

Doctors Hospital Health System Limited

Interim report

Quarter ended April 30, 2020

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

Consolidated Statement of Financial Position

April 30, 2020 with comparative figures at January 31, 2020

(Expressed in thousands of Bahamian dollars)

	April 30, 2020	January 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 4,325	7,915
Accounts receivable—patients, net (note 2)	2,322	1,192
Accounts receivable—third party payors, net (note 2)	6,911	8,060
Inventories	3,235	2,413
Prepaid expenses & other assets	2,348	2,250
	19,141	21,830
Non-current assets:		
Investments –Fixed Income	8,457	4,957
Investments	30	30
Investment in associate	240	240
Goodwill, net	431	431
Other intangible assets	328	289
Property, plant and equipment	23,220	23,301
Right of use assets	2,009	2,101
	34,715	31,349
Total assets	\$ 53,856	53,179
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and other liabilities	\$ 5,295	6,267
Lease liabilities	2,337	2,426
Long-term debt, current portion	218	214
	7,850	8,907
Long-term liabilities:		
Long-term debt	3,612	3,669
	3,612	3,669
Total liabilities	11,462	12,576
Shareholders' equity:		
Share capital:		
Authorized 12,500,000 common shares at par value of B\$0.04 each (January 31, 2020 – 12,500,000 shares)		
Issued and fully paid 9,971,634 shares (January 31, 2020 – 9,971,634 shares)	399	399
Contributed surplus	12,358	12,358
Retained earnings	29,637	27,846
	42,394	40,603
Total liabilities and shareholders' equity	\$ 53,856	53,179

(Unaudited)

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

Consolidated Statement of Comprehensive Income

Three months ended April 30, 2020 with comparative figures for the three months ended April 30, 2019
(Expressed in thousands of Bahamian dollars)

	April 30, 2020	April 30, 2019
Revenues		
Patient service revenue, net	\$ 15,568	16,061
Other	673	498
Total revenues	16,241	16,559
Expenses		
Salaries and benefits	6,871	6,790
Medical supplies	1,929	2,163
Medical services	1,861	1,881
Bad debt expense, net of recoveries	168	28
Depreciation and amortization	816	777
Other operating	682	745
Utilities	419	388
Government taxes and fees	470	443
Outside services	477	409
Insurance	260	233
Repairs and maintenance	263	179
Rent	(5)	118
Dietary expenses	144	160
Legal expenses	19	53
Interest expense	76	49
Total expenses	14,450	14,416
Net income & total comprehensive income for the period	\$ 1,791	2,143
Earnings per common share (expressed in Bahamian dollars):		
Basic and fully diluted	\$ 0.18	0.21

(Unaudited)

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

Consolidated Statement of Changes in Equity

Three months ended April 30, 2020

(Expressed in thousands of Bahamian dollars)

	Number of shares	Share capital	Contributed surplus	Retained earnings	Total
Balance at January 31, 2020	9,971,634	\$ 399	\$ 12,358	\$ 27,846	\$ 40,603
Net income for the period	–	–	–	1,791	1,791
Balance at April 30, 2020	9,971,634	\$ 399	\$ 12,358	\$ 29,637	\$ 42,394

(Unaudited)

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

Consolidated Statement of Cash Flows

Three months ended April 30, 2020 with comparative figures for the three months ended April 30, 2019
(Expressed in thousands of Bahamian dollars)

	April 30, 2020	April 30, 2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 1,791	2,143
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	816	777
Provision for doubtful accounts	168	28
Operating income before working capital changes	2,775	2,948
Increase in accounts receivable	(149)	(1,094)
Increase in inventories	(822)	(133)
(Increase)/decrease in prepaid expenses and other assets	(98)	182
(Decrease)/increase in accounts payable and other liabilities	(972)	887
Net cash from operating activities	734	2,790
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(620)	(1,625)
Purchase of intangible assets	(62)	(26)
Purchase of investments	(3,500)	(5)
Net cash used in investing activities	(4,182)	(1,656)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of long-term debt	(53)	(51)
Payment of lease liabilities	(89)	-
Net cash used in financing activities	(142)	(51)
(Decrease)/increase in cash and cash equivalents	(3,590)	1,083
Cash and cash equivalents at beginning of period	7,915	5,329
Cash and cash equivalents at end of period	\$ 4,325	6,412

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

(Unaudited)

DOCTORS HOSPITAL HEALTH SYSTEM LIMITED

Notes to Interim Consolidated Financial Statements

Three months ended April 30, 2020

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, 2020 audited consolidated financial statements.

2. Accounts receivable

Accounts receivable are stated net of provisions for doubtful accounts of \$2.6 million.