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AMERICAN SHARED HOSPITAL SERVICES Form 10-Q May 15, 2013
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549
FORM 10-Q
(Mark One)
QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF $^{\rm X}$ 1934
For the quarterly period ended March 31, 2013 or
TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE AC OF 1934
For the transition period from to
Commission file number 1-08789
American Shared Hospital Services
(Exact name of registrant as specified in its charter)

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California 94-2918118 (State or other jurisdiction of (IRS Employer Incorporation or organization) Identification No.)

Four Embarcadero Center, Suite 3700, San Francisco, California 94111 (Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (415) 788-5300

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No "

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer "Accelerated Filer "Non-Accelerated Filer "Smaller reporting company x

As of May 1, 2013, there are outstanding 4,605,870 shares of the Registrant's common stock.

PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

AMERICAN SHARED HOSPITAL SERVICES

CONDENSED CONSOLIDATED BALANCE SHEETS

ASSETS	(unaudited) March 31, 2013	December 31, 2012
Current assets:		
Cash and cash equivalents	\$ 1,302,000	\$ 1,564,000
Restricted cash	50,000	50,000
Certificate of deposit	9,000,000	9,000,000
Accounts receivable, net of allowance for doubtful accounts of \$100,000 in 2013 and \$100,000 in 2012	4,510,000	3,706,000
Other receivables	311,000	401,000
Prepaid expenses and other current assets	788,000	925,000
Current deferred tax assets	311,000	310,000
Total current assets	16,272,000	15,956,000
Property and equipment:		
Medical equipment and facilities	84,334,000	84,453,000
Office equipment	694,000	694,000
Deposits and construction in progress	9,872,000	9,754,000
	94,900,000	94,901,000
Accumulated depreciation and amortization	(42,683,000	(41,224,000)
Net property and equipment	52,217,000	53,677,000
Investment in preferred stock	2,687,000	2,687,000
Other assets	978,000	1,003,000
Total assets	\$72,154,000	\$ 73,323,000
LIABILITIES AND SHAREHOLDERS' EQUITY	(unaudited) March 31, 2013	December 31, 2012

Current liabilities:

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Accounts payable	\$ 434,000	\$ 263,000	
Employee compensation and benefits	188,000	168,000	
Customer deposits/deferred revenue	747,000	747,000	
Other accrued liabilities	1,172,000	801,000	
Current portion of long-term debt	4,159,000	3,932,000	
Current portion of obligations under capital leases	3,727,000	3,742,000	
Total current liabilities	10,427,000	9,653,000	
Long-term debt, less current portion	12,820,000	13,837,000	
Long-term capital leases, less current portion	12,232,000	13,173,000	
Advances on line of credit	8,550,000	8,550,000	
Deferred income taxes	3,280,000	3,280,000	
Shareholders' equity:			
Common stock (4,606,000 shares at March 31, 2013 and 4,606,000 shares at	8,578,000	8,578,000	
December 31, 2012)	4.020.000	4 002 000	
Additional paid-in capital	4,939,000	4,902,000	`
Accumulated other comprehensive income (loss)	(349,000) (357,000)
Retained earnings	6,831,000	6,806,000	
Total equity-American Shared Hospital Services	19,999,000	19,929,000	
Non-controlling interest in subsidiary	4,846,000	4,901,000	
Total shareholders' equity	24,845,000	24,830,000	
Tatal liabilities and shough aldered assists	¢ 72 154 000	¢ 72 222 000	
Total liabilities and shareholders' equity	\$ 72,154,000	\$ 73,323,000	

See accompanying notes

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AMERICAN SHARED HOSPITAL SERVICES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

	Three Months ended March 31,	
	2013	2012
Medical services revenue	\$4,668,000	\$4,403,000
Costs of revenue:		
Maintenance and supplies	381,000	390,000
Depreciation and amortization	1,474,000	1,545,000
Other direct operating costs	695,000	631,000
	2,550,000	2,566,000
Gross Margin	2,118,000	1,837,000
Selling and administrative expense	1,235,000	1,024,000
Interest expense	471,000	574,000
Operating income	412,000	239,000
Interest and other income (loss)	(127,000)	1,000
Income before income taxes	285,000	240,000
Income tax expense	52,000	11,000
Net income Less: Net income attributable to non-controlling interest	233,000 (208,000)	229,000 (220,000)
Net income attributable to American Shared Hospital Services	\$25,000	\$9,000
Net income per share:		
Earnings per common share - basic	\$0.01	\$-
Earnings per common share - diluted	\$0.01	\$-

See accompanying notes

AMERICAN SHARED HOSPITAL SERVICES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)

	Three 2013	months ended March 30,	2012	
Net income attributable to American Shared Hospital Services	\$	25,000	\$	9,000
Other comprehensive income: Foreign currency translation adjustments		22,000		-
Total comprehensive income Less comprehensive income attributable to		47,000 14,000		9,000
the non-controlling interest		14,000		
Comprehensive income attributable to American Shared Hospital Services	\$	33,000	\$	9,000
See accompanying notes				

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AMERICAN SHARED HOSPITAL SERVICES

CONDENSED CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY

PERIODS ENDED DECEMBER 31, 2011 AND 2012 AND MARCH 31, 2013

	Common Shares	Common Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Income Earnings (Loss)	Sub-Total ASHS	Non-controll Interests in Subsidiaries	
Balances at January 1, 2011	4,597,000	\$8,606,000	\$4,703,000		\$19,571,000	\$3,473,000	\$23,044,000
Stock based compensation expense	14,000	-	125,000		125,000	-	125,000
Investment in subsidiaries by non-controlling interests	-	-	-		-	1,509,000	1,509,000
Cash distributions to non-controlling interests	-	-	-		-	(996,000)	(996,000)
Net income	-	-	-	- 506,000	506,000	983,000	1,489,000
Balances at December 31, 2011	4,611,000	8,606,000	4,828,000	- 6,768,000	20,202,000	4,969,000	25,171,000
Repurchase of common stock	(9,000)	(28,000)	-		(28,000)	-	(28,000)