

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF TENNESSEE

In re: SRHS BANKRUPTCY, INC.) Case No.: 10-04766
)
) Judge: Marian F. Harrison
)
) Chapter 11
Debtor(s))

MONTHLY OPERATING REPORT FOR MONTH ENDING JUNE, 2011.

SRHS BANKRUPTCY, INC., Debtor-In-Possession,
submits its Monthly Operating Report for the period commencing JUNE 1, 2011
and ending JUNE 30, 2011 as shown by the report and exhibits consisting of 38
pages and containing the following, as indicated:

- Monthly Reporting Questionnaire (Attachment 1)
- Comparative Balance Sheets (Forms OPR-1 & OPR-2)
- Summary of Accounts Receivable (Form OPR-3)
- Schedule of Postpetition Liabilities (Form OPR-4)
- Statement of Income (Loss) (Form OPR-5)

I declare under penalty of perjury that this report and all attachments are true and correct to the best of my knowledge and belief.

Date: JULY 11, 2011

DEBTOR-IN-POSSESSION

By: /S/ S. Waite Popejoy
(name of signer)

Title: Chief Restructuring Officer

Address: 555 Hartsville Pike

Gallatin, TN 37066

Telephone Number: 615 - 328 - 5153

Fax Number: 615 - 328 - 6698

Email Address: wpopejoy@ncacf.com

CHAPTER 11
 MONTHLY OPERATING REPORT
 MONTHLY REPORTING QUESTIONNAIRE

CASE NAME: SRHS BANKRUPTCY, INC.
 CASE NUMBER: 10-04766
 MONTH OF: JUNE 2011

1. Payroll State the amount of all executive wages paid and taxes withheld and paid.

| Name and Title of Executive | Wages Paid | | Taxes | |
|--------------------------------|------------|--------|--------|--------|
| | Gross | Net | Due | Paid |
| <u>N/A</u> | | | | |
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| Total Executive Payroll: | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

2. Insurance Is workers' compensation and other insurances in effect? YES
 Are payments current? YES If any policy has lapsed, been replaced or renewed, state so in
 the schedule below. Attach a copy of the new policy's binder or cover page.

| Type | Name of Carrier | Coverage Amount | Policy # | Expiration Date | Premium Amounts | Date Pd. Thru |
|-------------------------|-----------------|--------------------|----------|--------------------|--------------------|------------------|
| <u>Casualty</u> | | | | | | |
| <u>Worker's comp.</u> | | | | | | |
| <u>General liab.</u> | | | | | | |
| <u>Vehicle</u> | | | | | | |
| <u>Other (specify):</u> | | | | | | |
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CHAPTER 11
MONTHLY OPERATING REPORT
MONTHLY REPORTING QUESTIONNAIRE

CASE NAME: SRHS BANKRUPTCY, INC.
CASE NUMBER: 10-04766
MONTH OF: JUNE 2011

3. Bank Accounts

| | Account Type | | | | Total |
|--|---|-----|---------|-------|-------|
| | Operating | Tax | Payroll | Other | |
| Bank name | PLEASE REFER TO PAGE 3 FOR SUMMARY OF BANK ACCOUNTS | | | | |
| Account # | | | | | |
| Beginning book balance | | | | | |
| Plus: Deposits (Attach detail listing) | | | | | |
| Less: Disbursements (Attach detail listing) | | | | | |
| Other: Transfers In (Out) | | | | | |
| Ending book balance | | | | | |

4. Postpetition Payments List any postpetition payments to professionals and payments on prepetition debts in the schedule below (attached separate sheet if necessary).

| Payments To/On | Amount | Date | Check # | Order Date |
|--|--------|------|---------|------------|
| Professionals (attorneys, accountants, etc.): | | | | |
| NONE | | | | |
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| Prepetition debts: | | | | |
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CHAPTER 11
MONTHLY OPERATING REPORT
MONTHLY REPORTING QUESTIONNAIRE

CASE NAME: SRHS BANKRUPTCY, INC.CASE NUMBER: 10-04766MONTH OF: JUNE 20113. Bank Accounts

| Bank | Account Type | Account Number | Beginning Book | | | Interaccount Transfers | Ending Book |
|--|----------------------------|----------------|------------------------|-------------------|-----------------------|------------------------|------------------------|
| | | | Balance JUN. 1, 2011 | Receipts | Disbursements | | Balance JUN. 30, 2011 |
| Commerce Union Bank | Main Operating Account | 2503142 | \$6,306,417.47 | \$0.00 | (\$499,493.56) | (\$2,318.60) | \$5,804,605.31 |
| Commerce Union Bank | 401-K | 2501633 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Commerce Union Bank | Flexible Spending Accounts | 2501641 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| Commerce Union Bank | Worker's Compensation | 2501658 | \$32,500.00 | \$0.00 | (\$2,392.92) | \$2,318.60 | \$32,425.68 |
| Commerce Union Bank | Payroll | 2501682 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| JPMorgan Chase, N.A. | General Reserve Account | 887401263 | \$15,005,603.83 | \$612.22 | \$0.00 | \$0.00 | \$15,006,216.05 |
| JPMorgan Chase, N.A. | General Checking Account | 887401255 | \$693,435.79 | \$0.00 | (\$1,253.57) | \$0.00 | \$692,182.22 |
| Total Cash and Cash Equivalents | | | \$22,037,957.09 | \$612.22 | (\$503,140.05) | \$0.00 | \$21,535,429.26 |
| Commerce Union Bank | Certificate of Deposit | 65468 | \$259,674.38 | \$615.76 | \$0.00 | \$0.00 | \$260,290.14 |
| Commerce Union Bank | Certificate of Deposit | 65703 | \$458,822.54 | \$1,087.99 | \$0.00 | \$0.00 | \$459,910.53 |
| Total Certificate of Deposit | | | \$718,496.92 | \$1,703.75 | \$0.00 | \$0.00 | \$720,200.67 |
| TOTAL | | | \$22,756,454.01 | \$2,315.97 | (\$503,140.05) | \$0.00 | \$22,255,629.93 |

CHAPTER 11
 MONTHLY OPERATING REPORT
 DETAILED LISTING OF RECEIPTS

CASE NAME: SRHS BANKRUPTCY, INC.
 CASE NUMBER: 10-04766
 MONTH OF: JUNE 2011
 BANK NAME: Commerce Union Bank ACCOUNT #: 2503142

