Prime Healthcare Services All Entities Balance Sheet As of 12/31/15

ASSETS:  Cash and Equivalents  Accounts Receivable Allowance for Bad Debt Allowance for Contractuals & Other Adjustments Accounts Receivable Accounts	Balance Sheet As of 12/31/15	Audited	Audited
Accounts Receivable			
Cash and Equivalents         \$271,505         \$85,096           Accounts Receivable         \$70,251,782         \$2,501,374           Allowance for Bad Debt         (3,224,066)         (233,920)           Allowance for Contractuals & Other Adjustments         (60,331,119)         (1,639,916)           Patient Accounts Receivable         \$6,696,597         \$627,538           Other Receivables         \$14,492         \$0           Inventory         1,352,709         0           Other Current Assets         80,535         3,795           Current Portion of Long-Term Notes Receivable         0         0           Pre-Paid Insurance         0         0         0           Other Pre-Paid Expenses         62,309         0         0           Total Current Assets         \$1,300,000         \$0           Buildings and Improvements         \$1,000,000         \$0           Buildings and Improvements         \$0,000,000         0           Leaseholds         1,073,260         60,812           Equipment         3,816,042         5,100           Construction-In-Progress         0         0           Or Property and Equipment         \$14,189,302         \$65,912           Accumulated Depreciation         \$			
Cash and Equivalents         \$271,505         \$85,096           Accounts Receivable         \$70,251,782         \$2,501,374           Allowance for Bad Debt         (3,224,066)         (233,920)           Allowance for Contractuals & Other Adjustments         (60,331,119)         (1,639,916)           Patient Accounts Receivable         \$6,696,597         \$627,538           Other Receivables         \$14,492         \$0           Inventory         1,352,709         0           Other Current Assets         80,535         3,795           Current Portion of Long-Term Notes Receivable         0         0           Pre-Paid Insurance         0         0         0           Other Pre-Paid Expenses         62,309         0         0           Total Current Assets         \$1,300,000         \$0           Buildings and Improvements         \$1,000,000         \$0           Buildings and Improvements         \$0,000,000         0           Leaseholds         1,073,260         60,812           Equipment         3,816,042         5,100           Construction-In-Progress         0         0           Or Property and Equipment         \$14,189,302         \$65,912           Accumulated Depreciation         \$			
Accounts Receivable Allowance for Bad Debt Allowance for Contractuals & Other Adjustments Patient Accounts Receivable  Other Receivables Other Receivables  Other Current Assets Current Portion of Long-Term Notes Receivable  Current Portion of Related Party Long-Term Notes Receivable Other Pre-Paid Expenses Other Pre-Paid Expenses  Total Current Assets  Land and Improvements Buildings and Improvements Leaseholds Equipment Construction-In-Progress Property and Equipment Accumulated Depreciation - Investments in Property, Plant & Equi Investments in Property, Plant & Equipment Accumulated Depreciation - Investments in Property, Plant & Equi Investments in Property, Plant & Equip Interest (3,224,066) (3,224,066) (3,224,066) (233,920) (60,331,119) (1,639,916) (5,331,119) (1,639,916) (1,63,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,63,916) (1,639,916)	ASSETS:		
Accounts Receivable Allowance for Bad Debt Allowance for Contractuals & Other Adjustments Patient Accounts Receivable  Other Receivables Other Receivables  Other Current Assets Current Portion of Long-Term Notes Receivable  Current Portion of Related Party Long-Term Notes Receivable Other Pre-Paid Expenses Other Pre-Paid Expenses  Total Current Assets  Land and Improvements Buildings and Improvements Leaseholds Equipment Construction-In-Progress Property and Equipment Accumulated Depreciation - Investments in Property, Plant & Equi Investments in Property, Plant & Equipment Accumulated Depreciation - Investments in Property, Plant & Equi Investments in Property, Plant & Equip Interest (3,224,066) (3,224,066) (3,224,066) (233,920) (60,331,119) (1,639,916) (5,331,119) (1,639,916) (1,63,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,639,916) (1,63,916) (1,639,916)		4074 505	405.000
