cash from/(used in) financing activities	<u>10,375,189</u>	<u>(1,416,240)</u>
 INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	 243,160	 (1,397,926)
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	 <u>6,517,292</u>	 <u>7,915,218</u>
 END OF YEAR (Note 7)	 <u>\$ 6,760,452</u>	 <u>\$ 6,517,292</u>
 SUPPLEMENTAL INFORMATION:		
Interest received	<u>\$ 429,170</u>	<u>\$ 166,095</u>
 NON-CASH TRANSACTION:		
Reclass from investments to other assets	<u>\$ -</u>	<u>\$ 240,000</u>
		<i>(Concluded)</i>

See notes to consolidated financial statements.

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED JANUARY 31, 2022

(Expressed in Bahamian dollars)

1. GENERAL

Doctors Hospital Health System Limited (“DHHS” or the “Group”) was incorporated under the laws of the Commonwealth of The Bahamas on July 1, 1998. 1986s of the Group are publicly traded and listed on the Bahamas International Securities Exchange. The Group provides a broad range of healthcare services. The consolidated financial statements for the year ended January 31, 2022 comprise the Group and its subsidiaries as described in Note 6.

The Group’s registered office is located at Sassoon House, Shirley Street and Victoria Avenue, Nassau, Bahamas.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current fiscal year, there were several new and amended Standards and Interpretations issued by the International Accounting Standards Board (the “IASB”) and the International Financial Reporting Interpretations Committee (the “IFRIC”) of the IASB, which were effective for annual reporting periods beginning on or after February 1, 2021. The adoption of these Standards and Interpretations has not led to any significant impact in the Group’s accounting policies, operations or financial statements.

a. Standards and Interpretations effective but not affecting the reported results or financial position

Impact of the initial application of Covid-19 Related Rent Concessions – Amendment to IFRS 16

In May 2020, the IASB issued Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provides practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. The practical expedient permits a lessee to elect not to assess whether a COVID19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- 1) The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change;
- 2) Any reduction in lease payments affects only payments originally due on or before June 30, 2021 (a rent concession meets this condition if it results in reduced lease payments

2021); and

- 3) There is no substantive change to other terms and conditions of the lease.

The Group has not received nor given any rent concessions during the year ended January 31, 2022.

Impact of the initial application of other new and amended IFRS Standards that are effective for the current year

Amendments to IFRS 9, IAS 39 and IFRS 7

In September 2019, the IASB issued Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7). These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms.

b. New and revised IFRS Standards in issue but not yet effective

At the date of authorization of these consolidated financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective.

New and amended Standards		Effective for annual periods beginning on or after
Amendments to IFRS 3	Reference to the Conceptual Framework	January 1, 2022
Amendments to IAS 16	Property, Plant and Equipment - Proceeds before Intended Use	January 1, 2022
Amendments to IAS 37	Onerous Contracts - Cost of Fulfilling a Contract	January 1, 2022
Annual Improvements to IFRS Standards 2018–2020		January 1, 2022
Amendments to IFRS 4	Extension of the Temporary Exemption of Applying IFRS 9	January 1, 2023
IFRS 17	Insurance Contracts - New standard	January 1, 2023
Amendments to IAS 1	Classification of Liabilities as Current or Non-current	January 1, 2023

Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of accounting policies	January 1, 2023
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023
Amendments to IAS 8	Definition of accounting estimates	January 1, 2023
IFRS 10 and IAS 28	IFRS 10 Consolidated Financial Statements and IAS 28 (amendments) - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	(*)

(*) The IASB decided in September 2014 to defer the effective date indefinitely; nevertheless, the amendments are available for earlier adoption.

At this time, management has not yet performed a comprehensive assessment but does not anticipate that the relevant adoption of these standards and interpretations in future periods will have a material impact on the consolidated financial statements of the Group.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. **Statement of compliance** - The consolidated financial statements of DHHS have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).
- b. **Basis of preparation** - The consolidated financial statements have been prepared on a historical cost basis except for revaluation of certain financial assets and liabilities.
- c. **Basis of consolidation** - These consolidated financial statements incorporate the financial statements of the Parent Company, DHHS, and entities controlled by it which comprise: Doctors Hospital (Bahamas) Limited (“DHB”), Doctors Hospital (East) Limited (“DHE”), Doctors Hospital (West) Limited (“DHW”), Bahamas Medical Center Limited (“BMC”), Doctors Hospital (Harbourside) Limited (“DHH”), Doctors Hospital (The Institute of Learning) Limited (“DHIOL”) and Doctors Hospital (Grand Bahama) Limited (“DHGB”). The Company and its subsidiaries are incorporated under the laws of the Commonwealth of The Bahamas.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those adopted by the Group.

The management accounts of the subsidiaries are prepared for the same reporting period as the parent using consistent accounting policies. All intra-group transactions, balances,

income and expenses and unrealised income and expense arising from inter-group transactions are eliminated in full upon consolidation.

- d. **Cash and cash equivalents** - Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.
- e. **Foreign currency translation** - These consolidated financial statements are measured using the currency of the primary economic environment in which the Group's operates. The consolidated financial statements are presented in Bahamian dollars, which is the Group's functional and presentation currency.

In preparing the consolidated financial statements, transactions in currencies other than the functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are denominated in foreign currencies and carried at fair value are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items denominated in foreign currencies and carried at historical cost are translated at the rate prevailing at the date of the transaction.

- f. **Financial instruments** - Financial assets within the scope of IFRS 9 are classified as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income or at amortised cost. Financial liabilities are classified as financial liabilities at fair value through profit or loss or at amortised cost. The Group determines the classification of its financial assets on initial recognition and reclassification of financial assets is only allowed if the Group changes its business model for managing financial assets. No reclassification of financial liabilities is allowed.

A financial asset is classified as at amortised cost if both of the following conditions are met: (a) the financial asset is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. Financial assets classified at amortised cost are carried at the amount at which the asset was measured upon initial recognition, minus principal repayments, plus or minus the cumulative amortisation of any premium or discount, and minus any write-down for impairment or uncollectibility.

A financial asset is classified as at fair value through other comprehensive income if both of the following conditions are met and is not designated as at fair value through profit and loss: (a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

A financial asset is measured at fair value through profit or loss if it does not meet the criteria to be measured at amortised cost or at fair value through other comprehensive income.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit and loss (FVPL), transaction costs that are

directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit and loss.

Subsequent measurement of financial assets depends on the Group's business model for managing the asset and the cash flow characteristic of the asset. The three measurement categories are as noted above.

After initial recognition financial liabilities are measured at amortised cost using the effective interest method, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, are measured at fair value.

Derecognition of financial assets and liabilities

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the consolidated statement of comprehensive income.

- g. Impairment of financial assets** - The Group recognises loss allowance for expected credit losses ("ECL") on financial assets measured at amortised cost and measures impairment losses at an amount equal to lifetime ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk. For investments, the Group has adopted the general expected credit loss model.

