



Lakewood Hospital Association

Financial Statements

September 30, 2015

Lakewood Hospital Association
Unaudited Financial Statements
September 30, 2015

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Statements of Operations and Changes in Net Assets	
Nine Months Ended September 30, 2015 and 2014	2

Lakewood Hospital Association

Balance Sheets

(In Thousands)

UNAUDITED

	September 30 2015	December 31 2014
Assets		
Current assets:		
Cash and cash equivalents	\$ 777	\$ 4,055
Patient receivables, net of allowances	13,600	18,571
Other current assets	8,406	7,685
Total current assets	22,783	30,311
Investments:		
Long-term investments	47,748	50,454
Donor restricted assets	2,976	3,028
	50,724	53,482
Property, plant and equipment, net	37,951	41,977
Beneficial interest in Lakewood Hospital Foundation, Inc.	33,538	33,519
Other assets:		
Other noncurrent assets	848	998
	848	998
Total assets	\$ 145,844	\$ 160,287

	September 30 2015	December 31 2014
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 1,724	\$ 2,923
Compensation and amounts withheld from payroll	2,727	2,905
Estimated amounts due to third party payors	2,006	2,222
Current portion of long-term debt	598	2,963
Payable to related parties	364	-
Other current liabilities	1,790	2,240
Total current liabilities	9,209	13,253
Long term debt		
Notes payable and capital leases	8,973	9,571
Other liabilities	1,210	1,166
Total liabilities	19,392	23,990
Net assets:		
Unrestricted	86,482	96,288
Temporarily restricted	22,029	22,058
Permanently restricted	17,941	17,951
Total net assets	126,452	136,297
Total liabilities and net assets	\$ 145,844	\$ 160,287

Lakewood Hospital Association

Statements of Operations
and Changes in Net Assets
(In Thousands)

UNAUDITED

Operations

	Nine Months Ended September 30	
	2015	2014
Unrestricted revenues		
Net patient service revenue	\$ 77,460	\$ 96,586
Provision for uncollectible accounts	(3,278)	(8,642)
Net patient service revenue less provision for uncollectible accounts	74,182	87,944
Other	3,391	4,397
Total unrestricted revenues	77,573	92,341
Expenses		
Salaries, wages, and benefits	42,788	45,599
Supplies	8,678	10,858
Pharmaceuticals	2,649	3,043
Purchased services	4,149	4,170
Administrative services	17,703	18,313
Facilities	4,898	5,870
Insurance	1,208	1,098
	82,073	88,951
Operating (loss) income before interest, depreciation and amortization expenses	(4,500)	3,390
Interest	445	501
Depreciation and amortization	4,111	4,422
Operating loss	(9,056)	(1,533)
Nonoperating gains and losses		
Investment return	(700)	2,934
Other	(50)	(50)
Net nonoperating gains and losses	(750)	2,884
(Deficiency) excess of revenues over expenses	(9,806)	1,351

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Changes in Net Assets

	Net Assets			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Balances at January 1, 2014	\$ 93,641	\$ 21,785	\$ 16,916	\$ 132,342
Excess of revenues over expenses	1,351			1,351
Net assets released from restriction for capital	66	(66)		-
Gifts and bequests		38		38
Net investment income		94		94
Net assets released from restrictions used for operations		(317)		(317)
Change in beneficial interest in Lakewood Hospital Foundation		172	801	973
Change in value of perpetual trusts			16	16
Increase (decrease) in net assets	1,417	(79)	817	2,155
Balances at September 30, 2014	<u>\$ 95,058</u>	<u>\$ 21,706</u>	<u>\$ 17,733</u>	<u>\$ 134,497</u>
Balances at January 1, 2015	\$ 96,288	\$ 22,058	\$ 17,951	\$ 136,297
Deficiency of revenues over expenses	(9,806)			(9,806)
Gifts and bequests		40		40
Net investment income		94		94
Net assets released from restrictions used for operations		(182)		(182)
Change in beneficial interest in Lakewood Hospital Foundation		19	-	19
Change in value of perpetual trusts			(10)	(10)
Decrease in net assets	(9,806)	(29)	(10)	(9,845)
Balances at September 30, 2015	<u>\$ 86,482</u>	<u>\$ 22,029</u>	<u>\$ 17,941</u>	<u>\$ 126,452</u>