



DOCTORS HOSPITAL

Health For Life



2011
annual report **two thousand eleven**
2011



**THE GOLD
STANDARD**

OUR VISION

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

VISION

OUR MISSION

Doctors Hospital exists to operate a quality acute care hospital that meets and exceeds the healthcare needs and expectations of our patients, provides an enriching and rewarding professional environment for our Associates and Physicians, makes a positive contribution to the advancement of healthcare in the Region, and provide increasing value to our shareholders.

MISSION

OUR CORE VALUES

The phrase "We Care" is more than just a slogan to us, it is an acronym for the qualities we believe are essential to our business:

W — Welcome

E — Empathy

C — Commitment

A — Accountability

R — Respect

E — Excellence

VALUES



“By far the best hospital in the Bahamas. All services were excellent and received with a smile and in a timely fashion. The only place to come and receive professional medical treatment with a smile. **”**

Earnestine Forbes, Patient



OVERALL RESULTS OF PATIENT SATISFACTION SURVEY:

Friendliness/
courtesy of
Nursing staff

98%

Friendliness/
courtesy of
Physicians

97%

Likelihood of
recommending
Doctors Hospital

97%

Overall rating
of Care

97%



Our History

Doctors Hospital, formerly The Rassin Hospital, has provided Bahamians with quality private health care for over 50 years. The late Dr. Meyer Rassin, a leading orthopedic surgeon, opened the original 20,000 square-foot, 24-bed medical facility in 1955. The facility was upgraded in 1979, and its use extended to other doctors and their patients. A group of Bahamian physicians bought the facility in 1986 and renamed it Doctors Hospital. In 1993 the hospital completed an \$8.5 million, 50,000-square-foot expansion and went public in 1999.



Today, the new 72-bed, JCI Accredited Doctors Hospital is the most modern private healthcare facility in The Bahamas with over 500 employees ready to serve you. Located at the corner of Collins Avenue and Shirley Street, Doctors Hospital prides itself on having the latest medical technology and the utmost qualified physicians. We have pioneered the use of such state-of-the-art medical equipment as CT scanners, MRI, Ultra sounds and procedures such as open-heart surgery, total joint replacement, and kidney transplants in The Bahamas. We are committed to providing all Bahamians with the most technologically advanced quality healthcare services in the region.



Dr. Larry Carroll
Chief Radiologist

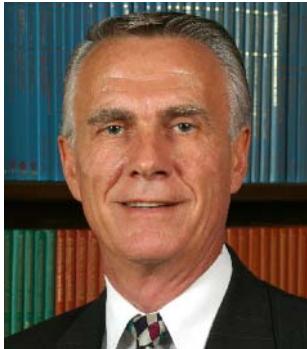
Dedicated
3D Breast Ultra
Sound Machine

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Chairman's Report Fiscal 2011



Mr. Joe W.P. Krukowski
CHAIRMAN

Since it was founded more than 56 years ago, Doctors Hospital has tirelessly worked to constantly improve healthcare for Bahamians. Your company has built an enduring legacy of quality healthcare. It continues to develop health care services that improve our quality of life. As your Chairman, I am committed to sustaining and growing the company's ability to meet and exceed your expectations. The future for healthcare holds much promise and I look forward to having the opportunity of working with Doctors Hospital to bring those discoveries to all Bahamians.

In 2010, Doctors Hospital achieved Joint Commission International (JCI) Accreditation. This was a monumental achievement for the organization as Doctors Hospital is the only JCI Accredited Hospital in the Caribbean. Joint Commission Accreditation recognizes superior healthcare performance and puts Doctors Hospital among a select few medical institutions worldwide. Because of its global recognition JCI provides unique opportunities, particularly in the area of medical treatment to the international community. All business opportunities are being vigorously pursued.

The local economy remains depressed and the near term is expected to remain a challenge. Aggressive management of costs and collection of client accounts has enabled the company to maintain a good performance. Doctors Hospital's core strengths, most importantly the talent and dedication of its Associates, has enabled the company to achieve growth and continue to meet the demand for quality healthcare.

Despite a depressed economy Doctors Hospital remains optimistic about the future. Its' JCI accreditation, world-class technology, strong market position, an industry-leading center of excellence, a strong management team, dedicated associates and a sound strategy positions it to take advantage of opportunities as they arise.

Increasing shareholder value remains a priority for the company.

On behalf of the board of directors, I wish to express our sincere gratitude to our shareholders, physicians and associates for their continued devotion and faithfulness to Doctors Hospital.

Sincerely,

Joe W. P. Krukowski

Chairman of the Board, Doctors Hospital

International opportunities to increase revenue

Achieving Joint Commission International Accreditation is one more major step toward expanding Doctors Hospital's market into North America and beyond. The stamp of quality provided by this prestigious international accreditation provides patients with a comfort level that will encourage their decision to fly to Nassau, Bahamas and trust themselves into the care of the physicians and surgeons at Doctors Hospital.

This International Market of patients looking for a facility that can perform certain procedures is an important aspect of the growth of the revenue base for Doctors Hospital. A great deal of work has been done to prepare for the international patients choosing this location as opposed to India, Thailand, Mexico and others. We had to prove that our quality standards for patient care and patient safety are acceptable and at least equal to what is already available to them. We also needed to be more proximal to them to reduce the cost of travel for health care. And we have to provide "package prices" which are predictable and lower than they can get back home.

We are proximal and the cost to travel from North America is still attractive. We are now completing our "package prices" which will provide the final part of the equation to show

international patients that Doctors Hospital is the place to come for their procedure. These prices will also be beneficial to the local insurance companies and self pay patients who can benefit through improved budgeting and lower healthcare cost.

Examples of the procedures we will focus on first will be spine surgery, bariatric surgery, knee and hip replacement, and cardiac surgery. Partnerships between well known specialists and local experts will enhance our ability to serve both international patients and local patients with high quality standards and competitive prices.

Barry Rassin
President, Doctors Hospital

Management's Discussion & Analysis of the Financial Statements

Fiscal 2011 Results of Operations

Net income totaled \$0.865 million, or \$0.09 per share, for the year ended January 31, 2011, compared to \$4.886 million, or \$0.49 per share, for the year ended January 31, 2010.

Net patient service revenues decreased \$5.7 million, or 12.6%, over the prior year.

Management's Discussion & Analysis of the Financial Statements

Revenue/Volume Trends

For the year ended January 31, 2011, adult patient days decreased by 21.9% from the previous year. Total patient days of 10,061 represented the lowest since 2004. As indicated last year, we expected the downward trend of decreased patient days to continue, but not at this level. During the year we saw an increase in patients with decreased insurance benefits or complete loss of insurance coverage, as employers struggled to cut costs and lay-offs increased. The result was patients were unable to pay for increased deductibles and co-payments and utilized the public health system. The Hospital expects a small recovery during fiscal 2012 in line with the general economy. The average daily census decreased to 28 patients per days from 35 in the previous year.

Total admissions to the facility were 3,915 in fiscal 2011, representing a 7.7% decrease over the prior year. Comparing this statistic to the decrease of 21.9% in patient days shows the change in acuity of the patients.

Expenses

Total expenses decreased \$1.4 million, or 3.4% and as a percentage of total revenue expenses increased from 89.0% in fiscal 2010 to 98.0% in fiscal 2011. The principal costs and expenses are discussed below:

Salaries and Benefits

Salaries and benefits decreased by \$0.362 million, or 2.1% over the previous year. These expenses as a percentage of patient service revenues increased to 42.6% from 38.1% in the previous year.

Medical Supplies and Services

Medical supplies and services decreased by \$0.323 million, or 2.8% in fiscal 2011 over the previous year. These expenses, as a percentage of patient service revenues increased to 29.0% in fiscal 2011 from 26.1% in fiscal 2010. The decrease in this area is directly associated with the variable portion of this expense to the decreased

Bad debt expense, as a percentage of patient service revenues decreased to 2.7% in the year ended January 31, 2011, compared to 4.8% the previous year.

This represented a decrease of \$1.1 million, or 51.4%.

patient volume and the increase as a percentage of patient service revenue is the result of the fixed portion of the expense to the reduced revenue.

Utilities

Utility costs increased 11.3% over the previous year or \$0.144 million. The increase was in electricity charges.

Depreciation and Amortization

Depreciation and amortization increased \$0.4 million due to capital replacements over the last two fiscal years.

Other Operating Expenses

Other operating expenses consist primarily of general and administrative costs such as training and education, marketing, collection fees, general supplies, bank charges, accounting fees and donations. These expenses decreased 15.5% over the previous year. As a percentage of net patient service revenues other operating expenses remained consistent with last year.

AR Management and Provision for Doubtful Accounts

Bad debt expense, as a percentage of patient service revenues decreased to 2.7% in the year ended January 31, 2011, compared to 4.8% the previous year. This represented a decrease of \$1.1 million, or 51.4%. The decrease is attributable to recoveries from reserves put in place last year-end and improved up-front collection on self-pay accounts.

Management's Discussion & Analysis of the Financial Statements

The number of days revenue in accounts receivable (AR Days) for fiscal 2011 increased, and is now at 43 days from 38 days in fiscal 2010. Total recoveries for the year ended January 31, 2011 from accounts written off were \$244,000 (2010-\$408,000). As in previous years, the amount of recoveries is deducted from the provision for doubtful accounts charged in the statement of comprehensive income.

