

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEW JERSEY

In Re. Hanover Hills Surgery Center LLC

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§

Case No. 24-16995

Debtor(s)

Lead Case No. 24-15726

☒ Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 01/31/2025

Petition Date: 07/12/2024

Months Pending: 7

Industry Classification:

6	2	1	1
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Reporting Method:

Accrual Basis ☒

Cash Basis ☐

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

1

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☒ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☒ Schedule of payments to professionals
- ☐ Schedule of payments to insiders
- ☐ All bank statements and bank reconciliations for the reporting period
- ☒ Description of the assets sold or transferred and the terms of the sale or transfer

- Hanover Hills Surgery Center bank account statements have been provided directly to the US Trustee.

/s/ Thomas Buck

Signature of Responsible Party

02/19/2025

Date

Thomas Buck

Printed Name of Responsible Party

299 Park Avenue, 21st Floor, New York, NY 10171
Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Debtor's Name Hanover Hills Surgery Center LLC

Case No. 24-16995

Part 1: Cash Receipts and Disbursements	Current Month	Cumulative
a. Cash balance beginning of month	\$2,888	
b. Total receipts (net of transfers between accounts)	\$10,929	\$308,889
c. Total disbursements (net of transfers between accounts)	\$13,201	\$339,361
d. Cash balance end of month (a+b-c)	\$617	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$13,201	\$339,361

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	
a. Accounts receivable (total net of allowance)	\$643,699	
b. Accounts receivable over 90 days outstanding (net of allowance)	\$643,699	
c. Inventory (Book ☒ Market ☐ Other ☐ (attach explanation))	\$54,710	
d. Total current assets	\$747,550	
e. Total assets	\$3,269,433	
f. Postpetition payables (excluding taxes)	\$431,426	Post Petition payables includes approximately \$300,484 of Intercompany DIP Loan provided by Atlantic Neurosurgical Specialists, P.A.
g. Postpetition payables past due (excluding taxes)	\$0	
h. Postpetition taxes payable	\$0	
i. Postpetition taxes past due	\$0	
j. Total postpetition debt (f+h)	\$431,426	
k. Prepetition secured debt	\$1,826,965	
l. Prepetition priority debt	\$0	
m. Prepetition unsecured debt	\$5,512,553	
n. Total liabilities (debt) (j+k+l+m)	\$7,770,944	
o. Ending equity/net worth (e-n)	\$-4,501,511	

Part 3: Assets Sold or Transferred	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$0	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c. Gross profit (a-b)	\$0	
d. Selling expenses	\$0	
e. General and administrative expenses	\$55,390	
f. Other expenses	\$0	
g. Depreciation and/or amortization (not included in 4b)	\$45,385	
h. Interest	\$11,177	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$-111,952	\$-851,755

Debtor's Name Hanover Hills Surgery Center LLC

Case No. 24-16995

Part 5: Professional Fees and Expenses

a.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>		\$333,718	\$609,965	\$0	\$36,748
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i	Fox Rothschild LLP	Lead Counsel	\$333,718	\$333,718	\$0	\$0
ii	B Riley Advisory Services	Financial Professional	\$0	\$0	\$0	\$0
iii	The Bloom Organization, LLC	Financial Professional	\$0	\$276,248	\$0	\$36,748
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Debtor's Name Hanover Hills Surgery Center LLC

Case No. 24-16995

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Debtor's Name Hanover Hills Surgery Center LLC

Case No. 24-16995

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b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
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Debtor's Name Hanover Hills Surgery Center LLC

Case No. 24-16995

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Debtor's Name Hanover Hills Surgery Center LLC

Case No. 24-16995

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Debtor's Name Hanover Hills Surgery Center LLC

Case No. 24-16995

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	c						
c.	All professional fees and expenses (debtor & committees)			\$333,718	\$609,965	\$0	\$36,748