In determining whether a significant increase in credit risk has occurred since initial recognition, and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and forward-looking information.

The Group assumes that the credit risk on a financial asset has significantly increased if it is more than 30 days past due. The Group considers a financial asset to be in default when: (1) the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by

the Group to actions such as realizing security (if any is held), or (2) the financial asset is more than 90 days past due.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

- h. Inventories** - Inventories consist of pharmaceutical and medical supplies. Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing each product to its present location and condition (including freight and duty) are accounted for on a first-in-first-out basis. Net realisable value is the estimated selling price less cost to sell in the ordinary course of business.
- i. Goodwill** - Goodwill is initially measured at cost being the excess of the cost of the business combination over the Group's share in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Impairment is assessed as indicated under impairment of non-financial assets.
- j. Intangible assets** - Intangible assets acquired separately are reported at cost less accumulated amortisation and accumulated impairment losses. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Impairment is assessed as indicated under impairment of non-financial assets.

Intangible assets represent the core computer software application in the Group's healthcare information system and other related applications and are amortised using the straight-line method over a period of three to seven years.

- k. Property and equipment** - Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Land is stated at cost less accumulated impairment losses. Such cost includes the cost of replacing part of the fixed asset when that cost is incurred, if the recognition criteria are met.

Likewise, when a major repair is performed, its cost is recognised in the carrying amount of the property and equipment as a replacement if the recognition criteria are satisfied and the replaced asset is derecognised. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is calculated on a straight-line basis over the useful life of the asset as follows:

Buildings	20 - 40 years
Leasehold improvements	3 - 10 years
Furniture and equipment	3 - 10 years

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the property and equipment) is included in the consolidated statement of profit or loss and other comprehensive income in the year the asset is derecognised.

- l. Impairment of non-financial assets** - The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit. In determining fair value less costs to sell, an appropriate valuation model is used.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the revaluation was taken to equity. In this case the impairment is also recognised in equity up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes an estimate of recoverable amount.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

The following criteria are also applied in assessing impairment of specific assets:

Goodwill

The Group assesses whether there are any indicators that goodwill is impaired at each reporting date. Goodwill is tested for impairment, annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units to which the goodwill relates. Where the recoverable amount of the cash-generating units is less than their carrying amount an impairment loss is recognised.

Impairment losses relating to goodwill cannot be reversed in future periods. The Group performed its annual impairment test of goodwill as at January 31, 2022.

- m. Leases** – At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the

definition of a lease in IFRS 16. This policy is applied to contracts entered into on or after February 1, 2019.

a) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use (“ROU”) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or the site on which it is located, less any lease incentives received.

Subsequent to initial recognition, the ROU asset is depreciated using the straight line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the ROU asset reflects that the Group will exercise a purchase option. In that case the ROU asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in profit or loss if the carrying amount of the ROU asset has been reduced to zero.

The Group has elected not to recognise ROU assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

b) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises lease payments received under operating leases as income on a straight line basis over the lease term as part of other revenue, net in the consolidated statement of profit or loss and other comprehensive income.

- n. Revenue recognition* - Net patient service revenue is recognised when healthcare services are delivered at established billing rates less any estimated variable consideration, which may be explicit or implicit as defined under IFRS 15, and adjusted for allowances for contractual discounts.

The delivery of care for each patient and medical episode is considered unique. There are many variables that are factored into the delivery of care as driven by clinicians in the healthcare environment i.e. diagnosis, co-morbidities, gender, blood type, disease stage, prognosis etc. Therefore, multiple treatments and/or interventions may be required and are administered during a single medical episode. As care is delivered, the items related to the delivery of care are considered fulfilled, and revenue is recognised day by day, as services are provided to patients for each medical episode.

- o. Other revenue* - Other income comprises dividend income from investments which is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably), interest income which is recognised on an accrual basis, revenue recognised from leases is described in note 3(m), and income earned through agreements with third party contracted physicians.
- p. Pension benefits* - The Group has a defined contribution pension plan. Contributions under the plan are recorded as expense in the consolidated statement of profit or loss and other comprehensive income. The Group recognises a liability for their portion and employee contributions withheld which are unpaid at the reporting date. There are no further obligations beyond the contribution.
- q. Earnings per share* - Basic earnings and fully diluted earnings per common share are computed by dividing the net income attributable to common shareholders by the weighted average number of common shares outstanding during each year after giving retroactive effect to stock dividends declared during the year.
- r. Income taxes* - There are no income taxes imposed on the Group by the Commonwealth of The Bahamas.
- s. Value Added Tax (VAT)* - On January 1, 2015, the Government of The Bahamas implemented Value Added Tax (VAT). Output VAT relates to sales of goods and services is payable to the Government upon its delivery to customers. Input VAT on goods and services purchased is generally recoverable against output VAT. VAT related to sales / purchases and services provision / receipt which are outstanding at the consolidated statement of financial position date is recognised in the consolidated statement of financial position on a net basis and disclosed within current liabilities.

- t. **Provisions** - Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The estimate is based on the quantum as assessed by Management, based in part on internal and external legal advice, and considering if any other co-defendants are likely to be partially liable in a claim and the likely split between the Group and co-defendants.

Details of claims are not separately disclosed where sensitive in nature or where such disclosure may impact negotiations.

- u. **Contingencies** - A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised in the consolidated financial statements. They are not disclosed when the possibility of an outflow of resources embodying economic benefits is remote.

Where some or all of the expenditure required to settle a provision is expected to be recovered, the recovery shall be recognised when, and only when, it is virtually certain that it will be received if the Group settles the obligation. Recoveries arising from a liability claim are recognised as a receivable.

A contingent asset arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised in the consolidated financial statements but disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

- v. **Investment in associates and joint ventures** – An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The Group recognises investment in associated companies using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases. The Group does not have any investments in associates or joint ventures.

- w. **Events after the reporting date** - Post year-end events that provide additional information about the Group's position at the reporting date (adjusting events) are reflected in the consolidated financial statements. Post year-end events that are not adjusting events are disclosed in the notes to consolidated financial statements when material.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Significant accounting judgments and estimates - The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect reported amounts of assets and liabilities, income and expenses and disclosure of contingent liabilities, at the reporting date. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Key Judgments

The following are the critical judgments, including those involving estimations, that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Estimates

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the consolidated financial position date that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

a. Revenue recognition

As part of the COVID-19 response, the Group agreed to assist the Government of The Bahamas to provide testing capacity and accommodations to patients with COVID. There is an agreement between the Group and the Government that the Government would reimburse certain costs. The Group has assessed the requirements for recognition of revenue under IFRS 15 and determined that the criteria to recognize revenue to the COVID-19 response has been met.