Liquidity and Capital Resources

Investing Activities

Net cash used was \$3.9 million compared to net cash used of \$1.7 million in the previous year, an increase of \$2.3 million. All funds were used for purchases of property, plant, equipment and intangibles. As with the previous year, all investing activities for this year were funded from internally-generated cash flows. An analysis of the additions to intangibles, plant and equipment as reported in Note 12 and 14 to the financial statements is as follows:

	Year Ended Jan. 31, 2011	Year Ended Jan. 31, 2010
Information technology	\$ 1,026,000	\$ 96,000
Medical equipment	1,403,000	1,234,000
Imaging equipment	1,110,000	307,000
Facility equipment and improvements	396,000	33,000
Total intangibles, plant and equipment	<u><u>\$ 3,935,000</u></u>	<u><u>\$ 1,670,000</u></u>

This hospital purchased a state of the art digital mammogram machine, a new x-ray machine, operating room equipment and made significant upgrades to our data center equipment. Major progress has occurred in the planning of the potential renovations required to respond to current and future demand. The physical expansion will seek to introduce new services, expand current services, and consolidate activities. The capital plans for fiscal 2012 include replacement and upgrades of \$3.2 million. Included in this budget is a new state of the art CT scan machine.

Financing Activities

Cash used in financing activities was \$0.6 million compared to \$6.2 million in the prior year. Three dividends were paid during the year totaling \$0.06 per share or \$0.6 million

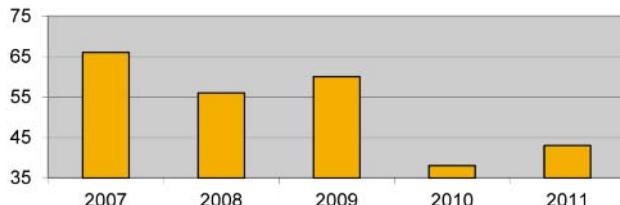
Western Medical Plaza

As a result of significant potential development in the Western portion of New Providence, DHHS has begun the process of re-evaluating the alternative uses of this asset. Interest continues in purchase and lease options which are being reviewed. However, as conditions in the economic environment improve and increased demand occurs consideration of optimization are being entertained. It continues to be a great potential for the organization.

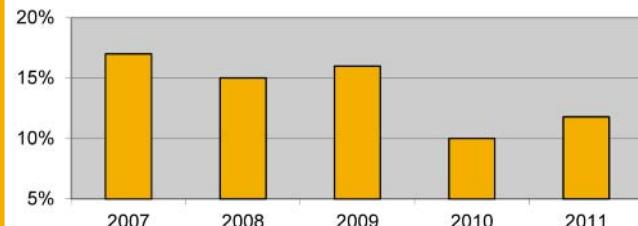
	2007	2008	2009	2010	2011
NET PATIENT REVENUES	38,098	40,889	41,789	44,842	39,177
AVERAGE DAILY CENSUS	34	37	36	35.3	27.6
ADULT PATIENT DAYS	12,346	13,401	13,188	12,875	10,061
BASIC EARNINGS PER SHARE	0.23	0.34	0.38	0.49	0.09
BOOK VALUE PER SHARE	1.66	1.99	2.33	2.71	2.74
TOTAL ASSETS	29,018	31,255	31,801	29,990	30,191
DAYS REVENUE IN AR	66	56	60	38	43
NET RECEIVABLE AS % OF PATIENT REVENUE	17%	15%	16%	10%	12%
SALARIES AND BENEFITS-DHB	14,396	15,338	16,264	17,062	16,700
SALARIES AND BENEFITS AS % OF NET PATIENT REVENUES	38%	38%	39%	38%	43%

Management's Discussion & Analysis of the Financial Statements

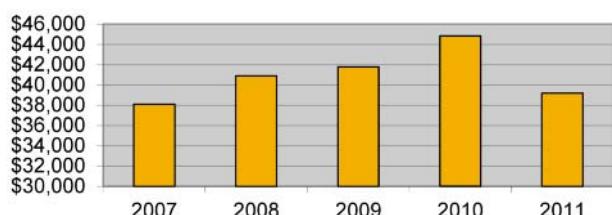
DAYS REVENUE IN AR



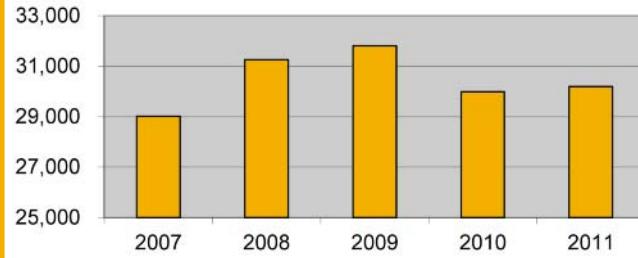
NET RECEIVABLE AS % OF PATIENT REVENUE



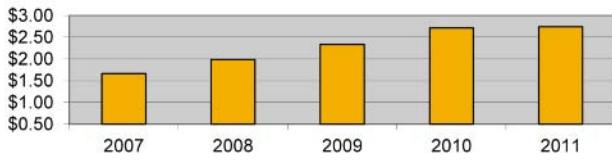
NET PATIENT REVENUES



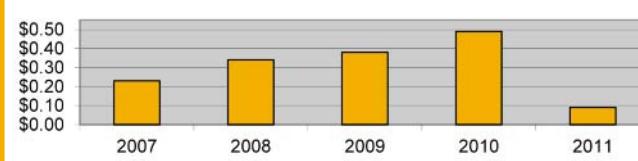
TOTAL ASSETS



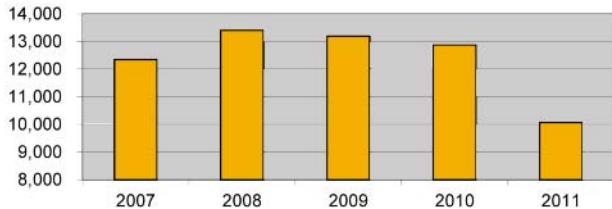
BOOK VALUE PER SHARE



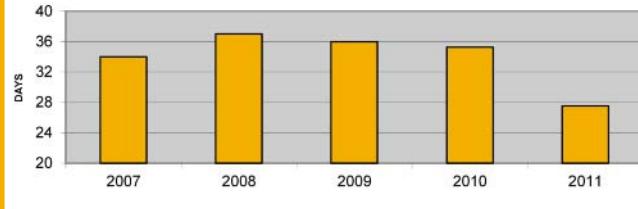
EARNINGS PER SHARE



ADULT PATIENT DAYS



AVERAGE DAILY CENSUS



“ Joint Commission Accreditation recognizes superior healthcare performance and puts Doctors Hospital among a select few medical institutions worldwide. ”