Detail of Receipts:

| Date | Received From | Explanation | Amount |
|----------------|---------------|-------------|--------|
| NONE | | | |
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| Total Receipts | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF DISBURSEMENTS

CASE NAME: SRHS BANKRUPTCY, INC.CASE NUMBER: 10-04766MONTH OF: JUNE 2011BANK NAME: Commerce Union BankACCOUNT #: 2503142

Detail of Disbursements:

| <u>Date</u> | <u>Check #</u> | <u>Paid To / In Payment Of</u> | <u>Amount</u> |
|---------------------|----------------|--|----------------|
| 06/10/11 | WIRE | Daniel H. Puryear, Esquire / April 2011 80% Fees & 100% Expenses | (\$2,128.57) |
| 06/10/11 | WIRE | Porte Advertising / Media for Notice | (\$3,952.00) |
| 06/10/11 | WIRE | Alston & Bird LLP / March 2011 80% Fees & 100% Expenses | (\$9,550.10) |
| 06/10/11 | WIRE | First Horizon Insurance Group Inc / New package property for vacant land | (\$9,712.00) |
| 06/10/11 | WIRE | Alston & Bird LLP / April 2011 80% Fees & 100% Expenses | (\$22,461.15) |
| 06/10/11 | WIRE | Frost Brown Todd LLC / March & April 2011 - 80% Fee 95% Expenses | (\$23,131.40) |
| 06/10/11 | WIRE | Epiq Bankruptcy Solutions LLC / April 2011 Invoice | (\$58,725.81) |
| 06/10/11 | WIRE | Navigant Capital Advisors LLC / May 2011 100% Fees & 100% Expenses | (\$165,000.00) |
| 06/10/11 | WIRE | Proskauer Rose LLP / March 2011 80% Fees & 100% Expenses | (\$167,021.27) |
| 06/27/11 | WIRE | Crowe Horwath LLP / 90% Billing for May 31, 2011 federal and state tax returns | (\$26,100.00) |
| 06/27/11 | WIRE | Crowe Horwath LLP / SRHS 403b Audit | (\$11,711.26) |
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| Total Disbursements | | | (\$499,493.56) |

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CHAPTER 11
 MONTHLY OPERATING REPORT
 DETAILED LISTING OF INTER-ACCOUNT TRANSFERS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 2503142

Detail of Transfers In / (Out):

| <u>Date</u> | <u>Check #</u> | <u>Paid To / In Payment Of</u> | <u>Amount</u> |
|-----------------|----------------|---|---------------|
| 06/08/11 | WIRE | Inter-Account Transfer To Acct. #2501658 | (\$359.80) |
| 06/09/11 | WIRE | Inter-Account Transfer To Acct. #2501658 | (\$357.20) |
| 06/16/11 | WIRE | Inter-Account Transfer To Acct. #2501658 | (\$681.71) |
| 06/17/11 | WIRE | Inter-Account Transfer To Acct. #2501658 | (\$213.50) |
| 06/24/11 | WIRE | Inter-Account Transfer To Acct. #2501658 | (\$153.00) |
| 06/27/11 | WIRE | Inter-Account Transfer To Acct. #2501658 | (\$32.00) |
| 06/28/11 | WIRE | Inter-Account Transfer To Acct. #2501658 | (\$521.39) |
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| Total Transfers | | | (\$2,318.60) |

CHAPTER 11
 MONTHLY OPERATING REPORT
 DETAILED LISTING OF RECEIPTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 2501633

Detail of Receipts:

| Date | Received From | Explanation | Amount |
|----------------|---------------|-------------|--------|
| NONE | | | |
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| Total Receipts | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF DISBURSEMENTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 2501633

Detail of Disbursements:

| Date | Check # | Paid To / In Payment Of | Amount |
|---------------------|---------|-------------------------|--------|
| NONE | | | |
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| Total Disbursements | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF INTER-ACCOUNT TRANSFERS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 2501633

Detail of Transfers In / (Out):

| Date | Check # | Paid To / In Payment Of | Amount |
|-----------------|---------|-------------------------|--------|
| NONE | | | |
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| Total Transfers | | | \$0.00 |

CHAPTER 11
 MONTHLY OPERATING REPORT
 DETAILED LISTING OF RECEIPTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 2501641

Detail of Receipts:

| Date | Received From | Explanation | Amount |
|----------------|---------------|-------------|--------|
| NONE | | | |
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| Total Receipts | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF DISBURSEMENTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 2501641

Detail of Disbursements:

| Date | Check # | Paid To / In Payment Of | Amount |
|---------------------|---------|-------------------------|--------|
| NONE | | | |
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| Total Disbursements | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF INTER-ACCOUNT TRANSFERS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 2501641

Detail of Transfers In / (Out):

Table with 4 columns: Date, Check #, Paid To / In Payment Of, Amount. Contains one row with 'NONE' and a 'Total Transfers' row showing \$0.00.

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF RECEIPTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 2501658

Detail of Receipts:

| Date | Received From | Explanation | Amount |
|----------------|---------------|-------------|--------|
| NONE | | | |
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| Total Receipts | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF DISBURSEMENTS

CASE NAME: SRHS BANKRUPTCY, INC.CASE NUMBER: 10-04766MONTH OF: JUNE 2011BANK NAME: Commerce Union BankACCOUNT #: 2501658

Detail of Disbursements:

| <u>Date</u> | <u>Check #</u> | <u>Paid To / In Payment Of</u> | <u>Amount</u> |
|---------------------|----------------|------------------------------------|---------------|
| 06/03/11 | 14116 | Care Management Consulta / CaseMgt | (\$359.80) |
| 06/03/11 | 14117 | The Swafford Law Firm PLL / Legal | (\$114.50) |
| 06/03/11 | 14118 | The Swafford Law Firm PLL / Legal | (\$49.50) |
| 06/03/11 | 14119 | The Swafford Law Firm PLL / Legal | (\$49.50) |
| 06/03/11 | 14120 | Carlisle Medical Inc / Medical | (\$160.21) |
| 06/03/11 | 14121 | Carlisle Medical Inc / Medical | (\$196.99) |
| 06/09/11 | 14122 | JEFFREY E. HAZELWOOD / Medical | (\$681.71) |
| 06/16/11 | 14123 | Brentwood Medical Manage / CaseMgt | (\$49.00) |
| 06/20/11 | 14124 | Carlisle Medical Inc / Medical | (\$102.07) |
| 06/20/11 | 14125 | Carlisle Medical Inc / Medical | (\$419.32) |
| 06/20/11 | 14126 | TENNESSEE ORTHOPAE / Medical | (\$104.00) |
| 06/20/11 | 14127 | TN PHYSICAL MEDICINE / Medical | (\$32.00) |
| 06/29/11 | 14128 | Brentwood Medical Manage / Expense | (\$74.32) |
| Total Disbursements | | | (\$2,392.92) |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF INTER-ACCOUNT TRANSFERS