Revenue earned by third party contracted physicians is recognised in the consolidated financial statements. For accounting purposes in accordance with IFRS 15, the Group is classified as a principal, as it assumes the credit risk relative to trade receivable due from self-pay patients and third-party payors, which is recognised consistent with IFRS 9.

Under IFRS 15, the Group is required to assess where it is probable that it would collect the consideration to which it is entitled under the exchange, among other factors which would evidence the existence of a contract. Management primarily analysed collectability for self-pay patients, which comprise approximately 21% of net patient services revenue. Management then considered various patient demographic factors in its assessment of collectability, principally the age of the patient and nature of service rendered (critical vs. non-critical and outpatient care), and the country of origin (local vs. non-local) of the patient.

Where a contract was not judged to exist, revenue was only recognized to the extent that payment has been collected.

b. Contractual discounts

Estimates of contractual allowances are based upon the payment terms specified in the related contractual agreements. The estimated reimbursement amounts are subject to adjustment in subsequent periods as final settlements are determined based on detailed review of bills submitted for payment. Variable consideration, both explicit and implicit are considered in accordance with IFRS 15.

c. Provision for doubtful accounts

IFRS 9 replaced IAS 39 requiring the Group to provision for doubtful accounts using an expected credit loss (“ECL”) model, which no longer necessitates that a credit event occur before credit losses are recognised. The development of an ECL model requires that management apply judgement based on past experience especially for aged receivables and assumptions and estimations in the assessment of credit risk, which include the use of historical data on loss experience for self-pay patients and insurance patients, as well as a forecast of future economic conditions.

The Group assessed ECL for third-party payors, which account for approximately 79% of its revenue, and self-pay patients, separately. The assessment is based on three (3) years historical loss rates for each patient class, considering actual bad debt (credit) experience (2021: 3 years). Based on management judgement and historical experience, any accounts with receivable balances aged greater than 365 days are fully provisioned.

d. Contingencies

The Group is currently a defendant in a number of cases involving claims and disputes mainly related to medical practice. The Group’s estimate of the probable costs for the resolution of these claims has been developed in consultation with outside counsel handling defense in these matters and is based upon an analysis of potential results.

Management and its legal counsel believe that the Group has substantial legal and factual bases for its position and is of the opinion that losses arising from these legal actions, if any, will not have a material adverse impact on the Group’s consolidated financial position and financial performance as stated. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of strategies relating to these proceedings.

5. SEGMENT INFORMATION

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

For management purposes, the Group is organized into units based on operating facility and has two reportable operating segments which are Doctors Hospital (Bahamas) Limited (“DHB”) and Bahamas Medical Center Limited. For management accounting purposes, included along with the activity of DHB are Doctors Hospital Health System (“DHHS”), Doctors Hospital (East) Limited (“DHE”), Doctors Hospital (Harbourside) Limited (“DHH”), Doctors Hospital (The Institute of Learning) Limited (“DHIOL”) and Doctors Hospital (Grand Bahama) Limited (“DHGB”). Doctors Hospital (West) Limited (“DHW”) and Bahamas Medical Center Limited (“BMC”) are included in the operating segment of BMC for management accounting purposes.

	2022			
	Doctors Hospital (Bahamas) <u>Limited</u>	Bahamas Medical Center <u>Limited</u>	<u>Unallocated</u>	<u>Consolidated</u>
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 6,743,147	\$ 17,305	\$ -	\$ 6,760,452
Trade receivables, net	51,039,389	2,531,762	-	53,571,151
Inventories	8,129,893	67,829	-	8,197,722
Other assets	2,911,492	331,846	-	3,243,339
Total current assets	<u>68,823,922</u>	<u>2,948,742</u>	<u>-</u>	<u>71,772,664</u>
NON-CURRENT ASSETS:				
Investments	19,453,277	-	-	19,453,277
Goodwill, net	430,902	-	-	430,902
Other intangible assets	230,869	-	-	230,869
Property and equipment	26,051,378	4,308,564	-	30,359,942
Right of use assets	1,937,532	-	-	1,937,532
Total non-current assets	<u>48,103,958</u>	<u>4,308,564</u>	<u>-</u>	<u>52,412,522</u>
TOTAL ASSETS	<u>\$ 116,927,880</u>	<u>\$ 7,257,306</u>	<u>\$ -</u>	<u>\$ 124,185,186</u>
LIABILITIES				
CURRENT LIABILITIES:				
Accounts payable and other liabilities	\$ 25,399,765	\$ 588,411	\$ -	\$ 25,988,176
Current portion of lease liabilities	564,031	-	-	564,031
Current portion of long-term debt	238,021	-	-	238,021
Total current liabilities	<u>26,201,817</u>	<u>588,411</u>	<u>-</u>	<u>26,790,228</u>
NON-CURRENT LIABILITY:				
Lease liabilities	1,511,240	-	-	1,511,240
Long-term debt	3,204,423	-	-	3,204,423
TOTAL LIABILITIES	<u>\$ 30,917,480</u>	<u>\$ 588,411</u>	<u>\$ -</u>	<u>\$ 31,505,891</u>
<u>Non-current asset additions:</u>				
Property and equipment	<u>\$ 9,418,302</u>	<u>\$ 420,545</u>	<u>\$ -</u>	<u>\$ 9,838,847</u>
Other intangible assets	<u>\$ 110,750</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 110,750</u>
Right of use assets	<u>\$ 708,998</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 708,998</u>

(Continued)

	2021			
	Doctors Hospital (Bahamas) <u>Limited</u>	Bahamas Medical Center <u>Limited</u>	<u>Unallocated</u>	<u>Consolidated</u>
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	\$ 6,484,315	\$ 32,977	\$ -	\$ 6,517,292
Trade receivables, net	18,943,709	1,150,374	-	20,094,083
Inventories	4,369,980	37,069	-	4,407,049
Other assets	3,708,939	728,314	-	4,437,253
Total current assets	<u>33,506,943</u>	<u>1,948,734</u>	<u>-</u>	<u>35,455,677</u>
NON-CURRENT ASSETS:				
Investments	6,422,191	-	-	6,422,191
Goodwill, net	430,902	-	-	430,902
Other intangible assets	234,280	-	-	234,280
Property and equipment	19,396,853	4,185,545	-	23,582,398
Right of use assets	1,701,177	-	-	1,701,177
Total non-current assets	<u>28,185,403</u>	<u>4,185,545</u>	<u>-</u>	<u>32,370,948</u>
TOTAL ASSETS	<u>\$ 61,692,346</u>	<u>\$ 6,134,279</u>	<u>\$ -</u>	<u>\$ 67,826,625</u>
LIABILITIES				
CURRENT LIABILITIES:				
Accounts payable and other liabilities	\$ 9,581,845	\$ 88,540	\$ -	\$ 9,670,385
Current portion of lease liabilities	322,148	-	-	322,148
Current portion of long-term debt	226,749	-	-	226,749
Total current liabilities	<u>10,130,742</u>	<u>88,540</u>	<u>-</u>	<u>10,219,282</u>
NON-CURRENT LIABILITY:				
Lease liabilities	1,521,778	-	-	1,521,778
Long-term debt	3,442,444	-	-	3,442,444
TOTAL LIABILITIES	<u>\$ 15,094,964</u>	<u>\$ 88,540</u>	<u>\$ -</u>	<u>\$ 15,183,504</u>
<u>Non-current asset additions:</u>				
Property and equipment	<u>\$ 2,567,885</u>	<u>\$ 577,740</u>	<u>\$ -</u>	<u>\$ 3,145,624</u>
Other intangible assets	<u>\$ 35,722</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,722</u>
Right of use assets	<u>\$ 352,101</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 352,101</u>