Joe W. P. Krukowski
Chairman of the Board,
Doctors Hospital





PER MONTH
1166

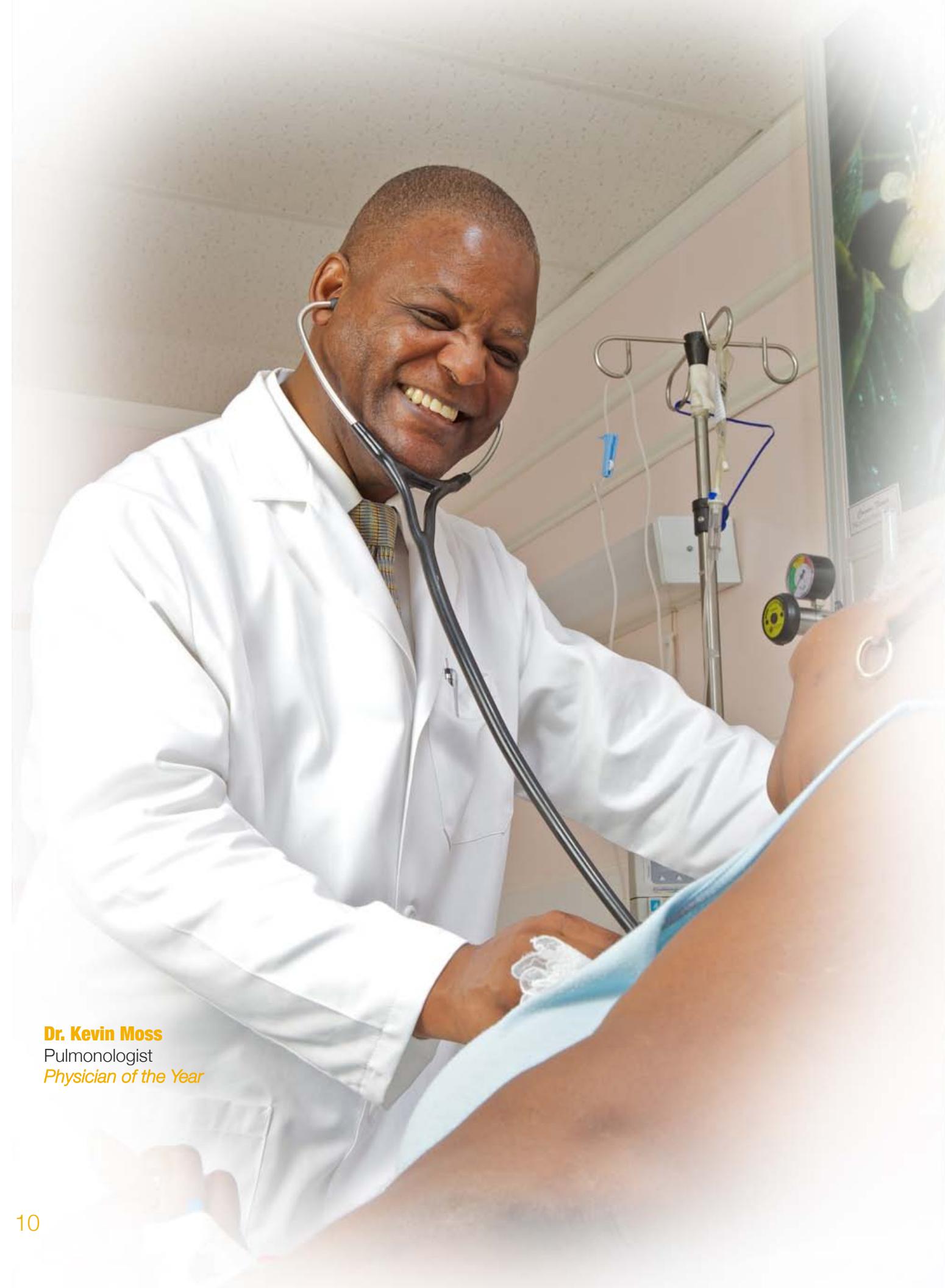
Emergency Room Visits

ANNUAL
2500

Surgical Procedures

ANNUAL
2000

MRI Procedures



Dr. Kevin Moss

Pulmonologist

Physician of the Year



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and Management Consultants
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To the Shareholders of
Doctors Hospital Health System Limited:

We have audited the consolidated financial statements of Doctors Hospital Health System Limited (the "Company"), which comprise the consolidated statement of financial position as at January 31, 2011, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, 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.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Doctors Hospital Health System Limited as at January 31, 2011, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

May 4, 2011

Doctors Hospital Health System Limited

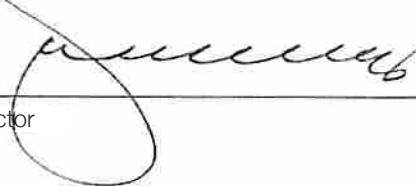
Consolidated Statement of Financial Position

AS AT JANUARY 31, 2011
(Expressed in Bahamian dollars)

	2011	2010
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents (Note 7)	\$ 5,483,416	\$ 6,351,639
Accounts receivable-patients, net (Note 8)	502,580	515,227
Accounts receivable-third-party payors, net (Note 8)	4,186,630	4,010,194
Inventories (Note 9)	1,319,054	1,287,041
Other assets (Note 10)	815,181	862,960
Total current assets	<u>12,306,861</u>	<u>13,027,061</u>
NON-CURRENT ASSETS:		
Investment	30,000	30,000
Goodwill, net (Note 11)	430,902	430,902
Other intangible assets (Note 12)	1,737,944	1,670,594
Investment property (Note 13)	4,373,582	4,538,438
Fixed assets (Note 14)	<u>11,311,945</u>	<u>10,292,891</u>
Total non-current assets	<u>17,884,373</u>	<u>16,962,825</u>
TOTAL ASSETS	<u><u>\$ 30,191,234</u></u>	<u><u>\$ 29,989,886</u></u>
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Accounts payable and other liabilities (Note 15)	<u>\$ 2,915,575</u>	<u>\$ 2,981,214</u>
EQUITY		
Share capital:		
Authorized 12,500,000 Common shares at par value of \$0.04 (2010 - 12,500,000); issued and fully paid 9,971,634 (2010 - 9,971,634)	398,865	398,865
Contributed surplus	12,358,030	12,358,030
Retained earnings	<u>14,518,764</u>	<u>14,251,777</u>
Total equity	<u>27,275,659</u>	<u>27,008,672</u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$ 30,191,234</u></u>	<u><u>\$ 29,989,886</u></u>

See notes to consolidated financial statements.

These financial statements were approved by the Board of Directors on May 4, 2011 and are signed on its behalf by:



Director



Director

Doctors Hospital Health System Limited

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED JANUARY 31, 2011
(Expressed in Bahamian dollars)

	2011	2010
REVENUE		
Patient services revenue, net	\$ 39,177,463	\$ 44,842,314
Other revenue, net	1,417,855	1,357,761
Total revenues	<u>40,595,318</u>	<u>46,200,075</u>
EXPENSES		
Salaries and benefits (Note 17)	16,700,280	17,062,395
Medical supplies and services	11,389,892	11,713,160
Depreciation and amortization (Notes 12, 13 and 14)	3,013,545	2,615,467
Other operating	2,021,677	2,391,908
Utilities	1,421,618	1,277,683
Bad debt expense, net of recoveries (Note 8)	1,048,780	2,159,846
Government taxes and fees (Note 18)	1,150,584	1,136,314
Insurance	738,122	733,640
Outside services	705,877	660,687
Repairs and maintenance	633,175	582,316
Rent	389,259	382,290
Dietary expenses	352,540	367,619
Legal expenses	164,684	51,098
Total expenses	<u>39,730,033</u>	<u>41,134,423</u>
INCOME BEFORE INTEREST	865,285	5,065,652
Interest Expense (Note 16)	-	(179,672)
PROFIT FOR THE YEAR AND COMPREHENSIVE INCOME	<u>\$ 865,285</u>	<u>\$ 4,885,980</u>
EARNINGS PER COMMON SHARE (Note 22):		
Basic and fully diluted	<u>\$ 0.09</u>	<u>\$ 0.49</u>

See notes to consolidated financial statements.

Doctors Hospital Health System Limited

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED JANUARY 31, 2011
(Expressed in Bahamian dollars)

	Number of shares	Share capital	Contributed surplus	Retained earnings	Total
Balance at January 31, 2009	9,971,634	\$ 398,865	\$ 12,358,030	\$ 10,462,677	\$ 23,219,572
Comprehensive income	-	-	-	4,885,980	4,885,980
Dividends paid (Note 19)	-	-	-	(1,096,880)	(1,096,880)
Balance at January 31, 2010	9,971,634	398,865	12,358,030	14,251,777	27,008,672
Comprehensive income	-	-	-	865,285	865,285
Dividends paid (Note 19)	-	-	-	(598,298)	(598,298)
Balance at January 31, 2011	<u>9,971,634</u>	<u>\$ 398,865</u>	<u>\$ 12,358,030</u>	<u>\$ 14,518,764</u>	<u>\$ 27,275,659</u>

See notes to consolidated financial statements.

Doctors Hospital Health System Limited

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED JANUARY 31, 2011
(Expressed in Bahamian dollars)

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 865,285	\$ 4,885,980
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for doubtful accounts (Note 8)	1,048,780	2,159,846
Depreciation and amortization (Notes 12, 13 and 14)	3,013,545	2,615,467
(Gain) loss on disposal of property, plant and equipment	<u>(17,500)</u>	<u>3,238</u>
Operating income before working capital changes	4,910,110	9,664,531
(Acrease) decrease in accounts receivable	(1,212,569)	143,768
Increase in inventories	(32,013)	(133,613)
Decrease (increase) in other assets	47,779	(289,028)
Decrease in accounts payable and other liabilities	<u>(65,639)</u>	<u>(534,450)</u>
Net cash from operating activities	<u>3,647,668</u>	<u>8,851,208</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets (Note 14)	(3,355,995)	(1,571,775)
Purchase of intangible assets (Note 12)	(579,098)	(95,708)
Proceeds from disposal of fixed assets	17,500	2,696
Net cash used in investing activities	<u>(3,917,593)</u>	<u>(1,664,787)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term debt (Note 16)	-	(5,065,534)
Dividends paid to shareholders (Note 19)	(598,298)	(1,096,880)
Net cash used in financing activates	<u>(598,298)</u>	<u>(6,162,414)</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>6,351,639</u>	<u>5,327,632</u>
CASH AND CASH EQUIVALENTS, END OF YEAR (Note 7)	<u>\$ 5,483,416</u>	<u>\$ 6,351,639</u>
SUPPLEMENTAL INFORMATION:		
Interest paid	\$ -	\$ 179,672
Interest received	<u>\$ 176,644</u>	<u>\$ 128,775</u>

See notes to consolidated financial statements.

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

FOR THE YEAR ENDED JANUARY 31, 2011
(Expressed in Bahamian dollars)

1. GENERAL

Doctors Hospital Health System Limited (“DHHS” or the “Company”) was incorporated under the laws of the Commonwealth of The Bahamas on July 1, 1998. Shares of The Company are publicly traded and listed on the Bahamas International Securities Exchange. The Company provides a broad range of healthcare services. The consolidated financial statements for the year ended January 31, 2011 comprise the Company and its subsidiaries.

The Company’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

Standards adopted in the current year impacting the financial statements

In the current year, the Company has adopted the following revised Standards issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”) of the IASB that are relevant to its operations and effective for accounting periods beginning on February 1, 2010:

IAS 1	Presentation of Financial Statements (amended 2009). The Standard introduces current and non-current classification of convertible instruments;
IAS 7	Statement of Cash Flows (amended 2009). The amendment specifies that only expenditures that result in a recognized asset in the statement of financial position can be classified as investing activities in the statement of cash flows.
IFRS 8	Operating Segments (amended 2009). The Standard introduces disclosure of information about segment assets.

Standards and Interpretations adopted in the current year with no material impact on the financial statements

The following new and revised Standards and Interpretations have also been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements.