Allowance for Bad Debt Allowance for Contractuals & Other Adjustments Patient Accounts Receivable  Other Receivables  Other Receivables  State of Contractuals & Other Adjustments Patient Accounts Receivable  Other Receivables  State of Contractuals & Other Adjustments  (60,331,119) (1,639,916)  \$6,696,597 \$627,538  Other Receivables  \$114,492 \$0 Inventory Other Current Assets  Current Portion of Long-Term Notes Receivable 0 0 0 Current Portion of Related Party Long-Term Notes Receivable Pre-Paid Insurance 0 0 3,264 Other Pre-Paid Expenses 62,309 0  Total Current Assets  \$1,300,000 \$0 Buildings and Improvements \$1,300,000 \$0 Buildings and Improvements \$1,000,000 \$0 Buildings and Improvements \$1,000,000 \$0 Construction-In-Progress 0 0 Construction-In-Progress 0 0 Property and Equipment  \$14,189,302 \$65,912 Accumulated Depreciation  Net Property and Equipment  Investments in Property, Plant & Equipment \$0 \$0 Accumulated Depreciation - Investments in Property, Plant & Equi	Cash and Equivalents	\$271,505	\$85,096
Allowance for Bad Debt Allowance for Contractuals & Other Adjustments Patient Accounts Receivable  Other Receivables  Other Receivables  State of Contractuals & Other Adjustments Patient Accounts Receivable  Other Receivables  State of Contractuals & Other Adjustments  (60,331,119) (1,639,916)  \$6,696,597 \$627,538  Other Receivables  \$114,492 \$0 Inventory Other Current Assets  Current Portion of Long-Term Notes Receivable 0 0 0 Current Portion of Related Party Long-Term Notes Receivable Pre-Paid Insurance 0 0 3,264 Other Pre-Paid Expenses 62,309 0  Total Current Assets  \$1,300,000 \$0 Buildings and Improvements \$1,300,000 \$0 Buildings and Improvements \$1,000,000 \$0 Buildings and Improvements \$1,000,000 \$0 Construction-In-Progress 0 0 Construction-In-Progress 0 0 Property and Equipment  \$14,189,302 \$65,912 Accumulated Depreciation  Net Property and Equipment  Investments in Property, Plant & Equipment \$0 \$0 Accumulated Depreciation - Investments in Property, Plant & Equi	Accounts Possivable	¢70.251.792	¢2 501 374
Allowance for Contractuals & Other Adjustments			
Patient Accounts Receivable         \$6,696,597         \$627,538           Other Receivables Inventory         \$14,492         \$0           Other Current Assets         \$0,535         3,795           Current Portion of Long-Term Notes Receivable Current Portion of Related Party Long-Term Notes Receivable Pre-Paid Insurance         0         0           Other Pre-Paid Expenses         62,309         0         0           Total Current Assets         \$8,478,147         \$719,693           Land and Improvements         \$1,300,000         \$0           Buildings and Improvements         \$0,000,000         0           Leaseholds         1,073,260         60,812           Equipment         3,816,042         5,100           Construction-In-Progress         0         0           Property and Equipment         \$14,189,302         \$65,912           Accumulated Depreciation         \$11,986,810         \$62,407           Investments in Property, Plant & Equipment         \$0         \$0           Accumulated Depreciation - Investments in Property, Plant & Equi         0         0		, , , ,	, , ,
Other Receivables         \$14,492         \$0           Inventory         1,352,709         0           Other Current Assets         80,535         3,795           Current Portion of Long-Term Notes Receivable         0         0           Pre-Paid Insurance         0         0         3,264           Other Pre-Paid Expenses         62,309         0         0           Total Current Assets         \$8,478,147         \$719,693           Land and Improvements         \$1,300,000         \$0           Buildings and Improvements         8,000,000         0           Leaseholds         1,073,260         60,812           Equipment         3,816,042         5,100           Construction-In-Progress         0         0           Property and Equipment         \$14,189,302         \$65,912           Accumulated Depreciation         \$11,986,810         \$62,407           Investments in Property, Plant & Equipment         \$0         \$0           Accumulated Depreciation - Investments in Property, Plant & Equi         0         0	· · · · · · · · · · · · · · · · · · ·	,	,