CASE NAME: SRHS BANKRUPTCY, INC.
CASE NUMBER: 10-04766
MONTH OF: JUNE 2011
BANK NAME: Commerce Union Bank ACCOUNT #: 2501658

Detail of Transfers In / (Out):

| Date | Check # | Paid To / In Payment Of | Amount |
|-----------------|---------|---|------------|
| 06/08/11 | WIRE | Inter-Account Transfer From Acct. #2503142 | \$359.80 |
| 06/09/11 | WIRE | Inter-Account Transfer From Acct. #2503142 | \$357.20 |
| 06/16/11 | WIRE | Inter-Account Transfer From Acct. #2503142 | \$681.71 |
| 06/17/11 | WIRE | Inter-Account Transfer From Acct. #2503142 | \$213.50 |
| 06/24/11 | WIRE | Inter-Account Transfer From Acct. #2503142 | \$153.00 |
| 06/27/11 | WIRE | Inter-Account Transfer From Acct. #2503142 | \$32.00 |
| 06/28/11 | WIRE | Inter-Account Transfer From Acct. #2503142 | \$521.39 |
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| Total Transfers | | | \$2,318.60 |

CHAPTER 11
 MONTHLY OPERATING REPORT
 DETAILED LISTING OF RECEIPTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 2501682

Detail of Receipts:

| Date | Received From | Explanation | Amount |
|----------------|---------------|-------------|--------|
| NONE | | | |
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| Total Receipts | | | \$0.00 |

CHAPTER 11
 MONTHLY OPERATING REPORT
 DETAILED LISTING OF DISBURSEMENTS

CASE NAME: SRHS BANKRUPTCY, INC.
 CASE NUMBER: 10-04766
 MONTH OF: JUNE 2011
 BANK NAME: Commerce Union Bank ACCOUNT #: 2501682

Detail of Disbursements:

| Date | Check # | Paid To / In Payment Of | Amount |
|---------------------|---------|-------------------------|--------|
| NONE | | | |
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| Total Disbursements | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF INTER-ACCOUNT TRANSFERS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 2501682

Detail of Transfers In / (Out):

| <u>Date</u> | <u>Check #</u> | <u>Paid To / In Payment Of</u> | <u>Amount</u> |
|-----------------|----------------|--------------------------------|---------------|
| NONE | | | |
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| Total Transfers | | | <u>\$0.00</u> |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF DISBURSEMENTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 65468

Detail of Disbursements:

| Date | Check # | Paid To / In Payment Of | Amount |
|---------------------|---------|-------------------------|--------|
| NONE | | | |
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| Total Disbursements | | | \$0.00 |

CHAPTER 11
 MONTHLY OPERATING REPORT
 DETAILED LISTING OF INTER-ACCOUNT TRANSFERS

CASE NAME: SRHS BANKRUPTCY, INC.
 CASE NUMBER: 10-04766
 MONTH OF: JUNE 2011
 BANK NAME: Commerce Union Bank ACCOUNT #: 65468

Detail of Transfers In / (Out):

| Date | Check # | Paid To / In Payment Of | Amount |
|-----------------|---------|-------------------------|--------|
| NONE | | | |
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| Total Transfers | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF RECEIPTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 65703

Detail of Receipts:

| <u>Date</u> | <u>Received From</u> | <u>Explanation</u> | <u>Amount</u> |
|-----------------|----------------------------|----------------------------|-------------------|
| <u>06/30/11</u> | <u>Commerce Union Bank</u> | <u>2Q 2010 CD Interest</u> | <u>\$1,087.99</u> |
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| Total Receipts | | | <u>\$1,087.99</u> |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF DISBURSEMENTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank

ACCOUNT #: 65703

Detail of Disbursements:

| Date | Check # | Paid To / In Payment Of | Amount |
|---------------------|---------|-------------------------|--------|
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| Total Disbursements | | | \$0.00 |

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CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF INTER-ACCOUNT TRANSFERS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: Commerce Union Bank ACCOUNT #: 65703

Detail of Transfers In / (Out):

| Date | Check # | Paid To / In Payment Of | Amount |
|-----------------|---------|-------------------------|--------|
| NONE | | | |
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| | | | |
| Total Transfers | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF RECEIPTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: JPMorgan Chase, N.A. ACCOUNT #: 887401263

Detail of Receipts:

| <u>Date</u> | <u>Received From</u> | <u>Explanation</u> | <u>Amount</u> |
|-----------------|----------------------------|--------------------|-----------------|
| <u>06/30/11</u> | <u>JPMorgan Chase Bank</u> | <u>Interest</u> | <u>\$612.22</u> |
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| Total Receipts | | | <u>\$612.22</u> |

CHAPTER 11
 MONTHLY OPERATING REPORT
 DETAILED LISTING OF DISBURSEMENTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: JPMorgan Chase, N.A. ACCOUNT #: 887401263

Detail of Disbursements:

| Date | Check # | Paid To / In Payment Of | Amount |
|---------------------|---------|-------------------------|--------|
| NONE | | | |
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| Total Disbursements | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF INTER-ACCOUNT TRANSFERS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: JPMorgan Chase, N.A. ACCOUNT #: 887401263

Detail of Transfers In / (Out):

| Date | Check # | Paid To / In Payment Of | Amount |
|-----------------|---------|-------------------------|--------|
| NONE | | | |
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| Total Transfers | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF RECEIPTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: JPMorgan Chase, N.A. ACCOUNT #: 887401255

Detail of Receipts:

| Date | Received From | Explanation | Amount |
|----------------|---------------|-------------|--------|
| NONE | | | |
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| Total Receipts | | | \$0.00 |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF DISBURSEMENTS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: JPMorgan Chase, N.A. ACCOUNT #: 887401255

Detail of Disbursements:

| <u>Date</u> | <u>Check #</u> | <u>Paid To / In Payment Of</u> | <u>Amount</u> |
|---------------------|----------------|--|---------------|
| 06/06/11 | 1142 | Gallatin Department of Electricity / Utilities | (\$15.07) |
| 06/06/11 | 1143 | Gallatin Public Utilities / Utilities | (\$18.50) |
| 06/13/11 | 1144 | Puryear Farms, Inc. / Lawn Maintenance | (\$875.94) |
| 06/15/11 | ACH | JPMorgan Chase / Bank Fees | (\$344.06) |
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| | | | |
| Total Disbursements | | | (\$1,253.57) |

CHAPTER 11
MONTHLY OPERATING REPORT
DETAILED LISTING OF INTER-ACCOUNT TRANSFERS

CASE NAME: SRHS BANKRUPTCY, INC.