(Continued)

	2022		
	Doctors Hospital (Bahamas) <u>Limited</u>	Bahamas Medical Center <u>Limited</u>	<u>Consolidated</u>
Patient services revenue, net	\$ 99,314,002	\$ 23,722,159	\$ 123,036,161
Salaries	41,430,040	1,939,920	43,369,960
Medical supplies	20,193,121	1,660,761	21,853,882
Medical services	10,315,615	145,150	10,460,765
Other operating expenses	5,367,539	125,490	5,493,029
Depreciation and amortisation	3,157,721	385,592	3,543,313
Utilities	1,544,038	241,552	1,785,590
Government taxes and fees	1,774,399	261,566	2,035,965
Outside services	2,712,451	218,611	2,931,062
Repairs and maintenance	1,758,128	301,044	2,059,172
Insurance	960,110	-	960,110
Dietary expenses	822,203	5,563	827,766
Loss allowance, net of recoveries	3,249,634	297,346	3,546,980
Rent	223,119	22,681	245,800
Interest expense	272,179	-	272,179
Gain on disposal of property and equipment	116,574	-	116,574
Legal expenses	184,688	4,500	189,188
Total expenses	94,081,559	5,609,776	99,691,335
Segment profit	5,232,443	18,112,383	23,344,826
Other revenue	5,026,859	299,098	5,325,957
Net income	\$ 10,259,302	\$ 18,411,481	\$ 28,670,783

(Continued)

	2021		
	Doctors Hospital (Bahamas) <u>Limited</u>	Bahamas Medical Center <u>Limited</u>	<u>Consolidated</u>
Patient services revenue, net	\$ 67,420,512	\$ 8,977,853	\$ 76,398,365
Salaries	28,951,598	1,718,720	30,670,318
Medical supplies	10,653,132	480,924	11,134,056
Medical services	6,937,545	165,763	7,103,308
Other operating expenses	2,831,074	138,385	2,969,459
Depreciation and amortisation	2,993,829	296,638	3,290,467
Utilities	1,369,887	272,352	1,642,239
Government taxes and fees	1,724,007	137,754	1,861,761
Outside services	1,704,510	205,338	1,909,848
Repairs and maintenance	864,095	231,742	1,095,837
Insurance	870,523	-	870,523
Dietary expenses	555,515	3,882	559,397
Loss allowance, net of recoveries	3,561,392	36,952	3,598,344
Rent	92,122	-	92,122
Interest expense	270,547	-	270,547
Loss on disposal of property and equipment	15,657	-	15,657
Legal expenses	290,623	2,537	293,160
Total expenses	63,686,056	3,690,987	67,377,043
Segment profit	3,734,456	5,286,866	9,021,322
Other revenue	3,123,619	293,929	3,417,548
Net income	\$ 6,858,075	\$ 5,580,795	\$ 12,438,870

(Concluded)

6. INVESTMENTS IN SUBSIDIARIES

Name	Country of incorporation	Percentage of equity interest	
		2022	2021
Doctors Hospital (Bahamas) Limited	Bahamas	100	100
Bahamas Medical Center Limited	Bahamas	100	100
Doctors Hospital (East) Limited	Bahamas	100	100
Doctors Hospital (West) Limited	Bahamas	100	100
Doctors Hospital (Harbourside) Limited	Bahamas	100	100
Doctors Hospital (The Institute of Learning) Limited	Bahamas	100	-
Doctors Hospital (Grand Bahama) Limited	Bahamas	100	-

Doctors Hospital (Bahamas) Limited - provides health care services inclusive of in-patient, out-patient and ambulatory services.

Bahamas Medical Center Limited - a subsidiary of Doctors Hospital (Bahamas) Limited, provides health care services inclusive of out-patient and ambulatory services.

Doctors Hospital (East) Limited - a holding company that has ownership of the land and building that facilitates the operations of Doctors Hospital (Bahamas) Limited.

Doctors Hospital (West) Limited - a holding company that has ownership of the land and building that facilitates the operations of Bahamas Medical Center Limited.

Doctors Hospital (Harbourside) Limited - a subsidiary of Doctors Hospital (Bahamas) Limited, established for the development of a skilled nursing facility and medical residence.

Doctors Hospital (The Institute of Learning) Limited – provides healthcare and non-healthcare related courses to the general public.

Doctors Hospital (Grand Bahama) Limited - established to provide health care services inclusive of in-patient, out-patient and ambulatory services.

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of the following:

	2022	2021
Cash at bank and in hand	\$ 6,422,918	\$ 6,357,316
Short-term deposits	337,534	159,976
	<u>\$ 6,760,452</u>	<u>\$ 6,517,292</u>

Short-term deposits are made for varying periods of between 30 days and 3 months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates. The Group held short-term deposits in the amount of \$337,534 (2021: \$159,976) in the form of an externally managed treasury account, which is available upon demand within 7-10 business days without penalty to meet any operational cash requirements.

8. TRADE RECEIVABLE, NET

Trade receivable - patients represent amounts due primarily from self-pay patients and balances due from insured patients after settlements by their insurers. Trade receivable - third-party payors represent amounts due from insurance companies, Government of The Bahamas entities and other third-party entities for which guarantees of payments have been received.