Inventory	Tation Accounts Necel Value	ψ0,030,031	Ψ021,000
Inventory	Other Receivables	\$14.492	\$0
Other Current Assets         80,535         3,795           Current Portion of Long-Term Notes Receivable         0         0           Current Portion of Related Party Long-Term Notes Receivable         0         0           Pre-Paid Insurance         0         3,264           Other Pre-Paid Expenses         62,309         0           Total Current Assets         \$8,478,147         \$719,693           Land and Improvements         8,000,000         \$0           Buildings and Improvements         8,000,000         0           Leaseholds         1,073,260         60,812           Equipment         3,816,042         5,100           Construction-In-Progress         0         0           Property and Equipment         \$14,189,302         \$65,912           Accumulated Depreciation         \$11,986,810         \$62,407           Investments in Property, Plant & Equipment         \$0         \$0           Accumulated Depreciation - Investments in Property, Plant & Equi         0         0	Inventory		* -
Current Portion of Long-Term Notes Receivable         0         0           Current Portion of Related Party Long-Term Notes Receivable         0         0           Pre-Paid Insurance         0         3,264           Other Pre-Paid Expenses         62,309         0           Total Current Assets         \$8,478,147         \$719,693           Land and Improvements         8,000,000         \$0           Buildings and Improvements         8,000,000         0           Leaseholds         1,073,260         60,812           Equipment         3,816,042         5,100           Construction-In-Progress         0         0           Property and Equipment         \$14,189,302         \$65,912           Accumulated Depreciation         \$11,986,810         \$62,407           Investments in Property, Plant & Equipment         \$0         \$0           Accumulated Depreciation - Investments in Property, Plant & Equi         0         0	•		3,795
Pre-Paid Insurance         0         3,264           Other Pre-Paid Expenses         62,309         0           Total Current Assets         \$8,478,147         \$719,693           Land and Improvements         \$1,300,000         \$0           Buildings and Improvements         8,000,000         0           Leaseholds         1,073,260         60,812           Equipment         3,816,042         5,100           Construction-In-Progress         0         0           Property and Equipment         \$14,189,302         \$65,912           Accumulated Depreciation         (2,202,492)         (3,505)           Net Property and Equipment         \$11,986,810         \$62,407           Investments in Property, Plant & Equipment         \$0         \$0           Accumulated Depreciation - Investments in Property, Plant & Equipment         \$0         \$0	Current Portion of Long-Term Notes Receivable	·	0
Other Pre-Paid Expenses         62,309         0           Total Current Assets         \$8,478,147         \$719,693           Land and Improvements         \$1,300,000         \$0           Buildings and Improvements         8,000,000         0           Leaseholds         1,073,260         60,812           Equipment         3,816,042         5,100           Construction-In-Progress         0         0           Property and Equipment         \$14,189,302         \$65,912           Accumulated Depreciation         (2,202,492)         (3,505)           Net Property and Equipment         \$11,986,810         \$62,407           Investments in Property, Plant & Equipment         \$0         \$0           Accumulated Depreciation - Investments in Property, Plant & Equipment         \$0         \$0	Current Portion of Related Party Long-Term Notes Receivable	0	0
Total Current Assets   \$8,478,147   \$719,693	Pre-Paid Insurance	0	3,264
