

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 1934

For the quarterly period ended March 31, 2013 or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT 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)



## 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)	December 31,
	March 31, 2013	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 December 31, 2012)	8,578,000	8,578,000
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
Total liabilities and shareholders' equity	\$ 72,154,000	\$ 73,323,000

See accompanying notes

**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	233,000	229,000
Less: Net income attributable to non-controlling interest	(208,000 )	(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 months ended March 30, 2013	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	47,000	9,000
Less comprehensive income attributable to the non-controlling interest	14,000	-
Comprehensive income attributable to American Shared Hospital Services	\$ 33,000	\$ 9,000

See accompanying notes

## 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 (Loss)	Retained Earnings	Sub-Total ASHS	Non-controlling Interests in Subsidiaries	Total
Balances at January 1, 2011	4,597,000	\$8,606,000	\$4,703,000	\$ -	\$6,262,000	\$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 )