

UNITED STATES BANKRUPTCY COURT
 NORTHERN DISTRICT OF WEST VIRGINIA
 CLARKSBURG DIVISION

In re:

FAIRMONT GENERAL HOSPITAL, INC., *et al.*,

Debtors.

Case No. 1:13-bk-01054

Chapter 11

Jointly Administered

MONTHLY OPERATING REPORT

Month: January 2014

Date filed: February 14, 2014

Line of Business: Fairmont General Hospital, Inc.

NAISC Code: 62210

IN ACCORDANCE WITH TITLE 28, SECTION 1746, OF THE UNITED STATES CODE, I DECLARE UNDER PENALTY OF PERJURY THAT I HAVE EXAMINED THE FOLLOWING SMALL BUSINESS MONTHLY OPERATING REPORT AND THE ACCOMPANYING ATTACHMENTS AND, TO THE BEST OF MY KNOWLEDGE, THESE DOCUMENTS ARE TRUE, CORRECT AND COMPLETE.

RESPONSIBLE PARTY:


 Original Signature of Responsible Party

Margaret C. Coster
 Printed Name of Responsible Party

Questionnaire:

1. Is the business still operating?
2. Have you paid all your bills on time this month?
3. Did you pay your employees on time?
4. Have you deposited all the receipts for your business into the DIP account?
5. Have you filed all of your tax returns and paid all of your taxes this month?
6. Have you timely filed all other required government filings?

Yes	No
X	
X	
X	
	X
	X ¹
X	

¹ Due to timing issues, the January provider and sales tax obligations were filed and paid in February, 2014. As of the filing of this report, all taxes have been paid.

7. Have you paid all of your insurance premiums this month?	X	
8. Do you plan to continue to operate the business next month?	X	
9. Are you current on your quarterly fee payment to the U.S. Trustee?	X	
10. Have you paid anything to your attorney or other professional this month?	X	
11. Did you have any unusual or significant unanticipated expenses this month?		X
12. Has the business sold any goods or provided services or transferred any assets to any business related to the DIP in any way?		X
13. Do you have any bank accounts open other than the DIP account?	X	
14. Have you sold any assets other than inventory this month?		X
15. Did any insurance company cancel your policy this month?		X
16. Have you borrowed money from anyone this month?		X
17. Has anyone made an investment in your business this month?		X
18. Have you paid any bills you owed before you filed Bankruptcy?		X

TAXES

Do you have any past due tax returns or past due post-petition tax obligations?	X	
If yes, please provide a written explanation including when such returns will be filed, or when such payments will be made and the source of the funds for the payment.	<p><i>Due to timing issues, the January provider and sales tax obligations were filed and paid in February, 2014. As of the filing of this report, all taxes have been paid.</i></p>	

INCOME

Please separately list all of the income you received for the month. The list should include all income from cash and credit transactions. *(The U.S. Trustee may waive this requirement.)* See attached **Exhibit A**

TOTAL INCOME \$5,828,363.60

SUMMARY OF CASH ON HAND

Cash on Hand at Start of Month	\$ 2,566,935
Adjustment for double entry of Cardinal Health payments (as set forth on the attached Exhibit B)	\$110,049
Cash on Hand at End of Month	\$2,025,068
Please provide the total amount of cash currently available to you	\$2,025,068
TOTAL	(as of January 31, 2014)

EXPENSES

Please separately list all expenses paid by cash or by check from your bank accounts this month. Include the date paid, who was paid the money, the purpose and the amount. *(The U.S. Trustee may waive this requirement.)* See attached **Exhibit A**

TOTAL EXPENSES (\$6,480,278.86)

CASH PROFIT

Income for month	\$5,828,363.60
Expenses for the month	(\$6,480,278.86)
CASH PROFIT FOR THE MONTH	(\$651,915.26)

UNPAID BILLS

Please attach a list of all debts (including taxes) which you have incurred since the date you filed bankruptcy but have not paid. The list must include the date the debt was incurred, who is owed the money, the purpose of the debt and when the debt is due. *(The U.S. Trustee may waive this requirement.)* See attached **Exhibit C**

TOTAL \$ 2,337,007.27

MONEY OWED TO YOU

Please attach a list of all amounts owed to you by your customers for work you have done or the merchandise you have sold. You should include who owes you money, how much is owed and when is payment due. *(The U.S. Trustee may waive this requirement.)*

*See attached
Exhibit D*

TOTAL RECEIVABLES	\$ 23,439,797.62
BAD DEBTS	(\$ 11,285,341.81)
NET RECEIVABLES	\$12,154,455.81

BANKING INFORMATION

Please attach a copy of your latest bank statement for every account you have as of the date of this financial report or had during the period covered by this report.

*See attached
Exhibit E*

EMPLOYEES

Number of employees when the case was filed?	733
Number of employees as of this monthly report?	705

PROFESSIONAL FEES

<i>Bankruptcy Related:</i>	
Professional fees relating to the bankruptcy case paid during this reporting period?	\$477,963.01
Total professional fees relating to the bankruptcy case paid since the filing of the case?	\$1,168,031.02
<i>Non-Bankruptcy Related:</i>	
Professional fees not relating to the bankruptcy case paid during this reporting period?	\$0
Total professional fees not relating to the bankruptcy case paid since the filing of the case?	\$13,307.85

PROJECTIONS

(Numbers are consolidated for FGH and FPI)

Compare your actual income and expenses to their projections for the first 180 days of your case provided at the initial debtor interview. **Reporting period: 1/6/2014 – 2/2/2014.**

	Projected	Actual	Difference
INCOME	\$ 5,885,000	\$ 4,947,514	(\$ 937,486)
EXPENSES	\$ 6,064,732	\$ 5,227,372	\$ 837,360
CASH PROFIT	(\$ 179,732)	(\$ 279,858)	(\$ 100,126)
	(\$ 615,544) Bankruptcy Related Fees	(\$ 555,240) Bankruptcy Related Fees	\$ 60,304 Bankruptcy Related Fees
	(\$ 10,000) DIP Interest and Fees	(\$ 14,087) DIP Interest and Fees	(\$ 4,087) DIP Interest and Fees
	\$ 700,000 DIP Financing	\$ 500,000 DIP Financing	(\$ 200,000) DIP Financing
	_____	_____	_____
	(\$ 105,276)	(\$349,185)	(\$ 243,909)

Total projected income for the next month:	\$6,260,000
Total projected expenses for the next month:	(\$ 5,859,118)
Total projected cash profit for the next month:	\$ 400,882

ADDITIONAL INFORMATION

Please attach all financial reports including an income statement and balance sheet which you prepare internally.

The Debtors' financial reports, including the income statement and balance sheet, have not been finalized as of the date of this filing. Upon completion of these financial reports, the Debtors will file supplemental monthly operating reports with the Court.