Land and Improvements       \$1,300,000       \$0         Buildings and Improvements       8,000,000       0         Leaseholds       1,073,260       60,812         Equipment       3,816,042       5,100         Construction-In-Progress       0       0         Property and Equipment       \$14,189,302       \$65,912         Accumulated Depreciation       (2,202,492)       (3,505)         Net Property and Equipment       \$11,986,810       \$62,407         Investments in Property, Plant & Equipment       \$0       \$0         Accumulated Depreciation - Investments in Property, Plant & Equipment       \$0       \$0	Other Pre-Paid Expenses	62,309	0
Buildings and Improvements   8,000,000   0     Leaseholds   1,073,260   60,812     Equipment   3,816,042   5,100     Construction-In-Progress   0   0     Property and Equipment   \$14,189,302   \$65,912     Accumulated Depreciation   (2,202,492)   (3,505)     Net Property and Equipment   \$11,986,810   \$62,407     Investments in Property, Plant & Equipment   \$0   \$0     Accumulated Depreciation - Investments in Property, Plant & Equipment   0   0	Total Current Assets	\$8,478,147	\$719,693
Buildings and Improvements   8,000,000   0     Leaseholds   1,073,260   60,812     Equipment   3,816,042   5,100     Construction-In-Progress   0   0     Property and Equipment   \$14,189,302   \$65,912     Accumulated Depreciation   (2,202,492)   (3,505)     Net Property and Equipment   \$11,986,810   \$62,407     Investments in Property, Plant & Equipment   \$0   \$0     Accumulated Depreciation - Investments in Property, Plant & Equipment   0   0			
Leaseholds         1,073,260         60,812           Equipment         3,816,042         5,100           Construction-In-Progress         0         0           Property and Equipment         \$14,189,302         \$65,912           Accumulated Depreciation         (2,202,492)         (3,505)           Net Property and Equipment         \$11,986,810         \$62,407           Investments in Property, Plant & Equipment         \$0         \$0           Accumulated Depreciation - Investments in Property, Plant & Equipment         0         0			\$0
Equipment       3,816,042       5,100         Construction-In-Progress       0       0         Property and Equipment       \$14,189,302       \$65,912         Accumulated Depreciation       (2,202,492)       (3,505)         Net Property and Equipment       \$11,986,810       \$62,407         Investments in Property, Plant & Equipment       \$0       \$0         Accumulated Depreciation - Investments in Property, Plant & Equipment       0       0	Buildings and Improvements	8,000,000	0
Construction-In-Progress         0         0           Property and Equipment         \$14,189,302         \$65,912           Accumulated Depreciation         (2,202,492)         (3,505)           Net Property and Equipment         \$11,986,810         \$62,407           Investments in Property, Plant & Equipment         \$0         \$0           Accumulated Depreciation - Investments in Property, Plant & Equipment         0         0	Leaseholds	1,073,260	
Property and Equipment         \$14,189,302         \$65,912           Accumulated Depreciation         (2,202,492)         (3,505)           Net Property and Equipment         \$11,986,810         \$62,407           Investments in Property, Plant & Equipment         \$0         \$0           Accumulated Depreciation - Investments in Property, Plant & Equipment         0         0	• •		
Accumulated Depreciation (2,202,492) (3,505)  Net Property and Equipment \$11,986,810 \$62,407  Investments in Property, Plant & Equipment \$0 \$0  Accumulated Depreciation - Investments in Property, Plant & Equi 0 0	<u> </u>		
Net Property and Equipment \$11,986,810 \$62,407  Investments in Property, Plant & Equipment \$0 \$0  Accumulated Depreciation - Investments in Property, Plant & Equi 0 0			
Investments in Property, Plant & Equipment \$0 \$0  Accumulated Depreciation - Investments in Property, Plant & Equi 0 0	•	( , , ,	,
Accumulated Depreciation - Investments in Property, Plant & Equi 0 0	Net Property and Equipment	\$11,986,810	\$62,407
Accumulated Depreciation - Investments in Property, Plant & Equi 0 0	lavorate de la Desporte Blant 9 Environant	фо.	¢ο
		* -	* -
		-	
Net Investments \$0 \$0			
iver investments	Net investments	Φ0	φυ
Long-Term Accounts/Notes Receivable \$0 \$0	Long-Term Accounts/Notes Receivable	\$0	\$0
Related Party Long-Term Portion Notes Receivable 5,000,000 415,249	· ·	* -	·