Part 6: Postpetition Taxes**Current Month****Cumulative**

a.	Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b.	Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c.	Postpetition employer payroll taxes accrued	\$0	\$0
d.	Postpetition employer payroll taxes paid	\$0	\$1,472
e.	Postpetition property taxes paid	\$0	\$0
f.	Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g.	Postpetition other taxes paid (local, state, and federal)	\$0	\$0

Part 7: Questionnaire - During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☐ No ☒
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☐ No ☒
- d. Are you current on postpetition tax return filings? Yes ☒ No ☐
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☒ No ☐
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☐ No ☐ N/A ☒
- i. Do you have:
- Worker's compensation insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- Casualty/property insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- General liability insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☒ No ☐
- k. Has a disclosure statement been filed with the court? Yes ☒ No ☐
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

Debtor's Name Hanover Hills Surgery Center LLC

Case No. 24-16995

Part 8: Individual Chapter 11 Debtors (Only)

- | | | |
|--|-------|-----|
| a. Gross income (receipts) from salary and wages | _____ | \$0 |
| b. Gross income (receipts) from self-employment | _____ | \$0 |
| c. Gross income from all other sources | _____ | \$0 |
| d. Total income in the reporting period (a+b+c) | _____ | \$0 |
| e. Payroll deductions | _____ | \$0 |
| f. Self-employment related expenses | _____ | \$0 |
| g. Living expenses | _____ | \$0 |
| h. All other expenses | _____ | \$0 |
| i. Total expenses in the reporting period (e+f+g+h) | _____ | \$0 |
| j. Difference between total income and total expenses (d-i) | _____ | \$0 |
| k. List the total amount of all postpetition debts that are past due | _____ | \$0 |
- l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? Yes ☐ No ☒
- m. If yes, have you made all Domestic Support Obligation payments? Yes ☐ No ☐ N/A ☒

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Thomas Buck

Signature of Responsible Party

.