CASE NUMBER: 10-04766

MONTH OF: JUNE 2011

BANK NAME: JPMorgan Chase, N.A. ACCOUNT #: 887401255

Detail of Transfers In / (Out):

| Date | Check # | Paid To / In Payment Of | Amount |
|-----------------|---------|-------------------------|--------|
| NONE | | | |
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| | | | |
| Total Transfers | | | \$0.00 |

SRHS BANKRUPTCY, INC.
Comparative Balance Sheets

| | <u>Apr-10</u> | <u>May-10</u> | <u>Jun-10</u> | <u>Jul-10</u> | <u>Aug-10</u> | <u>Sep-10</u> | <u>Oct-10</u> | <u>Nov-10</u> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|
| ASSETS | | | | | | | | |
| Current Assets | | | | | | | | |
| Cash and Cash Equivalents | \$ 5,086,065 | \$ 8,971,384 | \$ 12,394,423 | \$ 9,063,816 | \$ 29,604,148 | \$ 26,545,369 | \$ 24,935,439 | \$ 24,258,418 |
| Marketable Securities | 4,455,992 | 4,452,208 | 4,497,094 | 4,549,511 | 88 | - | - | - |
| Certificate of Deposit | 705,282 | 705,282 | 708,630 | 708,630 | 708,630 | 712,032 | 712,032 | 712,032 |
| Accounts Receivable (Net) | 10,415,945 | 12,486,591 | 11,477,803 | 10,860,583 | 27,573 | 588,645 | 498,944 | 503,281 |
| Notes Receivable (Net) | 2,009,501 | 1,958,784 | 1,891,264 | 1,847,680 | - | - | - | - |
| Inventories | 2,129,211 | 2,122,820 | 2,122,664 | 2,122,030 | - | - | - | - |
| Prepaid Expenses | 3,647,321 | 4,318,742 | 4,365,428 | 3,759,441 | 1,355,882 | 1,331,975 | 1,312,794 | 1,162,358 |
| Interest Receivable | - | 43,022 | 86,044 | 129,066 | 172,088 | - | - | - |
| Other | 4,061,514 | 583,576 | 583,613 | 583,618 | - | - | - | - |
| Medicare/Medicaid (Net) | (681,348) | (645,858) | (745,122) | (818,755) | (813,873) | (813,873) | (813,873) | (813,873) |
| Due To/From | 15,179,230 | 15,069,159 | 15,077,169 | 16,288,582 | 14,550,213 | 16,870,675 | 17,640,608 | 18,099,883 |
| Total Current Assets | 47,008,713 | 50,065,712 | 52,459,010 | 49,094,203 | 45,604,749 | 45,234,823 | 44,285,945 | 43,922,099 |
| Property, Plant and Equipment | | | | | | | | |
| Automobiles | 213,738 | 213,738 | 213,738 | 213,738 | - | - | - | - |
| Building | 106,867,984 | 106,867,984 | 106,867,984 | 106,884,224 | - | - | - | - |
| Dietary Equipment | 36,173 | 36,173 | 36,173 | 36,173 | - | - | - | - |
| Fixed Equipment | 9,634,069 | 9,634,069 | 9,634,069 | 9,634,069 | 76,047 | 76,047 | 76,047 | 76,047 |
| Land | 3,450,564 | 3,450,564 | 3,450,564 | 3,450,564 | - | - | - | - |
| Land Improvements | 2,549,457 | 2,549,457 | 2,549,457 | 2,549,457 | - | - | - | - |
| Major Movable Equipment | 62,553,348 | 62,553,348 | 62,584,119 | 62,581,469 | 1,394,724 | 1,394,724 | 1,394,724 | 1,394,724 |
| Minor Equipment | 11,942,910 | 11,942,910 | 11,942,910 | 11,886,979 | - | - | - | - |
| Leasehold Improvements | 318,658 | 318,658 | 318,658 | 318,658 | 30,000 | 30,000 | 30,000 | 30,000 |
| Assets Held for Sale | 15,406,539 | 15,406,539 | 15,406,539 | 15,406,539 | 13,410,277 | 13,410,277 | 13,410,277 | 13,410,277 |
| | 212,973,439 | 212,973,439 | 213,004,209 | 212,961,869 | 14,911,048 | 14,911,048 | 14,911,048 | 14,911,048 |
| Less: Accumulated Depreciation | (85,268,866) | (86,015,848) | (86,722,004) | (87,399,859) | (4,937,331) | (4,960,029) | (4,982,727) | (5,005,425) |
| Net Property, Plant and Equipment | 127,704,573 | 126,957,591 | 126,282,205 | 125,562,010 | 9,973,717 | 9,951,019 | 9,928,321 | 9,905,623 |
| Other Assets | | | | | | | | |
| Bond Issue Expense | 3,009,057 | 3,000,345 | 2,991,632 | 2,982,920 | - | - | - | - |
| Debt Service Reserve Fund | 8,848,876 | 8,848,881 | 8,848,887 | 8,848,893 | - | - | - | - |
| Bond Project Fund | 3,858,967 | 3,858,999 | 3,859,032 | 3,859,063 | - | - | - | - |
| Prepaid Lease | 6,074,444 | 6,053,055 | 6,031,667 | 6,010,278 | - | - | - | - |
| Library Fund | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Utility Deposits | 239,764 | 239,764 | 239,764 | 239,764 | 173,791 | 173,791 | 173,791 | 173,791 |
| Investments | 829,662 | 855,421 | 754,709 | 774,642 | 79,500 | 79,500 | 79,500 | 79,500 |
| Total Other Assets | 22,870,770 | 22,866,464 | 22,735,691 | 22,725,560 | 263,291 | 263,291 | 263,291 | 263,291 |
| TOTAL ASSETS | \$ 197,584,056 | \$ 199,889,767 | \$ 201,476,906 | \$ 197,381,773 | \$ 55,841,757 | \$ 55,449,133 | \$ 54,477,556 | \$ 54,091,012 |