- IFRS 2 - Share-based Payment - Group Cash-Settled-Share-Bases Payment Transactions: The amendments clarify how an individual subsidiary in a group should account for some share-based payments arrangements in its own financial statements (Effective for periods beginning on or after January 1, 2010);
- IFRS 3 - Business Combinations. The amendment requires measurement of non-controlling interest, un-replaced and voluntarily replaced share based payments awards, and transition requirement for contingent consideration from a business combination. (Effective for periods beginning on or after July 1, 2010);
- IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations: The amendment clarifies the measurement and presentation of non-current assets held for sale. (Effective for periods beginning on or after January 1, 2010);

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

FOR THE YEAR ENDED JANUARY 31, 2011
(Expressed in Bahamian dollars)

- IAS 17 - Leases. The Standards introduces the classification of leases for land and buildings. (Effective for periods beginning on or after January 1, 2010);
- IAS 27 - Consolidated and Separate Financial Statements. The amendment to this Standard has transition requirements for any amendments arriving as a result of IAS 27. (Effective for periods beginning on or after January 1, 2010);
- IAS 32 - Financial Instruments: Presentation. The amendment to the standard is on the clarification of rights issues (Effective for periods beginning on or after February 1, 2010);
- IAS 36 - Impairment of Assets. The amendments requires unit of accounting the goodwill impairment test. (Effective for periods beginning on or after January 1, 2010);
- IAS 39 - Financial Instruments: Recognition and Measurement. The amendments to this standard affects treating loan prepayment penalties as closely related embedded derivatives, scope exemption for business combination contracts, and cash flow hedge accounting. (Effective for periods beginning on or after January 1, 2010);

Improvements to IFRSs (2009): In addition to the changes affecting the financial statements and those with no impact on the financial statements described above, the improvements have led to a number of changes to other Standards that had no material impact on the amounts reported. The majority of these amendments are effective from January 1, 2010.

Standards and Interpretations issued but not yet adopted

- IFRS 7 - Financial Instruments: Disclosures. The amendment clarifies disclosures in the financial statements. (Effective for periods beginning on or after January 1, 2011);
- IFRS 9 - Financial Instruments. The Standard introduces new requirements for classifying and measuring financial assets. (Effective for periods beginning on or after January 1, 2013);
- IAS 1 - Presentation of Financial Statements. The amendment provides clarification on the statement of changes in equity. (Effective for periods beginning on or after January 1, 2011);
- IAS 24 – Related Party Disclosures. The standard is amended to introduce definitions of related party. (Effective for periods beginning on or after January 1, 2011);
- IFRIC 13 - Customer Loyalty Programmes. The amendment to this standard addresses accounting by entities that grant loyalty award credits to customers who buy other goods and services. (Effective for periods beginning on or after January 1, 2011).

Improvements to IFRSs (2010): In addition to the changes described above, the improvements have led to a number of changes to other Standards. The majority of these amendments are effective from January 1, 2011.

The Directors anticipate that the Company will adopt these Standards and Interpretations in the relevant future periods. The Directors have not yet had an opportunity to consider the potential impact of the adoption of these Standards and Interpretations.

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

FOR THE YEAR ENDED JANUARY 31, 2011
(Expressed in Bahamian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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").

Basis of preparation - The consolidated financial statements have been prepared on a historical cost basis except for financial assets and liabilities, which have been recorded at amortized cost.

Basis of consolidation - These consolidated financial statements include the accounts of the Company and its subsidiaries: Doctors Hospital (Bahamas) Limited ("DHB"), Doctors Hospital (East) Limited ("DHE"), Doctors Hospital (West) Limited ("DHW"), and Western Medical Plaza Limited ("WMP"). The Company and its subsidiaries are incorporated under the laws of the Commonwealth of The Bahamas. The financial statements of the subsidiaries are prepared for the same reporting period as the parent using consistent accounting policies. These consolidated financial statements are expressed in Bahamian dollars, which is also the Company's functional currency.

Subsidiaries are consolidated from the date on which control is transferred to the Company and cease to be consolidated from the date on which control is transferred out of the Company. All inter-company accounts and transactions have been eliminated.

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.

Financial instruments - Financial assets within the scope of IAS 32 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. The Company determines the classification of its financial assets on initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end.

On initial recognition a financial asset or liability is measured at its fair value plus transaction costs directly attributable to the acquisition or issue of the financial asset or liability. After initial recognition financial assets are classified as either financial assets at fair value through profit or loss; held-to-maturity investments; loans and receivables; or available-for-sale; and are measured at their fair values without any deduction for transaction costs, except for the following financial assets:

- a) loans and receivables and held-to-maturity financial instruments are measured at amortized cost using the effective interest rate method;
- b) investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost.

After initial recognition financial liabilities are measured at amortized 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.

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

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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 derecognized where:

- the rights to receive cash flows from the asset have expired;
- the Company 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 Company 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 derecognized 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 recognized in the consolidated statement of comprehensive income.

Inventories - Inventories consist of pharmaceutical and medical supplies. Inventories are stated at the lower of cost and net realizable 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 realizable value is the estimated selling price less cost in the ordinary course of business.

Goodwill - Goodwill is initially measured at cost being the excess of the cost of the business combination over the Company'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.

Intangible assets - Intangible assets acquired separately are reported at cost less accumulated amortization and accumulated impairment losses. The estimated useful life and amortization 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 Company's healthcare information system and are amortized using the straight-line method over a period of seven years.

Property, plant and equipment - Property, plant 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 plant and equipment when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in profit or loss as incurred.

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

FOR THE YEAR ENDED JANUARY 31, 2011
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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
Equipment	3 - 10 years
Furniture and fixtures	3 - 5 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. Impairment losses are recognized in the consolidated statement of comprehensive income.

An item of property, plant and equipment is derecognized 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 comprehensive income in the year the asset is derecognized.

Investment property - Investment properties include properties which are held either to earn rental income or for capital appreciation or both. Investment properties are stated at cost, including transaction costs, less accumulated depreciation and accumulated impairment losses. Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statement of comprehensive income in the year of retirement or disposal.

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

Buildings	40 years
Leasehold improvements	10 years
Equipment	5 - 10 years
Furniture and fixtures	3 - 5 years

Impairment of non-financial assets - The Company 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 Company 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.

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

FOR THE YEAR ENDED JANUARY 31, 2011
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Impairment losses of continuing operations are recognized 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 recognized 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 recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of recoverable amount.

A previously recognized 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 recognized. 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 recognized for the asset in prior years. Such reversal is recognized 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 Company 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 recognized.

Impairment losses relating to goodwill cannot be reversed in future periods. The Company performs its annual impairment test of goodwill as at 31 January.

Leases - Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases.

The determination of whether an arrangement is, or contains a lease at inception date is based on the substance of the arrangement of whether the fulfillment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

Company as a lessee

Operating lease rentals are charged to the statement of comprehensive income on a straight line basis over the period of the lease and are included in rent expense.

Company as a lessor

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms.

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

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Revenue recognition - Net patient service revenue consists of patient service revenues that are recorded based upon established billing rates less allowances for contractual discounts. Revenues are recorded during the period the healthcare services are provided based on estimated amounts due from patients and third-party payors. 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.

Pension benefits - The Company has a defined contribution plan. Contributions under the plan are recorded as expense in the consolidated statement of comprehensive income. The company recognizes a liability for their portion and employee contributions withheld. There are no further obligations beyond the contribution.

Earnings per share - Basic earnings and fully diluted earnings per common share is 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.

Income taxes - There are no income taxes imposed on the Company by the Commonwealth of The Bahamas.

Provisions - The Company accrues for estimated professional liability claims when the claims are probable and reasonably estimable.

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 recognized in the consolidated financial statements. They are not disclosed when the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is a possible asset 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. A contingent asset is not recognized in the consolidated financial statements but disclosed in the notes to consolidated financial statements when an inflow of economic benefits is probable.

Events after the statement of financial position date - Post year-end events that provide additional information about the Company's position at the statement of financial position 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.

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

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The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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 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.

Provision for doubtful accounts

Additions to the allowance for doubtful accounts are made by means of the provision for doubtful accounts. Accounts written off as uncollectible are deducted from the allowance and subsequent recoveries are added. The amount of the provision for doubtful accounts is based on management's assessment of historical and expected net collections, business and economic conditions and other collection indicators. The provision for doubtful accounts and the allowance for doubtful accounts relate primarily to "uninsured" amounts (including co-payments and deductible amounts from patients who have healthcare coverage) due directly from patients. Accounts are written off when all reasonable internal and external collection efforts have been performed. Adverse changes in general economic conditions, business office operations, payor mix, or trends in healthcare coverage could affect collection of accounts receivable, cash flows and results of operations.

Impairment of non-financial assets

The Company assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill and other indefinite life intangibles are tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows over a period of time deemed reasonable by management.

Contingencies

The Company is currently a defendant in a number of cases involving claims and disputes mainly related to medical practice. The Company'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 Company 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 Company's consolidated financial position and financial performance. 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.

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5. SEGMENT INFORMATION

Adoption of IFRS 8 Operating Segments

The Company has adopted IFRS 8 Operating Segments with effect from 1 January 2010. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company 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 Company is organized into units based on patient type, and has three reportable operating segments as follows:

In-patients - which include intensive care, intermediate care and medical/surgical care;

Out-patients - which include ambulatory surgical patients, imaging, laboratory, physical therapy and pharmaceutical services;

Emergency services - which include patients seen through the Emergency Department.