Net Goodwill 0 0	, 0	, ,	,
Other Intangible Assets 448,000 0		-	
,,,,,		-,	
Total Long-Term Assets \$17,434,810 \$477,656	Total Long-Term Assets	\$17,434,810	\$477,656
	•		
TOTAL ASSETS \$25,912,957 \$1,197,349	TOTAL ASSETS	\$25,912,957	\$1,197,349
	•		

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	740 Monroe	838 MMG
	WOITIOE	IVIIVIG
LIABILITIES:	\$1,380,294	\$143,114
Accounts Payable Notes Payable	\$1,360,294 0	φ143,114 0
Capital Leases	611,415	0
Accrued Payroll	347,188	120,835
Accrued PTO	230,374	182,588
Accrued Payroll Taxes	211,679	80,938
IBNR	362,495	0
Other Accrued Other Liabilities	289,366 85,547	60,503 0
Total Current Liabilities	\$3,518,358	\$587,978
	40,010,000	<b>400.</b> ,0.0
Mortgages/Notes Payable	\$5,000,000	\$0
	<b>*</b> 445 040	40
Related Party Notes Payable	\$415,249	\$0
Due To / (From) Centinela	1,040	0
Due To / (From) Prime Healthcare Services, Inc.	17,249,370	0
Due To / (From) Providence	634	0
Due To / (From) Garden City	672	0
Due To / (From) Monroe	0	2,908,018
Due To / (From) Saint Joseph's	2,710	0
Total Intercompany	\$17,254,426	\$2,908,018
Due To / (From) Prime Healthcare Management, Inc.	953,501	0
Due To / (From) Monroe Medical Group	(2,908,018)	0
Total Intracompany	(\$1,954,517)	\$0
D ( 10 19	<b>*</b> 40.000	
Deferred Credits	\$40,363	\$0
Deferred Taxes  Long-Term Portion of Capital Leases	0 10,187,324	0
Long-Term Loans Payable	0,107,324	0
Long-Term Portion of Pension Liability	0	0
Other Long-Term Liabilities	0	0
Total Lang Torm Lightlities	\$20.042.94F	\$2,908,018
Total Long-Term Liabilities	\$30,942,845	\$2,900,010
TOTAL LIABILITIES	\$34,461,203	\$3,495,996
EQUITY:		
Common Stock	\$0	\$0
Unrestricted Net Assets	0	0
Temporarily Restricted Net Assets	0	0
Additional Paid-in Capital	1,800,000	0
Other Equity	0	0
Retained Earnings PY	0	0
Distributions Net Income	0 (10,348,246)	0 (2,298,647)
TOTAL EQUITY	(\$8,548,246)	(\$2,298,647)
-	(+=,= :=,= :=)	(+=,===,0 11)
TOTAL LIABILITIES AND EQUITY	\$25,912,957	\$1,197,349
		-

Audited

**Audited** 

	Audited	Audited
	740 Monroe	838 MMG
	WOTTOE	IVIIVIG
REVENUES		
Inpatient Routine Revenue	\$6,693,716	\$0
Inpatient Ancillary Revenue  Total IP Revenue	26,656,229 <b>\$33,349,945</b>	0 <b>\$0</b>
Outpatient Ancillary Revenue	48,987,354	9,086,549
Total Patient Revenue	\$82,337,299	\$9,086,549
	<b>¥</b> 02,001,200	<b>¥</b> 2,223,210
DEDUCTIONS		
Medicare Contractuals	\$40,958,313	\$2,207,943
Medicaid Contractuals  Managed Care Contractuals	10,314,118 10,711,449	230,575 602,083
Medicare Managed Care Contractuals	(278,677)	002,003
Medicaid Managed Care Deductions	(480,923)	0
Contractual Adjustments	\$61,224,279	\$3,040,601
Provision for Bad Debt	(\$1,066,639)	\$511,655
Provision for Charity Care Administrative Adjustments	66,609	0 916,314
Capitation Deductions	6,269,623 0	910,314
Total Deductions from Revenue	\$66,493,872	\$4,468,570
Capitation Payments	0	0
Net Patient Revenue	\$15,843,427	\$4,617,979
Other Operating Revenue	303,802	8,347
TOTAL NET REVENUES	\$16,147,229	\$4,626,326
OPERATING EXPENSES		
Salaries and Wages	\$9,872,793	\$3,822,748
Benefits	1,540,586	218,246
Payroll Taxes	1,064,456	301,129
PTO Registry	951,372 47,295	154,577 14,057
Other Medical	47,293	0
Other Contract Labor	0	0
Labor Sub-Total	\$13,476,502	\$4,510,757
Billable Supplies	\$5,661,733	\$1,028,363
Non-Billable Supplies Purchased Services	926,624 1,594,171	27,730 559,440
Professional Fees	2,016,598	82,574
Managed Care Expenses	0	0
Repairs and Maintenance	187,450	27,420
Rent and Lease	915,150	410,597
Insurance Utilities	566,845 630,818	44,460 142,667
Taxes and Licenses	626,204	21,787
Other Operating Expenses	563,071	64,385
Management Fees	950,606	0
Total Operating Expenses	\$28,115,774	\$6,920,180
EBITDA	(\$5,639,835)	(\$2,293,855)
	(40,000,000)	(\$2,200,000)
NON-OPERATING EXPENSES		
Depreciation	\$2,234,492	\$3,505
Interest Income Interest Expense	(466)	1,287
Other Non-Operating (Revenue) / Expense	2,474,386 (6,328,710)	0
(Gain) / Loss on Asset Sales	0	0
Total Non-Operating Expenses	(\$1,620,299)	\$4,792
PRE-TAX INCOME (LOSS)	(\$10,348,246)	(\$2,298,647)
Income Taxes	(\$10,348,246)	(\$2,298,647)
NET INCOME (LOSS) BEFORE EXTRAORDINARY ITEMS  Extraordinary Items	(\$10,348,246)	(₹2,290,047)
NET INCOME (LOSS)	(\$10,348,246)	(\$2,298,647)
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