SRHS BANKRUPTCY, INC.
Comparative Balance Sheets

| | <u>Dec-10</u> | <u>Jan-11</u> | <u>Feb-11</u> | <u>Mar-11</u> | <u>Apr-11</u> | <u>May-11</u> | <u>Jun-11</u> |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| ASSETS | | | | | | | |
| Current Assets | | | | | | | |
| Cash and Cash Equivalents | \$ 23,949,183 | \$ 23,642,251 | \$ 23,298,193 | \$ 22,979,307 | \$ 22,264,437 | \$ 22,037,957 | \$ 21,535,429 |
| Marketable Securities | - | - | - | - | - | - | - |
| Certificate of Deposit | 715,450 | 715,450 | 715,450 | 718,497 | 718,497 | 718,497 | 720,201 |
| Accounts Receivable (Net) | 503,281 | 778,793 | 778,098 | 778,098 | 778,098 | 778,098 | 778,098 |
| Notes Receivable (Net) | - | - | - | - | - | - | - |
| Inventories | - | - | - | - | - | - | - |
| Prepaid Expenses | 1,096,729 | 1,103,425 | 1,060,446 | 1,110,497 | 1,100,676 | 1,090,855 | 1,085,891 |
| Interest Receivable | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - |
| Medicare/Medicaid (Net) | (813,873) | (1,039,396) | (1,039,396) | (1,039,396) | (1,039,396) | (1,039,396) | (1,039,396) |
| Due To/From | 17,788,585 | 18,213,890 | 17,958,324 | 17,745,636 | 17,880,247 | 17,627,040 | 17,899,340 |
| Total Current Assets | 43,239,356 | 43,414,413 | 42,771,115 | 42,292,640 | 41,702,559 | 41,213,052 | 40,979,563 |
| Property, Plant and Equipment | | | | | | | |
| Automobiles | - | - | - | - | - | - | - |
| Building | - | - | - | - | - | - | - |
| Dietary Equipment | - | - | - | - | - | - | - |
| Fixed Equipment | 76,047 | 76,047 | 76,047 | 76,047 | 76,047 | 76,047 | 76,047 |
| Land | - | - | - | - | - | - | - |
| Land Improvements | - | - | - | - | - | - | - |
| Major Movable Equipment | 1,394,724 | 1,394,724 | 1,394,724 | 1,394,724 | 1,394,724 | 1,394,724 | 1,394,724 |
| Minor Equipment | - | - | - | - | - | - | - |
| Leasehold Improvements | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| Assets Held for Sale | 13,410,277 | 13,410,277 | 13,410,277 | 13,410,277 | 13,410,277 | 13,410,277 | 13,410,277 |
| | 14,911,048 | 14,911,048 | 14,911,048 | 14,911,048 | 14,911,048 | 14,911,048 | 14,911,048 |
| Less: Accumulated Depreciation | (5,027,274) | (5,027,274) | (5,027,274) | (5,027,274) | (5,027,274) | (5,027,274) | (5,027,274) |
| Net Property, Plant and Equipment | 9,883,774 | 9,883,774 | 9,883,774 | 9,883,774 | 9,883,774 | 9,883,774 | 9,883,774 |
| Other Assets | | | | | | | |
| Bond Issue Expense | - | - | - | - | - | - | - |
| Debt Service Reserve Fund | - | - | - | - | - | - | - |
| Bond Project Fund | - | - | - | - | - | - | - |
| Prepaid Lease | - | - | - | - | - | - | - |
| Library Fund | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Utility Deposits | 173,791 | 173,791 | 173,791 | 173,791 | 173,791 | 173,791 | 173,791 |
| Investments | 79,500 | 79,500 | 79,500 | 79,500 | 79,500 | 79,500 | 79,500 |
| Total Other Assets | 263,291 | 263,291 | 263,291 | 263,291 | 263,291 | 263,291 | 263,291 |
| TOTAL ASSETS | \$ 53,386,421 | \$ 53,561,478 | \$ 52,918,180 | \$ 52,439,705 | \$ 51,849,624 | \$ 51,360,117 | \$ 51,126,628 |