Support services such as dietary, environmental, security, engineering, and all administrative departments have been allocated to these segments based on revenue dollars, square footage and number of employees where appropriate.

	2011				
	In-Patient	Out-Patient	Emergency services	Unallocated	Consolidated
Patient services revenue, net	\$ 23,481,140	\$ 7,627,981	\$ 8,068,342	\$ -	\$ 39,177,463
Salaries	10,073,116	3,159,032	3,468,132	-	16,700,280
Med Supplies & services	6,870,045	2,154,518	2,365,329	-	11,389,892
Depreciation & amortization	1,718,245	538,859	591,584	-	2,848,688
Other operating	1,219,195	382,356	419,768	-	2,021,319
Utilities	823,990	258,411	283,696	-	1,366,097
Bad debt expense, net of recoveries	632,593	198,388	217,799	-	1,048,780
Government taxes and fees	624,670	195,903	215,071	-	1,035,644
Outside Services	376,169	117,970	129,513	-	623,652
Repairs & maintenance	376,719	118,144	129,704	-	624,567
Rent	234,790	73,632	80,837	-	389,259
Dietary expenses	212,642	66,686	73,212	-	352,540
Legal expenses	98,126	30,773	33,785	-	162,684
Total expenses	23,260,300	7,294,672	8,008,430	-	38,563,402
Segment profit	220,840	333,309	59,912	-	614,061
Other revenue	-	-	-	1,417,855	1,417,855
Insurance	-	-	-	738,122	738,122
Western Medical Plaza expenses	-	-	-	428,509	428,509
Unallocated sub total	-	-	-	251,224	251,224
Net income	\$ 220,840	\$ 333,309	\$ 59,912	\$ 251,224	\$ 865,285

Doctors Hospital Health System Limited

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	2010				
	In-Patient	Out-Patient	Emergency services	Unallocated	Consolidated
Patient services revenue, net	\$ 29,124,102	<u>\$ 7,858,985</u>	<u>\$ 7,859,227</u>	\$ -	<u>\$ 44,842,314</u>
Salaries	11,147,409	2,901,856	3,013,130	-	17,062,395
Med Supplies & services	7,652,583	1,992,094	2,068,483	-	11,713,160
Depreciation & amortization	1,601,063	416,783	432,765	-	2,450,611
Other operating	1,562,455	406,733	422,330	-	2,391,518
Utilities	796,215	207,268	215,216	-	1,218,699
Bad debt expense, net of recoveries	1,411,096	367,332	381,418	-	2,159,846
Government taxes and fees	667,297	173,708	180,369	-	1,021,374
Outside Services	373,701	97,281	101,011	-	571,993
Repairs & maintenance	377,990	98,397	102,170	-	578,557
Rent	249,762	65,018	67,510	-	382,290
Dietary expenses	240,177	62,522	64,920	-	367,619
Legal expenses	32,143	8,367	8,688	-	49,198
Total expenses	<u>26,111,891</u>	<u>6,797,359</u>	<u>7,058,010</u>	-	<u>39,967,260</u>
Segment profit	<u>3,012,211</u>	<u>1,061,626</u>	<u>801,217</u>	-	<u>4,875,054</u>
Other revenue	-	-	-	1,357,761	1,357,761
Interest expense	-	-	-	179,672	179,672
Insurance	-	-	-	733,640	733,640
Western Medical Plaza expenses	-	-	-	433,523	433,523
Unallocated sub total	-	-	-	10,926	10,926
Net income	<u>\$ 3,012,211</u>	<u>\$ 1,061,626</u>	<u>\$ 801,217</u>	<u>\$ 10,926</u>	<u>\$ 4,885,980</u>

The Company does not allocate assets and liabilities to reportable segments and this information is not reported to, or used by, the chief operating decision maker in order to allocate resources to the segments.

6. INVESTMENTS IN SUBSIDIARIES

Name	Country of incorporation	Percentage of equity interest	
		2011	2010
Doctors Hospital (Bahamas) Limited	Bahamas	100	100
Doctors Hospital (East) Limited	Bahamas	100	100
Doctors Hospital (West) Limited	Bahamas	100	100
Western Medical Plaza Limited	Bahamas	100	100

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7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of the following:

	2011	2010
Cash at bank and in hand	\$ 1,100,513	\$ 2,119,330
Short-term deposits	4,382,903	4,232,309
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	\$ 5,483,416	\$ 6,351,639
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

Short-term deposits are made for varying periods of between 30 days and 3 months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

8. ACCOUNTS RECEIVABLE

Accounts receivable-patients represent amounts due primarily from self-pay patients and balances due from insured patients after settlements by their insurers. Receivable from third-party payors represent amounts due from insurance companies.

	2011	2010
Accounts receivable - patients	\$ 1,853,723	\$ 2,584,107
Accounts receivable - third-party payors	4,808,167	5,556,719
Allowance for doubtful accounts	(1,972,680)	(3,615,405)
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	\$ 4,689,210	\$ 4,525,421
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

Movement in the allowance for doubtful account was as follows:

	2011	2010
Balance at beginning of the year	\$ 3,615,405	\$ 2,807,275
Bad debt expense for the year	1,048,780	2,159,846
Recoveries previously written off	244,400	407,729
Doubtful receivables written off in the year	(2,935,905)	(1,759,445)
Balance at end of the year	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	\$ 1,972,680	\$ 3,615,405
	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>

At January 31, the aging analysis of patient and 3rd party receivables, net of provisions, were as follows:

Patient	2011	2010
0-30	\$ 20,681	\$ 142,517
31-90	145,371	152,236
91-180	223,169	86,098
181-270	113,359	134,376
Total	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	\$ 502,580	\$ 515,227
3rd Party Payors	2011	2010
0-30	\$ 3,067,386	\$ 3,068,646
31-90	795,369	536,625
91-180	323,875	404,923
Total	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	\$ 4,186,630	\$ 4,010,194

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

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9. INVENTORIES

Inventories are comprised of the following:

	2011	2010
Medical supplies	\$ 1,049,515	\$ 992,916
Pharmaceuticals	269,539	294,125
Total inventories at the lower of cost and net realizable value	<u>\$ 1,319,054</u>	<u>\$ 1,287,041</u>

The amount of write-downs of inventories recognized as an expense is \$47,205 (2010: \$42,413), which is recognized in medical supplies and services on the consolidated statement of comprehensive income.

10. OTHER ASSETS

Other assets are comprised of the following:

	2011	2010
Prepaid expenses	\$ 584,726	\$ 565,183
Security deposits	151,265	151,265
Advances and other assets	<u>79,190</u>	<u>146,512</u>
	<u>\$ 815,181</u>	<u>\$ 862,960</u>

11. GOODWILL

The goodwill recorded relates to the Company's acquisition of imaging subsidiaries. The Company tests goodwill for impairment annually or more frequently if there are indications that goodwill may be impaired. The tests were performed at January 31 and no provision for impairment was deemed necessary. Therefore, goodwill at January 31, 2011 is \$430,902 (2010: \$430,902).

12. OTHER INTANGIBLE ASSETS

Other intangible assets are comprised of the following:

	2011	2010
COST:		
Balance at beginning of year	\$ 3,182,901	\$ 3,087,193
Additions	<u>579,098</u>	<u>95,708</u>
Balance at end of year	<u>\$ 3,761,999</u>	<u>\$ 3,182,901</u>
ACCUMULATED AMORTIZATION:		
Balance at beginning of year	\$ 1,512,307	\$ 1,073,362
Amortization for the year	<u>511,748</u>	<u>438,945</u>
Balance at end of year	<u>\$ 2,024,055</u>	<u>\$ 1,512,307</u>
Net book value	<u>\$ 1,737,944</u>	<u>\$ 1,670,594</u>

Other intangible assets represent the core computer software application in the Company's healthcare information system. Amortization expense is included in the line item "depreciation and amortization" in the consolidated statement of comprehensive income.

Doctors Hospital Health System Limited

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13. INVESTMENT PROPERTY

Investment Property is comprised of the following:

	Land and buildings	Leasehold improvements	Furniture and equipment	Total
COST:				
Balance at January 31, 2009	\$ 5,703,061	\$ 153,812	\$ 424,745	\$ 6,281,618
Disposal	-	-	(5,659)	(5,659)
Balance at January 31, 2010	5,703,061	153,812	419,086	6,275,959
Additions	-	-	-	-
Balance at January 31, 2011	<u>\$ 5,703,061</u>	<u>\$ 153,812</u>	<u>\$ 419,086</u>	<u>\$ 6,275,959</u>
ACCUMULATED DEPRECIATION:				
Balance at January 31, 2009	\$ 1,104,424	\$ 93,791	\$ 380,109	\$ 1,578,324
Depreciation	132,792	15,325	16,739	164,856
Disposal	-	-	(5,659)	(5,659)
Balance at January 31, 2010	1,237,216	109,116	391,189	1,737,521
Depreciation	132,792	15,325	16,739	164,856
Balance at January 31, 2011	<u>\$ 1,370,008</u>	<u>\$ 124,441</u>	<u>\$ 407,928</u>	<u>\$ 1,902,377</u>
CARRYING AMOUNT:				
At January 31, 2011	<u>\$ 4,333,053</u>	<u>\$ 29,371</u>	<u>\$ 11,158</u>	<u>\$ 4,373,582</u>
At January 31, 2010	<u>\$ 4,465,845</u>	<u>\$ 44,696</u>	<u>\$ 27,897</u>	<u>\$ 4,538,438</u>

Investment property for fiscal 2011 comprises three acres of land and three buildings of approximately 33,000 square feet. The Company will continue to lease the property until a buyer can be found.