	2022	2021
Trade receivable - third-party payors	\$ 44,102,772	\$ 16,974,891
Allowance for doubtful accounts	<u>(798,855)</u>	<u>(1,574,366)</u>
	<u>\$ 43,303,917</u>	<u>\$ 15,400,525</u>
Trade receivable - patients	13,282,932	6,660,385
Allowance for doubtful accounts	<u>(3,015,698)</u>	<u>(1,966,827)</u>
	<u>\$ 10,267,234</u>	<u>\$ 4,693,558</u>

Movement in the allowance for doubtful account was as follows:

	2022	2021
Balance at beginning of the year	\$ 3,541,193	\$ 2,278,498
Loss allowance recognized in the current year	3,546,980	3,598,344
Recoveries previously written off	427,560	348,050
Doubtful receivables written off in the year	<u>(3,701,180)</u>	<u>(2,683,699)</u>
Balance at end of the year	<u>\$ 3,814,553</u>	<u>\$ 3,541,193</u>

At January 31, the aging analysis of patient and third-party receivables, net of loss allowance, was as follows:

Patient	2022	2021
0-30	\$ 7,482,495	\$ 1,755,912
31-90	925,355	1,213,365
91-180	977,829	1,459,738
181-270	<u>881,555</u>	<u>264,543</u>
Total	<u>\$ 10,267,234</u>	<u>\$ 4,693,558</u>
Third-Party Payors	2022	2021
0-30	\$ 11,269,368	\$ 5,992,729
31-90	13,850,262	4,454,266
91-180	8,716,334	4,271,041
181-270	<u>9,467,953</u>	<u>682,489</u>
Total	<u>\$ 43,303,917</u>	<u>\$ 15,400,525</u>

Management considers trade receivable due from Patient totaling \$2,874,739 (2021: \$2,937,646) to be past due but not impaired, and trade receivable due from Third-Party Payors totaling \$32,034,549 (2021: \$9,407,796) to be past due but not impaired.

IFRS 9 requires an expected credit loss model be used versus an incurred credit loss model which was applicable under IAS 39. Management assessed expected credit loss rates for self-pay and third-party payor patients separately. The loss rates used to determine the loss allowance are as follows:

	0-30	31-90	91-180	181-270	271-365	365+
2022						
Patient	2.00%	4.00%	4.00%	2.00%	3.00%	100.00%
Third-party payors	2.00%	4.00%	4.00%	2.00%	3.00%	100.00%
2021						
Patient	1.00%	1.10%	2.20%	1.10%	1.90%	100.00%
Third-party payors	1.00%	1.10%	2.20%	1.10%	1.90%	100.00%

The Group considers that any receivable balance outstanding for more than 365 days is significantly impaired and a 100% provision is made against the balance unless the Group has reasonable and supportable information that demonstrates otherwise.

The expected weighted-average credit loss rate for the GOTB balances is 1.63% as at January 31, 2022 (2021: 1%).

9. INVENTORIES

Inventories are comprised of the following:

	2022	2021
Medical supplies	\$ 7,175,260	\$ 3,785,923
Pharmaceuticals	1,022,462	621,126
Total inventories at the lower of cost and net realizable value	<u>\$ 8,197,722</u>	<u>\$ 4,407,049</u>

The amount of write-downs of inventories recognised as an expense is \$987,858 (2021: \$79,277), which is recognised in medical supplies on the consolidated statement of profit or loss and other comprehensive income. The cost of inventories recognised as an expense during the year was \$21,853,882 (2021: \$11,134,056).

10. OTHER ASSETS

Other assets are comprised of the following:

	2022	2021
Prepaid expenses	\$ 1,706,644	\$ 3,161,163
Advances and other assets	1,235,804	1,061,494
Security deposits	300,891	214,596
	<u>\$ 3,243,339</u>	<u>\$ 4,437,253</u>

11. INVESTMENTS

Total investments at January 31, 2022 is \$19,650,209 (2021: \$6,486,758), which includes both equity investments of \$30,000 (2021: \$30,000) and fixed income securities with maturities greater than three months in the amount of \$19,620,209 (2021: \$6,456,758). Fixed income securities are classified as financial assets at amortised cost.

	2022	2021
Equity investments	\$ 30,000	\$ 30,000
Fixed income investments	<u>19,620,209</u>	<u>6,456,758</u>
	19,650,209	6,486,758
Less provision	<u>(196,932)</u>	<u>(64,567)</u>
Total investments	<u>\$ 19,453,277</u>	<u>\$ 6,422,191</u>

Equity investments, which are classified as at fair value through other comprehensive income, of \$30,000 (2021: \$30,000) represents a 10% ownership stake in Nassau Laboratory Partners, which is carried at fair value as a level 2 investment.

Fixed income investments are classified as at amortised cost and have interest rates of 4.25% to 5.65% (2021: 4.25% to 5.65%) and mature in two (2) to twenty-seven (27) years. The fair value of the fixed income investments as January 31, 2022 was \$19,552,567 (2021: \$6,136,930). The expected credit loss rate on the fixed income investments is 1% (2021:1%).

12. GOODWILL

Goodwill at January 31, 2022 is \$430,902 (2021: \$430,902). The goodwill recorded relates to the Group's acquisition of imaging subsidiaries related to magnetic resonance imaging ("MRI") and computerized tomography ("CT") scan modalities. The Group tests goodwill for impairment annually or more frequently if there are indications that goodwill may be impaired. The recoverable amount of the cash generating units (CGU) which includes the goodwill is based on a value in use calculation. The value in use has been determined by discounting the future cash flows generated from the continuing use of the CGU.

The key assumptions used for the value in use calculations are as follows:

- Cash flows are projected based on actual operating results for FYE 2022 as a baseline;
- Cash flows for the further five year period are projected using expected annual growth rates based on the five (5) year historical growth rate of the modalities of 4.7% (2021: -0.5%); net of required capital expenditures; and
- A discount rate of 20% (2021: 20%) is used to estimate the present value of projected cash flow, as well as the present value of the terminal value.

The tests were performed at January 31 and no provision for impairment was deemed necessary.

13. OTHER INTANGIBLE ASSETS

Other intangible assets are comprised of the following:

	2022	2021
Cost:		
Balance at beginning of year	\$ 4,807,275	\$ 4,771,553
Additions	110,750	35,722
Disposals	(546,114)	-
Balance at end of year	<u>4,371,911</u>	<u>4,807,275</u>
Accumulated amortization:		
Balance at beginning of year	4,572,995	4,481,803
Amortisation for the year	114,161	91,191
Disposals	(546,114)	-
Balance at end of year	<u>4,141,042</u>	<u>4,572,995</u>
Net book value	<u>\$ 230,869</u>	<u>\$ 234,280</u>

Other intangible assets represent the core computer software application in the Group's healthcare information system. Amortisation expense is included in the line item 'depreciation and amortisation' in the consolidated statement of profit or loss and other comprehensive income. During the year, fully amortised intangibles of \$546,114 (2021: \$Nil) were retired from service. Included as at January 31, 2022 are fully amortized assets of \$3,955,683 (2021: \$3,881,104).