SRHS BANKRUPTCY, INC.
Comparative Balance Sheets

| | <u>Apr-10</u> | <u>May-10</u> | <u>Jun-10</u> | <u>Jul-10</u> | <u>Aug-10</u> | <u>Sep-10</u> | <u>Oct-10</u> | <u>Nov-10</u> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|----------------------|
| LIABILITIES AND FUND BALANCE | | | | | | | | |
| POST-PETITION LIABILITIES: | | | | | | | | |
| <i>Current Liabilities</i> | | | | | | | | |
| Accounts Payable | \$ 176,222 | \$ 2,446,709 | \$ 4,357,852 | \$ 4,263,131 | \$ 5,502,867 | \$ 3,317,696 | \$ 2,521,009 | \$ 2,027,604 |
| Salaries, Wages and Taxes Payable | - | 2,638,181 | 2,816,652 | 885,234 | 1,589,811 | 37,539 | 2 | 2 |
| Other Accrued Liabilities | - | 405,000 | 405,000 | 2,108,594 | - | - | - | - |
| Total Current Liabilities | 176,222 | 5,489,891 | 7,579,504 | 7,256,958 | 7,092,677 | 3,355,235 | 2,521,011 | 2,027,605 |
| PRE-PETITION LIABILITIES: | | | | | | | | |
| <i>Current Liabilities</i> | | | | | | | | |
| Accounts Payable | 10,648,400 | 7,033,438 | 7,053,167 | 7,063,306 | 4,612,461 | 4,618,809 | 4,569,200 | 4,546,049 |
| Salaries, Wages and Taxes Payable | 2,811,292 | 2,888,862 | 2,823,435 | 2,823,435 | 928,184 | 928,184 | 915,117 | 915,117 |
| Capital Leases | 270,774 | 269,214 | 268,086 | 266,953 | 266,953 | 269,601 | 270,874 | 271,298 |
| Bonds Payable | 134,418,406 | 134,390,367 | 134,374,457 | 134,358,491 | 15,791,302 | 15,623,911 | 15,623,911 | 15,623,911 |
| Other Accrued Liabilities | 978,777 | 978,777 | 978,777 | 978,777 | 500,000 | 500,000 | 500,000 | 500,000 |
| Due To/From | - | - | - | - | (5,239,432) | (2,480,609) | (1,692,737) | (1,369,424) |
| Total Current Liabilities | 149,127,649 | 145,560,657 | 145,497,921 | 145,490,961 | 16,859,468 | 19,459,896 | 20,186,366 | 20,486,952 |
| <i>Long-Term Liabilities</i> | | | | | | | | |
| Capital Leases | 159,831 | 136,315 | 113,573 | 90,718 | 90,718 | 44,668 | 22,389 | - |
| Total Long-Term Liabilities | 159,831 | 136,315 | 113,573 | 90,718 | 90,718 | 44,668 | 22,389 | - |
| PRE- & POST-PETITION LIABILITIES: | | | | | | | | |
| <i>Current Liabilities</i> | | | | | | | | |
| Other Accrued Liabilities | 381,133 | 470,604 | 564,475 | 329,372 | - | - | - | - |
| Total Current Liabilities | 381,133 | 470,604 | 564,475 | 329,372 | - | - | - | - |
| TOTAL LIABILITIES | 149,844,835 | 151,657,467 | 153,755,473 | 153,168,009 | 24,042,863 | 22,859,800 | 22,729,765 | 22,514,557 |
| FUND BALANCE | | | | | | | | |
| <i>Designated</i> | | | | | | | | |
| Library Fund | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| <i>Undesignated</i> | | | | | | | | |
| Net Gain/Loss - Year to Date | (15,526,713) | (15,033,634) | (510,867) | (4,018,536) | (16,433,407) | (15,642,967) | (16,484,509) | (16,655,845) |
| Capital General Fund | 63,255,934 | 63,255,934 | 48,222,300 | 48,222,300 | 48,222,300 | 48,222,300 | 48,222,300 | 48,222,300 |
| TOTAL FUND BALANCE | 47,739,221 | 48,232,300 | 47,721,433 | 44,213,764 | 31,798,894 | 32,589,333 | 31,747,791 | 31,576,455 |
| TOTAL LIABILITIES AND FUND BALANCE | \$ 197,584,056 | \$ 199,889,767 | \$ 201,476,906 | \$ 197,381,773 | \$ 55,841,757 | \$ 55,449,133 | \$ 54,477,556 | \$ 54,091,012 |

SRHS BANKRUPTCY, INC.
Comparative Balance Sheets

| | <u>Dec-10</u> | <u>Jan-11</u> | <u>Feb-11</u> | <u>Mar-11</u> | <u>Apr-11</u> | <u>May-11</u> | <u>Jun-11</u> |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| LIABILITIES AND FUND BALANCE | | | | | | | |
| POST-PETITION LIABILITIES: | | | | | | | |
| <i>Current Liabilities</i> | | | | | | | |
| Accounts Payable | \$ 2,338,216 | \$ 2,080,021 | \$ 2,086,781 | \$ 2,438,707 | \$ 2,307,830 | \$ 2,565,030 | \$ 2,302,127 |
| Salaries, Wages and Taxes Payable | 2 | - | - | - | - | - | - |
| Other Accrued Liabilities | - | - | - | - | - | - | - |
| Total Current Liabilities | 2,338,217 | 2,080,021 | 2,086,781 | 2,438,707 | 2,307,830 | 2,565,030 | 2,302,127 |
| PRE-PETITION LIABILITIES: | | | | | | | |
| <i>Current Liabilities</i> | | | | | | | |
| Accounts Payable | 4,546,875 | 4,593,048 | 4,530,137 | 4,527,428 | 4,526,540 | 4,525,556 | 4,525,273 |
| Salaries, Wages and Taxes Payable | 915,117 | 915,119 | 915,119 | 915,119 | 915,119 | 915,119 | 915,119 |
| Capital Leases | 247,488 | 247,488 | 247,488 | 247,488 | 247,488 | 247,488 | 247,488 |
| Bonds Payable | 15,623,911 | 15,623,911 | 15,623,911 | 15,623,911 | 15,623,911 | 15,623,911 | 15,623,911 |
| Other Accrued Liabilities | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Due To/From | (1,681,388) | (1,063,217) | (1,320,437) | (1,535,497) | (1,402,189) | (1,656,958) | (1,386,767) |
| Total Current Liabilities | 20,152,004 | 20,816,349 | 20,496,218 | 20,278,448 | 20,410,869 | 20,155,116 | 20,425,023 |
| <i>Long-Term Liabilities</i> | | | | | | | |
| Capital Leases | - | - | - | - | - | - | - |
| Total Long-Term Liabilities | - | - | - | - | - | - | - |
| PRE- & POST-PETITION LIABILITIES: | | | | | | | |
| <i>Current Liabilities</i> | | | | | | | |
| Other Accrued Liabilities | - | - | - | - | - | - | - |
| Total Current Liabilities | - | - | - | - | - | - | - |
| TOTAL LIABILITIES | 22,490,221 | 22,896,370 | 22,582,999 | 22,717,155 | 22,718,698 | 22,720,146 | 22,727,150 |
| FUND BALANCE | | | | | | | |
| <i>Designated</i> | | | | | | | |
| Library Fund | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| <i>Undesignated</i> | | | | | | | |
| Net Gain/Loss - Year to Date | (17,336,101) | (17,567,192) | (17,897,119) | (18,509,750) | (19,101,374) | (19,592,329) | (19,832,822) |
| Capital General Fund | 48,222,300 | 48,222,300 | 48,222,300 | 48,222,300 | 48,222,300 | 48,222,300 | 48,222,300 |
| TOTAL FUND BALANCE | 30,896,200 | 30,665,108 | 30,335,181 | 29,722,550 | 29,130,926 | 28,639,971 | 28,399,478 |
| TOTAL LIABILITIES AND FUND BALANCE | \$ 53,386,421 | \$ 53,561,478 | \$ 52,918,180 | \$ 52,439,705 | \$ 51,849,624 | \$ 51,360,117 | \$ 51,126,628 |