An independent valuation of the land and buildings was performed by Bahamas Realty Limited on March 14, 2011, effective date of appraisal, for a total of \$7,000,000 (2010: \$7,300,000).

Rental income for fiscal 2011 was \$89,925 (2010: \$97,315). Expenses associated with rental income for fiscal 2011 was \$180,777 (2010: \$185,790).

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FOR THE YEAR ENDED JANUARY 31, 2011
(Expressed in Bahamian dollars)

14. FIXED ASSETS

Fixed assets are comprised of the following:

	Land and buildings	Work-in- Progress	Leasehold improvements	Furniture and equipment	Total
COST:					
Balance at January 31, 2009	\$ 10,037,790	\$ -	\$ 1,329,662	\$ 15,611,886	\$ 26,979,338
Additions	-	-	131,585	1,440,190	1,571,775
Disposal	-	-	(4,760)	(504,435)	(509,195)
Balance at January 31, 2010	10,037,790	-	1,456,487	16,547,641	28,041,918
Additions	-	390,323	98,343	2,867,329	3,355,995
Disposal	-	-	(163,267)	(1,856,319)	(2,019,586)
Balance at January 31, 2011	<u>\$ 10,037,790</u>	<u>\$ 390,323</u>	<u>\$ 1,391,563</u>	<u>\$ 17,558,651</u>	<u>\$ 29,378,327</u>
ACCUMULATED DEPRECIATION:					
Balance at January 31, 2009	\$ 6,318,215	\$ -	\$ 524,826	\$ 9,397,581	\$ 16,240,622
Depreciation	144,238	-	172,456	1,694,972	2,011,666
Disposal	-	-	(4,760)	(498,501)	(503,261)
Balance at January 31, 2010	6,462,453	-	692,522	10,594,052	17,749,027
Depreciation	144,238	-	176,650	2,016,053	2,336,941
Disposal	-	-	(163,267)	(1,856,319)	(2,019,586)
Balance at January 31, 2011	<u>\$ 6,606,691</u>	<u>\$ -</u>	<u>\$ 705,905</u>	<u>\$ 10,753,786</u>	<u>\$ 18,066,382</u>
CARRYING AMOUNT:					
At January 31, 2011	<u>\$ 3,431,099</u>	<u>\$ 390,323</u>	<u>\$ 685,658</u>	<u>\$ 6,804,865</u>	<u>\$ 11,311,945</u>
At January 31, 2010	<u>\$ 3,575,337</u>	<u>\$ -</u>	<u>\$ 763,965</u>	<u>\$ 5,953,589</u>	<u>\$ 10,292,891</u>

During the year, fully depreciated assets of \$2,019,586 (2010: \$503,261) were retired from service. Included in leasehold improvements, furniture and equipment at January 31, 2011 are fully depreciated assets of \$4,777,891 (2010: \$5,255,048).

15. ACCOUNTS PAYABLE AND OTHER LIABILITIES

Accounts payable and other liabilities are comprised of the following:

	2011	2010
Accounts payable - trade	\$ 1,152,387	\$ 1,173,469
Accrued expenses	1,064,470	1,213,669
Related party payable (Note 20)	326,131	227,220
Other liabilities	261,068	247,213
Vacation benefit accrual	111,519	119,643
	<u>\$ 2,915,575</u>	<u>\$ 2,981,214</u>

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

FOR THE YEAR ENDED JANUARY 31, 2011
(Expressed in Bahamian dollars)

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.
- Related party payable is non-interest bearing and payable to Radiology Associates only when the corresponding amount in trade receivables is received by the Company. (See Note 20) for further information.
- 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.

16. BANK BORROWINGS

The Company maintains an overdraft facility to finance working capital needs. The facility is secured by an assignment of accounts receivable. Interest is charged at the Bahamian dollar prime rate plus 1.25% per annum. At January 31, 2011, approximately \$2.7 million (2010: \$2.7 million) was undrawn and available.

17. SALARIES AND BENEFITS EXPENSE

Salaries and benefits expense are comprised of the following:

	2011	2010
Salaries and benefits (Note 20)	\$ 15,913,879	\$ 16,308,087
National Insurance costs	450,794	421,894
Pension costs - defined contributions plan (Note 21)	335,607	332,414
	<hr/> \$ 16,700,280	<hr/> \$ 17,062,395

18. GOVERNMENT TAXES AND FEES

Government taxes and fees are comprised of the following:

	2011	2010
Business license	\$ 465,418	\$ 433,120
Work permit fees	422,218	440,246
Property taxes	262,948	262,948
	<hr/> \$ 1,150,584	<hr/> \$ 1,136,314

19. DIVIDENDS PAID

	2011	2010
<i>Declared and paid in year:</i>		
Equity dividend on ordinary shares:		
Final dividend for 2011 \$0.06 (2010: \$0.11)	\$ 598,298	\$ 1,096,880

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

FOR THE YEAR ENDED JANUARY 31, 2011
(Expressed in Bahamian dollars)

20. 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 with significant influence over the Company	Year	Purchases from Related Parties		Amounts owed to Related Parties	
Trauma and Emergency					
Medical Services Limited (TEMS)	2011	\$ 2,464,523		\$ 102,104	
	2010	2,381,864		108,295	
Radiology Associates Limited					
	2011	1,846,865		326,131	
	2010	1,887,041		299,902	
 Key management personnel					
Rassin Holding Ltd.	2011	\$ 60,000		\$ -	
	2010	60,000		-	
Barry and David Rassin	2011	48,000		-	
	2010	48,000		-	
Med Management Limited	2011	48,300		-	
	2010	48,300		-	
Other directors' interests	2011	18,688		4,127	
	2010	489,440		316,683	

ENTITIES WITH SIGNIFICANT INFLUENCE OVER THE COMPANY

Trauma and Emergency Medical Services Limited ("TEMS")

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

Radiology Associates Limited

One of the directors is a principal in Radiology Associates, the Company contracted to provide radiologist services in the Company's imaging department.

Other directors' interests

During the year, the Company made purchases totaling \$18,688 (2010: \$489,440) from IBM (Bahamas) Limited (IBM) and other international affiliates of IBM. One of the Company's Directors is a senior executive of IBM.

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, 2011 and 2010, the Company had no debts relating to amounts owed by related parties.

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

FOR THE YEAR ENDED JANUARY 31, 2011
(Expressed in Bahamian dollars)

Transactions with other related parties

Compensation of key management personnel:

	2011	2010
Short-term employee benefits	\$ 1,401,969	\$ 1,593,346
Post-employment pension benefits	<u>118,499</u>	<u>115,432</u>
Total compensation paid to key management personnel	<u><u>\$ 1,520,468</u></u>	<u><u>\$ 1,708,778</u></u>

21. PENSION PLAN

The Company has a defined contribution pension plan. Contributions to the plan amount to 10% of gross salaries of eligible Associates. The Company makes 100% of the 10% contribution for executive management personnel and matches all other Associate contributions up to 5% of gross salaries. Company and Associate contributions for the year ended January 31, 2011 amounted to \$600,432 (2010: \$611,430).

22. EARNINGS PER SHARE

Basic earnings and diluted earnings per share is calculated by dividing the net income for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

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

	2011	2010
Net income	<u><u>\$ 865,285</u></u>	<u><u>\$ 4,885,980</u></u>
Weighted average number of ordinary shares on issue applicable to basic earnings per share	<u><u>9,971,634</u></u>	<u><u>9,971,634</u></u>
Earnings per share	<u><u>\$ 0.09</u></u>	<u><u>\$ 0.49</u></u>

23. COMMITMENTS

Operating lease commitments

Rental expenses for facilities and parking lots were approximately \$389,239 (2010: \$380,831).

Future minimum lease rentals are as follows as of January 31:

	2011	2010
Within one year	\$ 395,964	\$ 375,668
After one year but not more than five years	<u>1,163,336</u>	<u>1,364,150</u>
	<u><u>\$ 1,559,300</u></u>	<u><u>\$ 1,739,818</u></u>

During the year, the Company signed contracts for the purchase of the following:

International Med-X - Cat-Scan and portable x-ray machines in the amount of \$1,175,000, the Company paid a deposit of 20% during fiscal 2011, and will pay the balance during fiscal 2012.

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

FOR THE YEAR ENDED JANUARY 31, 2011
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24. CONTINGENCIES

The Company 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 Company, financial position, financial performance or cash flows.

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

25. RISK MANAGEMENT

The Company's principal financial instruments consist of cash and cash equivalents and its various bank loans. The Company has other financial instruments such as accounts receivable and accounts payable, which arise directly from its operations. The Company does not enter into derivative transactions.

Financial risk management objectives and policies - The main risks arising from the Company's financial instruments are interest rate risk, liquidity risk and credit risk. The Company 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 and quarterly reviews are undertaken to ensure that the Company's policy guidelines are adhered to.

Interest rate risk - The Company's exposure to market risk for changes in interest rates relates primarily to the Company's long-term debt obligations. All of the Company's bank loans have floating rates of interest. However, the interest rates are based on the Bahamian prime rate which, historically, has remained relatively stable, thus reducing the Company's exposure to changes in interest rate risk.