14. PROPERTY AND EQUIPMENT

Property and equipment is comprised of the following:

	Land and buildings	Work-in- Progress	Leasehold improvements	Furniture and equipment	Total
COST:					
Balance at January 31, 2020	\$ 23,784,645	\$ 1,519,816	\$ 3,881,841	\$ 28,040,517	\$ 57,226,819
Transfers (out) in	-	(624,862)	311,615	313,247	-
Additions	-	446,434	198,983	2,500,207	3,145,624
Disposals	-	-	(10,816)	(76,098)	(86,914)
Balance at January 31, 2021	23,784,645	1,341,388	4,381,623	30,777,873	60,285,529
Transfers (out) in	-	(384,640)	384,640	-	-
Additions	345,775	356,177	3,676,945	5,459,950	9,838,847
Disposals	-	-	(29,775)	(845,202)	(874,977)
Balance at January 31, 2022	<u>\$ 24,130,420</u>	<u>\$ 1,312,925</u>	<u>\$ 8,413,433</u>	<u>\$ 35,392,621</u>	<u>\$ 69,249,399</u>
ACCUMULATED					
DEPRECIATION:					
Balance at January 31, 2020	\$ 10,618,931	\$ -	\$ 2,279,613	\$ 21,027,604	33,926,148
Depreciation	434,433	-	380,454	2,033,353	2,848,240
Disposals	-	-	(901)	(70,356)	(71,257)
Balance at January 31, 2021	11,053,364	-	2,659,166	22,990,601	36,703,131
Depreciation	434,433	-	401,009	2,107,447	2,942,889
Disposals	-	-	(20,022)	(736,541)	(756,563)
Balance at January 31, 2022	<u>\$ 11,487,797</u>	<u>\$ -</u>	<u>\$ 3,040,153</u>	<u>\$ 24,361,507</u>	<u>\$ 38,889,457</u>
CARRYING AMOUNT:					
At January 31, 2022	<u>\$ 12,642,623</u>	<u>\$ 1,312,925</u>	<u>\$ 5,373,280</u>	<u>\$ 11,031,114</u>	<u>\$ 30,359,942</u>
At January 31, 2021	<u>\$ 12,731,281</u>	<u>\$ 1,341,388</u>	<u>\$ 1,722,457</u>	<u>\$ 7,787,272</u>	<u>\$ 23,582,398</u>

During the year, fully depreciated assets of \$841,138 (2021: \$86,914) were retired from service. Included in leasehold improvements, furniture and equipment at January 31, 2022 are fully depreciated assets of \$17,690,807 (2021: \$18,354,363).

15. RIGHT OF USE ASSETS AND LEASES

Right of use assets is comprised of land and buildings which are leased by the Group. The lease terms range from 2 to 10 years from inception of the leases. The ROU assets are depreciated over the respective lease terms.

	2022	2021
Cost:		
Balance at beginning of year	\$ 2,917,762	\$ 3,769,782
Additions	708,998	352,101
Derecognition	<u>(559,413)</u>	<u>(1,204,121)</u>
Balance at end of year	<u>3,067,347</u>	<u>2,917,762</u>
Accumulated amortization:		
Balance at beginning of year	1,216,585	1,668,599
Amortisation for the year	486,263	351,036
Derecognition	<u>(573,033)</u>	<u>(803,050)</u>
Balance at end of year	<u>1,129,815</u>	<u>1,216,585</u>
Net book value	<u>\$ 1,937,532</u>	<u>\$ 1,701,177</u>

Total lease payments for the year ended January 31, 2022 amounted to \$589,928 (2021: \$618,112). Interest expense charged on the lease liabilities for the year ended January 31, 2022 amounted to \$98,657 (2021: \$85,210).

Lease expense for the year ended January 31, 2022 relating to leases with short terms and/or low value amounted to \$27,504 (2021: \$4,000).

Leases with a net carrying value of \$Nil were derecognised during the year (2021: \$401,072) as a result in changes in lease terms.

The following table shows the maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date.

	2022	2021
Within one year	\$ 652,021	\$ 401,042
After one year but not more than five years	1,500,430	1,273,584
Between five years and ten years	<u>129,431</u>	<u>435,392</u>
	<u>\$ 2,281,882</u>	<u>\$ 2,110,018</u>

16. ACCOUNTS PAYABLE AND OTHER LIABILITIES

Accounts payable and other liabilities are comprised of the following:

	2022	2021
Accrued expenses	\$ 9,894,590	\$ 4,475,532
Accounts payable - trade	7,742,862	2,519,639
Other liabilities	7,247,543	1,813,955
Unearned revenue	36,736	23,161
Vacation benefit accrual	572,062	462,998
VAT payable	494,383	375,099
	<u>\$ 25,988,176</u>	<u>\$ 9,670,384</u>

Terms and conditions of the above financial liabilities:

- Trade payables are non-interest bearing and are normally settled on 30-60 day terms.
- Accrued expenses are non-interest bearing and are settled throughout the financial year.
- Other liabilities are non-interest bearing and are normally settled throughout the financial year.
- Vacation benefit accrual is non-interest bearing and employees are encouraged to take time due in the year it is earned.
- VAT payable is paid monthly and is non-interest bearing if paid by the 21st of the following month.

17. BANK BORROWINGS

The Group maintains an overdraft facility to finance working capital needs. The facility is secured by an assignment of trade receivable. Interest is charged at the Bahamian dollar prime rate plus 1.25% per annum. At January 31, 2022 the entire facility of approximately \$5 million (2021: \$5 million) was undrawn and available.

Bank borrowings are comprised of the following:

	2022	2021
Secured term loan to be repaid over 15 years, plus interest at Bahamas Prime + 0.65% per annum	\$ 3,442,444	\$ 3,669,193
Less: current portion	<u>(238,021)</u>	<u>(226,749)</u>
Long-term portion	<u>\$ 3,204,423</u>	<u>\$ 3,442,444</u>

The Group pledged as collateral all fixed and floating assets owed by Doctors Hospital Bahamas Limited, Doctors Hospital (West) Limited and Bahamas Medical Center Limited.

18. SALARIES AND BENEFITS EXPENSE

Salaries and benefits expense are comprised of the following:

	2022	2021
Salaries and benefits	\$ 42,063,550	\$ 29,490,551
National Insurance costs	852,703	737,558
Pension costs - defined contributions pension plan	<u>453,707</u>	<u>442,209</u>
	<u>\$ 43,369,960</u>	<u>\$ 30,670,318</u>

19. GOVERNMENT TAXES AND FEES

Government taxes and fees are comprised of the following:

	2022	2021
Business license	\$ 1,068,576	\$ 840,373
Work permit fees	627,437	640,284
Property taxes	<u>339,952</u>	<u>381,104</u>
	<u>\$ 2,035,965</u>	<u>\$ 1,861,761</u>

20. DIVIDENDS PAID

Dividends paid are comprised of the following:

	2022	2021
Dividend on ordinary shares:		
Final dividend for 2022 (\$0.18 per share (2021: \$0.04 per share))	<u>\$ 2,134,610</u>	<u>\$ 398,865</u>

21. RELATED PARTY TRANSACTIONS AND BALANCES

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

Entities and individuals with significant influence over the Group	Included in FS caption	Year	Purchases from Related Parties	Amounts owed to Related Parties
Trauma and Emergency Medical Services Limited (TEMS)	Medical services	2022	\$ 4,471,910	\$ 22,523
	Medical services	2021	3,439,678	-
Barry Rassin	Lease payments	2022	48,000	-
	Lease payments	2021	48,000	-
Med Management Limited	Lease payments	2022	144,477	12,082
	Lease payments	2021	131,621	-
Critical Care Associates	Lease payments	2022	56,172	-
	Lease payments	2021	49,968	-

Entities and individuals with significant influence over the Group

Trauma and Emergency Medical Services Limited ("TEMS")

One of the directors is a principal in TEMS, the entity contracted to provide physician service in the Group's emergency department.