SUMMARY OF ACCOUNTS RECEIVABLE

CASE NAME: SRHS BANKRUPTCY, INC.CASE NUMBER: 10-04766MONTH ENDED: JUNE 2011

| | TOTAL | 0-30 DAYS | 31-60 DAYS | 61-90 DAYS | OVER 90 DAYS |
|--|------------------|--------------|---------------|---------------|-----------------|
| A/R NPC | \$245 | \$0 | \$0 | \$0 | \$245 |
| A/R Corp Associates | 14,771 | 0 | 0 | 0 | 14,771 |
| A/R Indemnity Escrow | 3,000,000 | 0 | 0 | 0 | 3,000,000 |
| A/R Hampshare Realty-Manages MOBs and Apartment: | 4,208 | 0 | 0 | 0 | 4,208 |
| A/R Foundation | 175,011 | 0 | 0 | 0 | 175,011 |
| A/R LifePoint | 775,085 | 0 | 0 | 0 | 775,085 |
| A/R Reserve for A/R Corp Associates | (14,771) | | | | |
| A/R Reserve for Net Working Capital Settlement | (3,000,000) | | | | |
| A/R Reserve Doubtful Accounts | (176,450) | | | | |
| Balance Per G/L | <u>\$778,098</u> | | | | |

SCHEDULE OF POST-PETITION LIABILITIES

CASE NAME: SRHS BANKRUPTCY, INC.CASE NUMBER: 10-04766MONTH ENDED: JUNE 2011

| LIABILITY TYPE | VENDOR | DATE INCURRED | DATE DUE | TOTAL DUE | 0-30 DAYS | 31-60 DAYS | 61-90 DAYS | OVER 90 DAYS |
|----------------|--------------------------------------|------------------|-------------|-----------------------|---------------|---------------|---------------|-----------------|
| AP - Accrued | Navigant Consulting | JUN. 2011 | Accrual | \$39,069.09 | | | | |
| AP - Accrued | Proskauer | JUN. 2011 | Accrual | \$639,505.42 | | | | |
| AP - Accrued | Frost Todd Brown | JUN. 2011 | Accrual | \$30,265.89 | | | | |
| AP - Accrued | Mintz Levin | JUN. 2011 | Accrual | \$40,000.00 | | | | |
| AP - Accrued | Prochaska Thompson, Quinn & Ferr | JUN. 2011 | Accrual | \$40,000.00 | | | | |
| AP - Accrued | Alston & Bird LLP | JUN. 2011 | Accrual | \$41,178.17 | | | | |
| AP - Accrued | Smythe Puryear & Robertson | JUN. 2011 | Accrual | \$8,646.26 | | | | |
| AP - Accrued | Deloitte | JUN. 2011 | Accrual | \$148,672.22 | | | | |
| AP - Accrued | U.S. Trustee | JUN. 2011 | Accrual | \$8,450.00 | | | | |
| AP - Accrued | Epiq | JUN. 2011 | Accrual | \$100,000.00 | | | | |
| AP - Accrued | Property Taxes - Cattleman Property | JUN. 2011 | Accrual | \$6,450.00 | | | | |
| AP - Accrued | Property Taxes - Sumner Station | JUN. 2011 | Accrual | \$9,772.00 | | | | |
| AP - Accrued | Property Taxes - Property Management | JUN. 2011 | Accrual | \$1,596.00 | | | | |
| AP - Accrued | Property Taxes - Westmoreland | JUN. 2011 | Accrual | \$372.00 | | | | |
| AP - Accrued | Property Taxes - Administration | JUN. 2011 | Accrual | \$48,040.00 | | | | |
| AP - Accrued | Property Taxes - Catering | JUN. 2011 | Accrual | \$632.00 | | | | |
| AP - Accrued | Citadel-Rent/Default Interest | JUN. 2011 | Accrual | \$148,088.15 | | | | |
| AP - Other | Accrual Rejection Damages | JUN. 2011 | Accrual | \$1,000,000.00 | | | | |
| AP - Other | Sumner Station Fitness Center | JUN. 2011 | Accrual | (\$8,610.29) | | | | |
| TOTALS | | | | \$2,302,126.91 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

SRHS BANKRUPTCY, INC.
Statement of Income (Loss)