All of the Company's long term debt obligations were paid during 2010 therefore, there is no longer exposure to market risk for changes in interest rates.

Credit risk - Credit risk arising from the inability of the counterparty to meet the terms of the Company's financial instrument contracts is generally limited to the amounts, if any, by which the counterparty's obligations exceed the obligations of the Company. It is the Company's policy to enter into financial instruments with a diversity of creditworthy counterparties. Therefore, the Company does not expect to incur material credit losses on its risk management or other financial instruments. The Company's maximum exposure to credit risk in the event the counterparties fail to perform their obligations at January 31, 2011 in relation to each class of financial assets, is the carrying amount as indicated in the consolidated statement of financial position.

Doctors Hospital Health System Limited

Notes to Consolidated Financial Statements

FOR THE YEAR ENDED JANUARY 31, 2011
(Expressed in Bahamian dollars)

Concentrations of credit risk - The Company grants credit without collateral to its patients, most of which are local residents and are insured under third-party payor agreements. The mix of receivables from patients and third party payors at January 31 was as follows:

	2011	2010
Patients	11%	11%
Third party payors	89%	89%
	<u>100%</u>	<u>100%</u>

Liquidity risk - The Company is exposed to liquidity risk in connection with its debt obligations, accounts payable and accrued expenses. Liquidity risk arises if the Company is unable to collect its receivables quickly at fair value, thereby affecting the Company's ability to repay its debts. The Company monitors its cash flows on a regular basis and has access to overdraft facilities as described in Note 16.

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 Company's management team. The Company'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.

Fair value of financial instruments - Financial instruments utilized by the Company include recorded assets and liabilities. All of the Company'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 Company's recorded assets and liabilities.

26. CAPITAL MANAGEMENT

The primary objective of the Company'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 maximize shareholder value. The client regards equity as capital. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company 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, 2011 or January 31, 2010.

“Staff was incredibly nice and kind. We (the whole family) are so pleased with everyone who works at the hospital.”

Patient Satisfaction Survey



Annual Award Winners



ASSOCIATE OF THE YEAR
Sylvia Miller
(Environmental Services)



THE NORMAN GAITOR
LEADERSHIP AWARD
Nadine Decosta
(Human Resources)



PHYSICIAN OF THE YEAR
Dr. Kevin Moss
(Pulmonologist)



TEAM OF THE YEAR
Dawner Clarke
Insurance Services



TEAM OF THE YEAR
Eurico Weir
Insurance Services



TEAM OF THE YEAR
Maria Adderley
Insurance Services



TEAM OF THE YEAR
Chantell Rolle
Insurance Services



RISING SUPERSTAR AWARD
Doreen Amagao
(Rehabilitation Services)



RISING SUPERSTAR AWARD
Sonia Gibson
(Environmental Services)



SUPERVISOR OF THE YEAR
Tracy Phillips
(Security)

Annual Award Winners

Perfect Attendance

Maria Adderley Insurance Services
Daphne Brooks ICU
Anthony Browne ICU
Antoinette Dean Dietary
Quennie Ferguson OR
Portia Clinton Dietary
Ramona Hamilton Pharmacy

Felix Knowles Materials Management
Laval Lightbourne Dietary
Lisa Monaco OR
Arnold Paul Laboratory
Tameka Rolle Reception
Rochelle Sands Laboratory
Alice Seymour Dietary

Monique Strachan Recovery
Nova Taylor ICU
Timothy Wyatt Laboratory
Denise McKenzie Cashier
Sharon Johnson Corporate Office

Service Excellence Award

FIVE YEARS

Paulette Chin, ICU
Terry-Ann Forbes, IMCU
Tamika Storr, Maternity
Rulph Butaya, OR
Monalisa Weymss, ER
Nadine Miller-Morris, ER
Michelle Daley, ER
Monisha Rolle, Imaging
Deanna Morrison, Pharmacy
Rochelle Sands, Lab
Donnice Green, Lab
Alana Crawley, Facilities Management
Jasmine Davis, Patient Finance
Paul Haven, HR
Inez Nixon, Collections
Carlton Bowe, Collections
Chadwick Williamson, MIS
Samantha Lockhart, MIS
Ryan Austin, MIS
Elizabeth Grant, Organizational Learning
Sara Appleton, Nursing Administration
Sabrina Walkine, Corporate Finance

TEN YEARS

Margaret Limage, Med Surg
Shovon Moss, Anesthesia
Ishmae Bannister, OR
Michelle Mott, OR
Dion Nicholls, ER
Melissa Cleare, Ets
Fianka Major, Imaging
Zulena Rolle-Baptiste, EEG
Sandra Mackey, Pharmacy
Harriet Lundy, Lab
Charles Ambrose, Security
Tameka Rolle, Reception
Shevonne Wilson, HR
Monique Moss, Administration
Sharon Johnson, Corporate Finance

FIFTEEN YEARS

Nova Taylor, ICU
Carol Rolle, ICU
Marjorie Morley, ER
Yvette Lockhart, Lab
Kathryn Neely, Patient Finance
Rochelle Nairn-Taylor, HIM
Eva Smith, Billing

TWENTY YEARS

Marion Greenslade, Med Surg
Brendalee Lunn, Anesthesia
Portia Wilkinson, ER
Joanne Lowe, Corporate Office
Julie Albury, Corporate Finance

TWENTY-FIVE YEARS

Sandra Seymour, CSSD
Elizabeth Sands, Billing

Winner, Special Performance Award

Shekera Thompson, Environmental Services
Robert Farquharson, Security
Dwaner Clarke, Insurance Services
Shanti Medari, Med Surg
Ramona Hamilton, Pharmacy

Cassey Cunningham, ICU
Derecka Wilson, Imaging
Desiree Darling, IMCU/ICU
Patricia Roberts, OR
Debbie Hudson, Lab

Maria Barron, Rehabilitation Services
Tammie Etienne, Patient Registration
Elizabeth Grant, Organizational Learning
Garnell Risticie, Med Surg
Cassandra Hart, ER

Non-Nursing Education Award

Veletta Tynes 115 Hours

Nursing Education (CEU) Award

Shenique Russell 133.5 Hours

Winner, Physician Education (CEU) Award

Dr. Cleeland Gooding 70 CME's



Gerald C. Cash Primary



Bahamas Air Sea Rescue Association

DOCTORS HOSPITAL CARES

Doctors Hospital takes social responsibility as seriously as we take leadership in the healthcare industry. Doctors Hospital is dedicated to identifying the unique health and educational needs of the community. Our dedication is evident through the variety of free health fairs, health lectures, ambulance services, sponsorship, scholarships, programs, and thousands of free screenings that are provided by the hospital as well as education about prevention, and stressing the importance of exercise, nutrition and lifestyle behaviors. We are proud to have made positive contributions to the following corporations and organizations.



AIDS Foundation of The Bahamas



Urban Renewal Project



Sir Victor Sasso Heart Foundation



Cancer Society of The Bahamas



Special Olympics Bahamas



Healthy Hearts Lecture
with Dr. Conville Brown



PACE Foundation



Project Read



Doctors Hospital Dr. Meyer Rassin Foundation



Unity House



Bahamas Red Cross



HIV AIDS Poster contest



Blood Drive

Medical Specialist List

DR. CHARLES DIGGISS
CHIEF MEDICAL OFFICER

DR. SAMMIKHAEL
CHAIRPERSON

Clinical Directors

Dr. Sheena Antonio-Collie - Medical/Surgical/
Associate Health

Dr. Colina Bullard - Emergency Transport Services
Dr. Larry Carroll - Imaging Services

Dr. James Iferenta - Emergency Services
Dr. Flora Mackay - Obstetrics/Gynecology

Dr. Michael N'tari Darville - Pharmacy, CME, Code Blue
Audits, Clinical Data/Research, Institutional Ethics and
Organ Donation

Dr. Barrett McCartney - Critical Care
Dr. Gwendolyn McDeigan - Neonatal Care
Dr. Carlos Thomas - Child Health
Dr. Theodore Turnquest - Laboratory

ANESTHESIOLOGY/PAIN THERAPY

Dr. Graciela deCastro-Mackey
Dr. Pablo de Souza
Dr. Barrett McCartney
Dr. Leander Moncur
Dr. Reginald Neymour
Dr. Sy Pierre
Dr. Karen Rowe
Dr. Harikrishna Singh
Dr. Mark Weech
* Dr. Suzanne McDonald

ACUPUNCTURE

* Dr. Nisha Armbrister

AUDIOLOGY

Dr. Kim Scriven

CARDIOLOGY

Dr. Conville Brown
Dr. Patrick Cargill
Dr. Nevein Grgis
Dr. Osama Kellini
Dr. Zurina Salas
Dr. Dean Tseretopoulos

CARDIOTHORACIC/VASCULAR SURGERY

Dr. Paul Shridanth Rampahal
Dr. Duane Sands

INTERVENTIONAL CARDIOLOGY/CATH LAB

Dr. Henry Coleman
Dr. Bimal Francis

CHIROPRACTIC

Dr. Milena Russell

DENTISTRY

* Dr. Andre Clarke
Dr. Norman Cove
Dr. Melanie Halkitis
Dr. Renee Peet-Iferenta
Dr. Sidney Sweeting