Critical Care Associates

One of the directors is a principal in Critical Care Associates, an entity contracted to provide physician service in the Group's intensive care department.

Med Management Limited

One of the directors is a principal in Med Management Limited, an entity from which the Group leases a building used as administrative offices.

Barry Rassin

The Group leases a building used for outpatient services from Barry Rassin, one of the directors.

Terms and conditions of transactions with related parties

Outstanding balances at year-end are unsecured, interest-free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the years ended January 31, 2022 and 2021, the Group had no debts relating to amounts owed by related parties.

Transactions with other related parties

Compensation of key management personnel:

	2022	2021
Short-term employee benefits	\$ 6,853,983	\$ 3,735,833
Post-employment pension benefits	<u>119,175</u>	<u>129,632</u>
Total compensation paid to key management personnel	<u>\$ 6,973,158</u>	<u>\$ 3,865,465</u>

22. PENSION PLAN

The Group has a defined contribution pension plan. Contributions to the plan amount to 10% of gross salaries of eligible Associates. The Group makes 100% of the 10% contribution for executive management personnel and matches all other Associate contributions up to 5% of gross salaries. Group and Associate contributions for the year ended January 31, 2022 amounted to \$941,060 (2021: \$1,058,345).

23. EARNINGS PER SHARE

Basic earnings and diluted earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. There are no potentially dilutive financial instruments therefore diluted and basic earnings per share are the same.

The following reflects the income and share data used in the basic and diluted earnings per share computations for the year ended January 31:

	2022	2021
Profit for the year	<u>\$ 28,670,783</u>	<u>\$ 12,438,870</u>
Weighted average number of ordinary shares on issue applicable to basic earnings per share	<u>11,304,967</u>	<u>9,971,634</u>
Earnings per share	<u>\$ 2.54</u>	<u>\$ 1.25</u>
Year over year increase (%)	103.3%	48.7%

24. COMMITMENTS*Lease commitments*

Rental income for the year ended January 31, 2022 was \$290,340 (2021: \$298,990).

Future expected rental income is \$119,500 (2021: \$393,340).

25. CONTINGENCIES

The Group is subject to claims and lawsuits in the ordinary course of business. The largest category of these relates to medical malpractice. The results of claims, lawsuits and investigations cannot be predicted, and it is possible that from time to time the ultimate resolution of such matters, individually or in the aggregate, may have a material adverse effect on the Group's financial position, financial performance or cash flows.

When necessary, the Group defends itself vigorously against claims and lawsuits. However, the Group recognises that, where appropriate, its interests may be best served by resolving certain matters without litigation. To that end, the Group consistently engages in service recovery initiatives to satisfy customer needs and expectations and to achieve a non-litigated resolution of patient concerns.

The Group records provisions for claims and lawsuits when they are probable and estimable. The accrued amounts for estimated professional liability claims, to the extent not covered by insurance, are included in accounts payable and other liabilities. Liabilities and corresponding recoveries arising from claims and lawsuits are recorded gross.

For the period ended January 31, 2022, the Group discloses a contingent liability arising from a past lawsuit, which has proceeded to trial. The Group has not accepted any liability in the matter. The outcome of the trial, and any liability which may arise depends, on various factors which are not yet known, and thus cannot be accrued for by the Group.

26. RISK MANAGEMENT

The Group's principal financial instruments consist of cash and cash equivalents, trade receivables, investments, accounts payable, lease liabilities and long-term debt. The Group does not enter into derivative transactions.

Financial risk management objectives and policies - The main risks arising from the Group's financial instruments are credit risk, liquidity risk and market risk. The Group has written risk management policies and guidelines which set out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control its financial instruments in a timely and accurate manner. Such written policies are reviewed annually by the Board of Directors.

Credit risk - Credit risk arising from the inability of the counterparty to meet the terms of the Group's financial instrument contracts is generally limited to the amounts, if any, by which the counterparty's obligations exceed the obligations of the Group. It is the Group's policy to enter into financial instruments with a diversity of creditworthy counterparties. Therefore, the Group does not expect to incur material credit losses on its risk management or other financial instruments. The Group's maximum exposure to credit risk in the event the counterparties fail to perform their obligations at January 31, 2022 in relation to each class of financial assets, is the carrying amount as indicated in the consolidated statement of financial position. Credit risk on liquid funds is limited because counterparties are reputable banks.

Concentrations of credit risk - The Group grants credit without collateral to its patients, most of which are local residents and are insured under third-party payor agreements. The maximum percentage owed by any one third-party payor is 56.21% (2021: 25.4%).

The mix of receivables (shown net) from patients and third-party payors at January 31, 2022 was as follows:

	2022	2021
Patients	19%	23%
Third-party payors	81%	77%
	<u>100%</u>	<u>100%</u>

The financial assets of the Group comprise mainly of cash and cash equivalents, receivables from patients and third-party payors and investments. The disclosure of the trade receivables' balances past due and impaired, and past due and not impaired is disclosed in Note 8. While cash and cash equivalents and investments are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Liquidity risk - The Group is exposed to liquidity risk in connection with its debt obligations, accounts payable and accrued expenses. Liquidity risk arises if the Group is unable to collect its receivables quickly at fair value, thereby affecting the Group's ability to repay its debts. The Group monitors its cash flows on a regular basis and has access to overdraft facilities as described in Note 17.

The following table summarises the carrying amount of financial assets and liabilities of the Group into relevant maturity groupings based on the remaining period to the contractual maturity dates as of the reporting date and represent undiscounted cash flows.