| | <u>Actual May-10</u> | <u>Actual Jun-10</u> | <u>Actual Jul-10</u> | <u>Actual Aug-10</u> | <u>Actual Sep-10</u> | <u>Actual Oct-10</u> | <u>Actual Nov-10</u> | <u>Actual Dec-10</u> |
|--------------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Gross Patient Revenue | | | | | | | | |
| Inpatient Revenue | \$ 13,228,791 | \$ 11,206,569 | \$ 11,577,633 | \$ 12,352,560 | \$ - | \$ - | \$ - | \$ - |
| Outpatient Revenue | 13,677,279 | 13,764,332 | 14,157,049 | 14,891,110 | - | - | - | - |
| Total Gross Patient Revenue | 26,906,070 | 24,970,901 | 25,734,681 | 27,243,670 | - | - | - | - |
| Deductions from Revenue | | | | | | | | |
| Contractual Adjustments | 16,437,881 | 15,528,672 | 16,668,561 | 18,273,932 | - | - | - | - |
| Charity | 1,048,239 | 1,042,942 | 1,121,281 | 1,088,214 | - | - | - | - |
| Total Deductions from Revenue | 17,486,120 | 16,571,613 | 17,789,842 | 19,362,147 | - | - | - | - |
| Net Patient Revenue | 9,419,950 | 8,399,288 | 7,944,839 | 7,881,524 | - | - | - | - |
| Other Operating Revenue | 374,006 | 228,130 | 228,671 | 247,908 | 51,509 | 24,496 | 30,199 | 25,471 |
| Net Revenue | 9,793,957 | 8,627,418 | 8,173,510 | 8,129,432 | 51,509 | 24,496 | 30,199 | 25,471 |
| Operating Expenses | | | | | | | | |
| Salaries & Wages | 3,353,601 | 3,078,842 | 3,221,679 | 3,439,571 | (51,756) | 57,678 | - | - |
| Associate Benefits | 800,486 | 753,611 | 817,658 | 789,447 | (29,195) | 192,824 | (64,812) | - |
| Professional Fees | 361,710 | 291,480 | 303,147 | (1,422,774) | (575,584) | 2,534,203 | 39,439 | - |
| Purchased Services | 394,321 | 179,894 | 340,135 | 215,016 | (7,665) | 8,174 | - | - |
| Materials, Supplies and Other | 360,920 | 356,279 | 358,932 | 243,407 | (398,841) | 38,808 | 66,934 | 98,719 |
| Medical Supplies & Drugs | 1,115,073 | 1,026,326 | 1,102,057 | 1,288,224 | 2,151 | 32,756 | (4,248) | - |
| Repairs & Maintenance | 333,084 | 354,930 | 329,991 | 299,919 | 5,712 | 5,289 | 3,222 | 3,891 |
| Utilities | 221,130 | 163,784 | 154,684 | 337,609 | 68,750 | 880 | 751 | 427 |
| Leases | 409,617 | 275,754 | 597,986 | 439,522 | - | - | - | - |
| Depreciation & Amortization | 777,083 | 736,257 | 735,775 | 723,789 | 22,698 | 22,698 | 22,698 | 21,849 |
| Provision for Bad Debt | 325,375 | 912,765 | 1,212,751 | 703,928 | - | - | - | - |
| Interest Expense | 630,545 | 604,790 | 608,249 | 603,825 | 3,578 | 1,493 | 1,524 | 1,660 |
| Management Fees | (476,488) | (470,753) | (953,389) | (4,290,452) | (61,994) | - | - | - |
| Restructuring Costs | 797,081 | 1,000,351 | 2,970,172 | 17,250,515 | 317,265 | (2,016,344) | 143,050 | 583,230 |
| Total Operating Expenses | 9,403,538 | 9,264,310 | 11,799,826 | 20,621,547 | (704,882) | 878,458 | 208,558 | 709,776 |
| Income from Operations | 390,418 | (636,893) | (3,626,316) | (12,492,115) | 756,391 | (853,963) | (178,358) | (684,306) |
| Interest Income | 12,431 | 11,582 | 9,645 | 10,272 | 10,896 | 592 | 653 | 4,051 |
| Bond Income | 36,905 | 36,882 | 36,849 | 36,822 | 21,123 | - | - | - |
| Contributions, Fundraising & Other | - | - | 355 | 1,826 | - | - | - | - |
| Investment Gain/Loss | 53,325 | 77,561 | 71,798 | 28,324 | 2,030 | 11,829 | 6,369 | - |
| Extraordinary Gain/Loss | - | - | - | - | - | - | - | - |
| Total Non-Operating Revenue | 102,661 | 126,025 | 118,647 | 77,244 | 34,049 | 12,420 | 7,022 | 4,051 |
| Net Income | \$ 493,079 | \$ (510,867) | \$ (3,507,669) | \$ (12,414,870) | \$ 790,440 | \$ (841,542) | \$ (171,336) | \$ (680,255) |

SRHS BANKRUPTCY, INC.
Statement of Income (Loss)

| | Actual Jan-11 | Actual Feb-11 | Actual Mar-11 | Actual Apr-11 | Actual May-11 | Actual Jun-11 | Actual Filing To-Date |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------------|
| Gross Patient Revenue | | | | | | | |
| Inpatient Revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 48,365,553 |
| Outpatient Revenue | - | - | - | - | - | - | 56,489,770 |
| Total Gross Patient Revenue | - | - | - | - | - | - | 104,855,322 |
| Deductions from Revenue | | | | | | | |
| Contractual Adjustments | 145,717 | - | - | - | - | - | 67,054,762 |
| Charity | - | - | - | - | - | - | 4,300,676 |
| Total Deductions from Revenue | 145,717 | - | - | - | - | - | 71,355,438 |
| Net Patient Revenue | (145,717) | - | - | - | - | - | 33,499,884 |
| Other Operating Revenue | 1,927 | 2,019 | 5,203 | 1,367 | (4) | - | 1,219,539 |
| Net Revenue | (143,790) | 2,019 | 5,203 | 1,367 | (4) | - | 34,719,423 |
| Operating Expenses | | | | | | | |
| Salaries & Wages | - | - | - | - | - | - | 13,099,614 |
| Associate Benefits | (9,973) | - | - | - | - | - | 3,250,046 |
| Professional Fees | 18,661 | - | 18,863 | - | 2,500 | 37,811 | 1,569,144 |
| Purchased Services | - | - | - | - | - | - | 1,129,875 |
| Materials, Supplies and Other | (1,804) | (8,440) | 47,061 | 18,270 | 18,232 | 27,081 | 1,161,974 |
| Medical Supplies & Drugs | (567) | - | - | - | - | - | 4,561,772 |
| Repairs & Maintenance | (64) | 4,144 | 2,072 | 2,072 | 10,450 | 2,948 | 1,342,190 |
| Utilities | 246 | 702 | 913 | 168 | 383 | 34 | 949,876 |
| Leases | - | - | - | - | - | - | 1,722,879 |
| Depreciation & Amortization | - | - | - | - | - | - | 3,062,848 |
| Provision for Bad Debt | - | - | - | - | - | - | 3,154,818 |
| Interest Expense | - | - | - | - | - | - | 2,455,665 |
| Management Fees | - | - | - | - | - | - | (6,253,077) |
| Restructuring Costs | 81,434 | 336,112 | 552,604 | 573,073 | 460,039 | 174,935 | 22,015,470 |
| Total Operating Expenses | 87,934 | 332,517 | 621,513 | 593,583 | 491,604 | 242,809 | 53,223,096 |
| Income from Operations | (231,724) | (330,498) | (616,310) | (592,216) | (491,608) | (242,809) | (18,503,673) |
| Interest Income | 633 | 571 | 3,679 | 592 | 653 | 2,316 | 65,004 |
| Bond Income | - | - | - | - | - | - | 168,581 |
| Contributions, Fundraising & Other | - | - | - | - | - | - | 2,181 |
| Investment Gain/Loss | - | - | - | - | - | - | 251,236 |
| Extraordinary Gain/Loss | - | - | - | - | - | - | - |
| Total Non-Operating Revenue | 633 | 571 | 3,679 | 592 | 653 | 2,316 | 487,002 |
| Net Income | \$ (231,092) | \$ (329,927) | \$ (612,631) | \$ (591,624) | \$ (490,955) | \$ (240,493) | \$ (18,016,671) |