



Doctors Hospital Health System Limited

Interim Report

QUARTER ENDED APRIL 30, 2013

Chairman’s Report

Doctors Hospital Health System Limited

Dear Shareholder,  
On behalf of the Board of Directors of Doctors Hospital Health System, I report on your company’s financial results for the three months ended April 30, 2013.

Net income for the three months was \$919,000 compared to \$121,000 for the comparable period in fiscal 2013.

Total patient days are up 23.9%; increases were in all inpatient areas. Net patient revenue increased \$1,907,000 or 17.4% over the 1st quarter last year.

Expenses increased \$1,092,000 or 9.75%, over the same period last year, 80% of which is attributable to direct patient care.

The Board joins me in thanking our valued shareholders, for your continued support and loyalty to the Hospital. We extend an invitation for you to join us at our Company’s Annual General Meeting on June 13, 2013 at Doctors Hospital’s Conference Center on Dowdeswell Street.

JOSEPH KRUKOWSKI

CHAIRMAN

May 21, 2013

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

Consolidated Statement of Financial Position

April 30, 2013 with comparative figures at January 31, 2013  
(Expressed in thousands of Bahamian dollars)

	April 30, 2013	January 31, 2013
<strong>Assets</strong>		
Current assets:		
Cash and cash equivalents	\$ 7,006	6,130
Accounts receivable—patients, net (note 2)	527	633
Accounts receivable—third party payors, net (note 2)	5,658	5,088
Inventories	1,681	1,638
Other assets	1,074	641
	<strong>15,946</strong>	14,130
Non-current assets:		
Investments	30	30
Goodwill, net	431	431
Other intangible assets	875	993
Property, plant and equipment	16,317	16,219
	<strong>17,653</strong>	17,673
<strong>Total assets</strong>	<strong>\$ 33,599</strong>	31,803
<strong>Liabilities and Shareholders’ Equity</strong>		
Current liabilities:		
Accounts payable and other liabilities	\$ 4,042	3,165
Dividends payable	199	-
	<strong>4,241</strong>	3,165
Shareholders’ equity:		
Share capital:		
Authorized 12,500,000 common shares at par value of B\$0.04 each (January 31, 2013 – 12,500, 000 shares)		
Issued and fully paid 9,971,634 shares (January 31, 2013 – 9,971,634 shares)	399	399
Contributed surplus	12,358	12,358
Retained earnings	16,601	15,881
	<strong>29,358</strong>	28,638
<strong>Total liabilities and shareholders’ equity</strong>	<strong>\$ 33,599</strong>	31,803

(Unaudited)

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

Consolidated Statement of Comprehensive Income

Three months ended April 30, 2013 with comparative figures for the three months ended April 30, 2012  
(Expressed in thousands of Bahamian dollars)

	April 30, 2013	April 30, 2012
<strong>Revenues</strong>		
Patient service revenue, net	\$ 12,881	10,974
Other	330	348
<strong>Total revenues</strong>	<strong>13,211</strong>	11,322
<strong>Expenses</strong>		
Salaries and benefits	5,179	4,609
Medical supplies and services	3,604	3,293
Bad debt expense, net of recoveries	459	422
Depreciation and amortization	855	795
Other operating	535	500
Utilities	463	372
Government taxes and fees	263	276
Outside services	276	251
Insurance	220	215
Repairs and maintenance	135	217
Rent	98	100
Dietary expenses	141	114
Legal expenses	64	37
<strong>Total expenses</strong>	<strong>12,292</strong>	11,201
<strong>Net income for the period</strong>	<strong>\$ 919</strong>	121
Earnings per common share (expressed in Bahamian dollars):		
Basic and fully diluted	\$ 0.09	0.01

(Unaudited)

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

Consolidated Statement of Cash Flows

Three months ended April 30, 2013 with comparative figures for the three months ended April 30, 2012  
(Expressed in thousands of Bahamian dollars)

	April 30, 2013	April 30, 2012
<strong>CASH FLOWS FROM OPERATING ACTIVITIES:</strong>		
Net income	\$ 919	121
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	855	795
Provision for doubtful accounts	459	422
<strong>Operating income before working capital changes</strong>	<strong>2,233</strong>	1,338
Increase in accounts receivable	(924)	( 511)
Increase in inventories	(42)	(100)
Increase in prepaid expenses and other assets	(432)	(325)
Increase in accounts payable and other liabilities	877	444
<strong>Net cash from operating activities</strong>	<strong>1,712</strong>	846
<strong>CASH FLOWS FROM INVESTING ACTIVITIES:</strong>		
Purchase of property, plant and equipment	(803)	(371)
Purchase of intangible assets	(33)	(16)
<strong>Net cash used in investing activities</strong>	<strong>(836)</strong>	(387)
<strong>CASH FLOWS FROM FINANCING ACTIVITIES:</strong>		
Dividends paid to shareholders	-	(399)
<strong>Net cash used in financing activities</strong>	<strong>-</strong>	(399)

Increase in cash and cash equivalents	876	60
Cash and cash equivalents at beginning of period	6,130	6,911
<strong>Cash and cash equivalents at end of period</strong>	<strong>\$ 7,006</strong>	6,971

Cash and cash equivalents comprise cash at bank and in hand, short-term deposits with an original maturity of three months or less.

(Unaudited)

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

Consolidated Statement of Changes in Equity

Three months ended April 30, 2013  
(Expressed in thousands of Bahamian dollars)

	Number of shares	Share capital	Contributed surplus	Retained earnings
Balance at January 31, 2013	9,971,634	\$ 399	\$ 12,358	\$ 15,881
Net income for the period				919
Dividends Declared				(199)
<strong>Balance at April 30, 2013</strong>	<strong>9,971,634</strong>	<strong>\$ 399</strong>	<strong>\$ 12,358</strong>	<strong>\$ 16,601</strong>

(Unaudited)

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

Notes to Interim Consolidated Financial Statements

Three months ended April 30, 2013

1. Significant accounting policies

These interim financial statements have been prepared in accordance with International Accounting Standard No. 34, Interim Financial Reporting, using the same accounting policies applied in the January 31, 2013 audited consolidated financial statements.

2. Accounts receivable

Accounts receivable are stated net of provisions for doubtful accounts of \$3.5 million.

3. Dividends Declared

The Board of Directors approved a dividend on April 30, 2013 for \$0.02 per share for a total of \$199,432 to shareholders of record May 9, 2013 and payable May 16, 2013.