2022	Within 3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Assets					
Cash and cash equivalents	\$ 6,760,452	\$ -	\$ -	\$ -	\$ 6,760,452
Trade receivables	53,571,151	-	-	-	53,571,151
Investments	-	-	287,870	19,165,407	19,453,277
Total financial assets	\$ 60,331,603	\$ -	\$ 287,870	\$ 19,165,407	\$ 79,784,880
Liabilities					
Accounts payable and other liabilities	\$ 25,988,176	\$ -	\$ -	\$ -	\$ 25,988,176
Lease liabilities	148,597	415,434	1,357,823	153,417	2,075,271
Long-term debt	58,424	179,597	1,074,389	2,130,034	3,442,444
Total financial liabilities	\$ 26,195,197	\$ 595,031	\$ 2,432,212	\$ 2,283,451	\$ 31,505,891
Net liquidity gap	\$ 34,136,406	\$ (595,031)	\$ (2,144,342)	\$ 16,881,956	\$ 48,278,989
2021	Within 3 months	3 - 12 months	1 - 5 years	Over 5 years	Total
Assets					
Cash and cash equivalents	\$ 6,517,292	\$ -	\$ -	\$ -	\$ 6,517,292
Trade receivables	20,094,084	-	-	-	20,094,084
Investments	-	-	287,870	6,134,321	6,422,191
Total financial assets	\$ 26,611,376	\$ -	\$ 287,870	\$ 6,134,321	\$ 33,033,567
Liabilities					
Accounts payable and other liabilities	\$ 9,670,384	\$ -	\$ -	\$ -	\$ 9,670,384
Lease liabilities	85,455	236,692	1,100,330	421,449	1,843,926
Long-term debt	57,114	169,635	1,024,118	2,418,327	3,669,193
Total financial liabilities	\$ 9,812,953	\$ 406,327	\$ 2,124,448	\$ 2,839,776	\$ 15,183,503
Net liquidity gap	\$ 16,798,423	\$ (406,327)	\$ (1,836,578)	\$ 3,294,545	\$ 17,850,064

Interest rate risk - Interest rate risk is the risk that future cash flows of fair value of a financial instrument will fluctuate because of changes in the market interest rates. The Group bears interest rate risk relating to interest received on bank deposits and fixed income securities and interest paid on bank borrowings. If interest rates increase/decrease by 50 basis points and all other variables remain constant, the Group's profit over the next 12 months is estimated to increase/decrease by \$83,777 (2021: \$25,037).

Operational risk - Operational risk is the risk that deficiencies in information systems or internal controls result in unexpected business, financial and operating losses. The identification and control of these risks is managed by the Group's management team. The Group's management team conducts regular reviews of all operational areas to ensure operational risks are being properly controlled and reported to the Finance/Audit Committee. Contingency plans are in place to achieve business continuity in the event of serious disruptions to business operations.

Foreign currency risk - The Group is not exposed to any significant foreign currency risk.

Fair value of financial instruments - Financial instruments utilized by the Group include recorded assets and liabilities. Most of the Group's financial instruments are short-term in nature or have interest rates that reset to market on a regular basis. Accordingly, the estimated fair value of the financial instruments is not materially different from the carrying value for each major category of the Group's recorded assets and liabilities.

27. CAPITAL MANAGEMENT

The primary objective of the Group's capital management program is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Group regards equity as capital. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended January 31, 2022 or January 31, 2021.

28. SUBSEQUENT EVENTS

The Board of Directors, by resolution dated April 25, 2022, authorised an ordinary dividend of \$0.07 per share for all issued and outstanding shareholders of record as of May 30, 2022 and were paid on May 31, 2022.

Subsequent to the reporting date, the Group has received payments in the amount of \$18,812,109 from a third party as partial settlement on its outstanding balances with the Group.

For the period from the reporting date up to June 30, 2022, the date that the consolidated financial statements were approved for issuance, there were no other events occurring which required adjustment to or disclosure in the consolidated financial statements.

* * * * *

BOARD OF DIRECTORS ANNUAL ATTESTATION

We, the Board of Directors of Doctors Hospital Health System Limited and its subsidiaries (“the Group”) are familiar with the contents of the Securities Industry Act, Regulations and Rules, as amended, which govern the operations of publicly traded companies licensed to do business in The Bahamas (herein after referred to as “the Guidelines”) and acknowledge our role and responsibilities under the Guidelines. We certify the following:

- a. We are performing our functions and fulfilling our responsibilities under the Guidelines;
- b. We have carefully considered the reporting of Senior Management and other information relevant to forming an opinion as to whether we are following the Guidelines;
- c. We are satisfied that the Group’s internal rules, circulars, guidelines and manuals are accurate and complete in all material respects and that the Group’s local internal audit function and review processes provide reasonable assurances of Regulatory Compliance;
- d. We are of the opinion that the Group is following the Guidelines, paying particular attention to the annual certification sections of the Guidelines. In that regard, based on the information reported by Senior Management, we are satisfied with the safety and soundness of the operations of the Group;
- e. The Group’s Independent Non-Executive directors continue to meet the requirements of independence as stated in our Board of Directors Charter;
- f. Routine Internal Audits are ongoing and all identified issues either have been addressed or are in the process of being addressed;
- g. We are satisfied that the Group has appropriate policies, procedures and controls in place to ensure that inherent business risks, where they exist, are effectively managed; and
- h. Further details of our Corporate Governance philosophy is contained in the Board of Directors Charter which can be found on www.doctorshosp.com. The Charter addresses, inter alia, –
 - (a) the composition of the board of directors and qualifications for membership on the board, including matters respecting the independence of members;
 - (b) the establishment of specified types of committees of the board of directors, the mandate, functioning and responsibilities of each committee, the composition of each committee and the qualifications for membership on the committee, including matters respecting the independence of members;
 - (c) the establishment and enforcement of a code of business conduct and ethics applicable to directors, officers and employees and applicable to persons or companies that are in a special relationship with companies within the Group; and
 - (d) procedures to regulate conflicts of interest between the interests of the companies within the Group and those of a director or officer of any such company.



EXECUTIVE TEAM



DR CHARLES
DIGGISS
President &
Chief Executive Officer



DR SHEENA
ANTONIO-COLLIE
Chief Medical Officer



DENNIS
DEVEAUX
Chief Financial Officer



RANDOL
DORSETT
Chief Legal Officer



DR JAMES
IFERENTA
Sr. VP Medical Affairs



BRIDGETTE
SHERMAN
Sr. VP of Patient Care Services



PATRICE
ANTONIO
Sr. VP of Corporate Finance



DR. WESLEY
FRANCIS
VP Surgical Services



DR. BEVERTON
MOXEY
VP Clinical Services



MICHAELA
SUMNER-BUDHI
Legal Counsel



PAUL
HAVEN
VP Human Resources

BOARD



FELIX
STUBBS
Chair



WAYDE
CHRISTIE
Vice Chair



DR CHARLES
DIGGISS



DR BARRETT
MCCARTNEY



LEROY
ARCHER



BARRY
RASSIN



NATHANIEL
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NOTES

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. At the bottom of the page, there is a decorative border consisting of small blue dots of varying sizes, creating a subtle gradient effect. The overall appearance is that of a clean, unused piece of stationery or notebook paper.

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and extend across the width of the page. At the bottom of the page, there is a decorative border consisting of small blue dots arranged in a pattern that tapers towards the edges. The overall appearance is that of a clean, unused piece of stationery or notebook paper.



DOCTORS HOSPITAL HEALTH SYSTEM

*Trusted and Best Care NOW.
Isn't Your Health Worth It?*