DERMATOLOGY

Dr. Richelle Ramnarine-Knowles

DIETITIAN

Mrs. Julia Lee

EMERGENCY MEDICINE

Dr. Lunwood Brown
Dr. Colin Bullard
* Dr. Christopher Clarke
Dr. James Iferenta
Dr. Nigel Johnson
Dr. Kendra Josey
Dr. Philip Swann
Dr. Michelle Sweeting

ENDOCRINOLOGY

Dr. Sebastian Peter

FAMILY MEDICINE

Dr. Timothy Barrett
Dr. Tyrone Bartlette
Dr. Homer Bloomfield
Dr. Gregory Carey
Dr. Chinyere Carey-Bullard
Dr. Tyneil Cargill
Dr. Graham Cates
Dr. Kirtland Culmer
Dr. Leslie Culmer
Dr. Janet Davis-Dorsett
Dr. Agreta Eneas-Carey
Dr. Cleeland Gooding
Dr. Ian Kelly
Dr. Jason McCarroll
Dr. Andrew Pinder
Dr. Horizal Simmons

GASTROENTEROLOGY

Dr. Floyd Carter
Dr. Eugene Cooper
Dr. Harold Munnings
* Dr. Tonya Hall

GYNECOLOGIC ONCOLOGY

Dr. Raleigh Butler

HEMATOLOGY/ONCOLOGY

Dr. DuVaughn Curling
Dr. John Lunn
Dr. Theodore Turnquest

INFECTIOUS DISEASES

Dr. Perry Gomez
Dr. Omala Ablack
Dr. Sheena Antonio-Collie
Dr. Christine Chin-Chea
Dr. Dionne Dames
Dr. Michael N'tari Darville
Dr. Cherilyn Hanna-Mahase

* Dr. Dabrielle Hunt-Burrows
Dr. Angela Kunz
Dr. Bevertton Moxey
Dr. Charles Osazuwa
* Dr. Sheena Smith-Wallace

NEONATOLOGY

Dr. Steve Lochan
Dr. Gwendolyn McDeigan
Dr. Carlos Thomas

NEPHROLOGY

Dr. Judson Eneas
Dr. Ilsa Grant-Taylor
Dr. Ronald L. Knowles
Dr. John Johnson
Dr. Adrian Sawyer
* Dr. Frederick Smith

NEUROLOGY

Dr. Clyde Munnings
Dr. Charles Rahming

NEUROSURGERY

Dr. Jimmy Abubaker
Dr. Magnus Ekedede
Dr. Ian McDowell

OBSTETRICS/GYNECOLOGY

* Dr. Shamanique Bodie
* Dr. Andrea Griffith-Bowe
Dr. Anthony Carey
Dr. Baldwin Carey
Dr. Reginald Carey
* Dr. Pamela Carroll
Dr. Austin Davis
Dr. Laura Dupuch
Dr. Leon Dupuch
Dr. James Johnson
Dr. Ronald Knowles
Dr. Allan Lyons
Dr. Flora Mackay
Dr. Jamil Minnis
Dr. Hubert Minnis
Dr. Ronald Patterson
Dr. Julian Stewart
Dr. Sharon Thompson
Dr. Mildred Hall-Watson

OPHTHALMOLOGY

Dr. Scott Anagoste
Dr. Antonio Guerrero
Dr. Sam Mikhael
Dr. Jonathon Rodgers
Dr. Geoffrey Sweeting
Dr. Juli Dean-Zanetta

ORAL SURGERY

Dr. Munir Rashad
Dr. Osmond Richardson

ORTHOPEDICS

Dr. Dane Bowe
Dr. Robert Gibson
Dr. Valentine Grimes
Dr. May Hestmo
Dr. James Lee
Dr. Winston Phillips
* Dr. Jide Tinubu

OTOLARYNGOLOGY (ENT)

Dr. Winston Campbell
Dr. Walter Gibson
Dr. Charles Johnson
Dr. Robert Ramsingh

PATHOLOGY

Dr. George Bruney
Dr. Caryn Sands

PEDIATRICS

Dr. Marcia Bassett
Dr. Terrika Chisholm
* Dr. Maria Francis
Dr. Percival McNeil
Dr. Patrick Roberts
Dr. Paul Roberts
Dr. Patrice Smith
* Dr. Ayana Remy-Taylor

PEDIATRIC CARDIOLOGY

Dr. Paul Hennis
Dr. Jerome Lightbourn

PEDIATRIC HEMATOLOGY/ ONCOLOGY

Dr. Corrine Sinquee-Brown

PEDIATRIC NEUROLOGY

Dr. Edwin Demeritte

PERINATOLOGY/OBSTETRICS/ GYNECOLOGY

Dr. Madlene Sawyer

PHYSIATRY

Dr. Kathryn de Souza

PLASTIC/RECONSTRUCTIVE SURGERY

Dr. Colleen Fitzcharles Bowe
Dr. Srikanth Garikaparthi
Dr. Gregory Neil

PODIATRY

Dr. Daniel Johnson

PSYCHIATRY

* Dr. Kirk Christie
* Dr. Rashida Brown-Clarke
Dr. Nelson Clarke
* Dr. John Dillett
Dr. Brian Humblestone
Dr. Michael Neville

PSYCHOLOGY

Dr. Francis Farmer
Dr. Stephanie Hutcheson

PULMONOLOGY

Dr. Kevin Moss

Professional Advisors

PROFESSIONAL ADVISORS

Bankers

ANY OTHER COMMENTS
OR INQUIRIES SHOULD BE
ADDRESSED TO:

ROYAL BANK OF CANADA

Royal Bank House
East Hill Street
P.O. Box N-7549
Nassau, Bahamas

t: 242-356-8500 • f: 242-325-8483

CHIEF EXECUTIVE OFFICER,
DOCTORS HOSPITAL
HEALTH SYSTEM
147 Shirely Street
P.O. Box N-3018
Nassau, Bahamas

t: 242-302-4701
f: 242-323-4801

Counsel & Attorneys

GRAHAM, THOMPSON & CO.

Sassoon House
Shirley Street & Victoria Ave.
P.O. Box N-272
Nassau, Bahamas

t: 242-322-4130 • f: 242-328-1069

* Shareholders should refer specific
questions regarding their shareholdings
to the listed Registrar & Transfer Agent.

Registrar & Transfer Agent *

BAHAMAS CENTRAL SECURITIES DEPOSITORY

1st Floor, 50 Exchange Place
Bay Street
P.O. Box EE-15672
Nassau, Bahamas

t: 242-322-5573 • f: 242-356-3613

Financial Advisors

KPMG CORPORATE FINANCE LTD.

Montague Sterling Centre
East Bay Street
P.O. Box N-123
Nassau, Bahamas

t: 242-393-2007 • f: 242-393-1772

Auditors

DELOTTE & TOUCHE

Chartered Accountants and Management
Consultants
2nd Terrace West, Centreville
P.O. Box N-7120
Nassau, Bahamas

t: 242-302-4800 • f: 242-322-3101

RADIOLOGY

Dr. Larry Carroll
Dr. Sankar Mondal
Dr. Munesh Sharma
Dr. Dinesh Yadav

RADIATION ONCOLOGY

Dr. Memory Bvochora-Nsinga
* Dr. Daoud Yakoub Samaan

RHEUMATOLOGY

Dr. Vincent Nwosa

SURGERY

Dr. Williamson Chea
Dr. Charles Diggiss
Dr. Nicholas Hepburn
Dr. Locksley Munroe

SURGICAL ONCOLOGY

* Dr. Wesley Francis

THORACIC SURGERY

Dr. Theodore Ferguson

UROLOGY

Dr. Joseph Evans
Dr. Robin Roberts
* Dr. Leonard Stephens

UROLOGY - HIFU

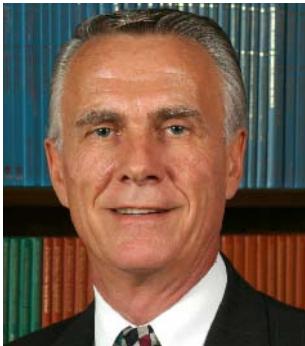
Dr. Mark Bilowus
Dr. Jack Cassell
Dr. Dennis Donahue
Dr. Michael Harris
Dr. Maury Jayson
Dr. John Jurige, Jr.
* Dr. Vahan Kassabian
Dr. Richard Lotenfoe
Dr. Samuel Peretsman
Dr. Alden Reine
* Dr. Gilbert Rigaud
Dr. Gene Rosenberg
Dr. Sarat Sabharwal
Dr. Michael Schlesinger
Dr. Steven Scionti
Dr. Peter Sinaiko
Dr. Mark Spellberg
Dr. George Suarez
Dr. Scott Sweazy
Dr. Albert Vortsman
* Dr. Robert Waterhouse
Dr. Ronald Wheeler
Dr. Michael Wolff

VASCULAR SURGERY

Dr. Delton Farquharson

* newly appointed

Board of Directors



Mr. Joe W.P. Krukowski
CHAIRMAN



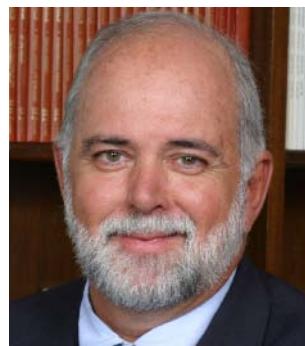
Mr. Felix Stubbs
VICE CHAIRMAN



Mr. Jeffrey Robertson



Mr. Owen S. M. Bethel



Mr. Barry J. Rassin



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