Title

Thomas Buck

Printed Name of Responsible Party

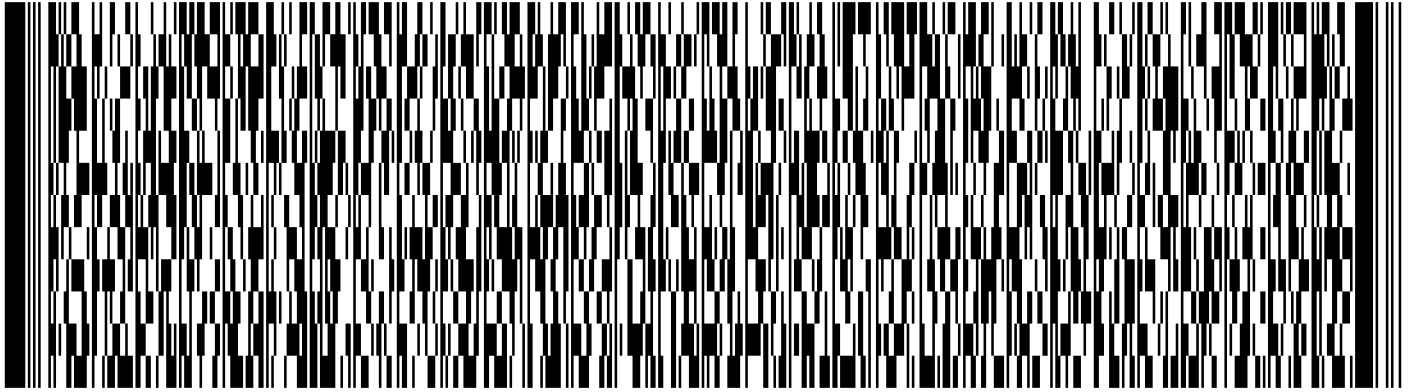
02/19/2025

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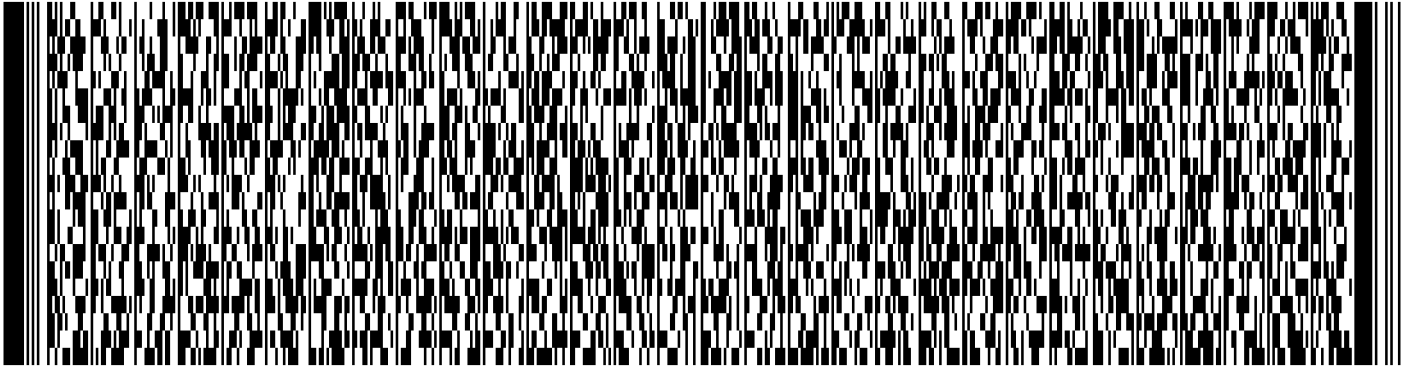
Mr. Thomas Buck is the CRO of Atlantic NeuroSurgical Specialists, P.A. ("ANS"), which, through its 59% interest in ANS Continuum Holdco LLC ("MSO"), holds an indirect interest in Hanover Hills Surgery Center LLC ("Debtor"). Mr. Buck is not a fiduciary of the Debtor, and instead is signing on behalf of the Debtor with the express written consent of Dr. Ronald Benitez and David Berman who are the authorized representatives of Hanover Hills.

Debtor's Name Hanover Hills Surgery Center LLC

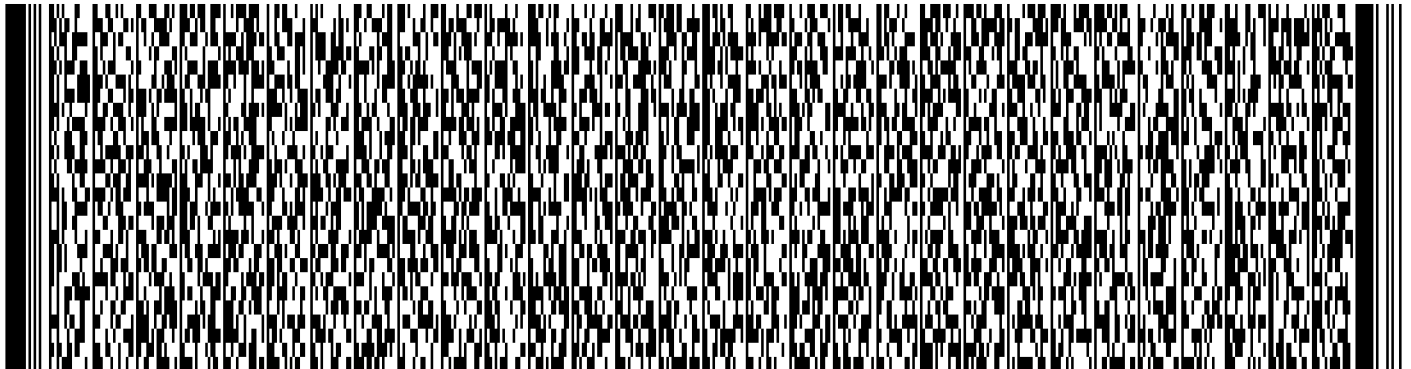
Case No. 24-16995



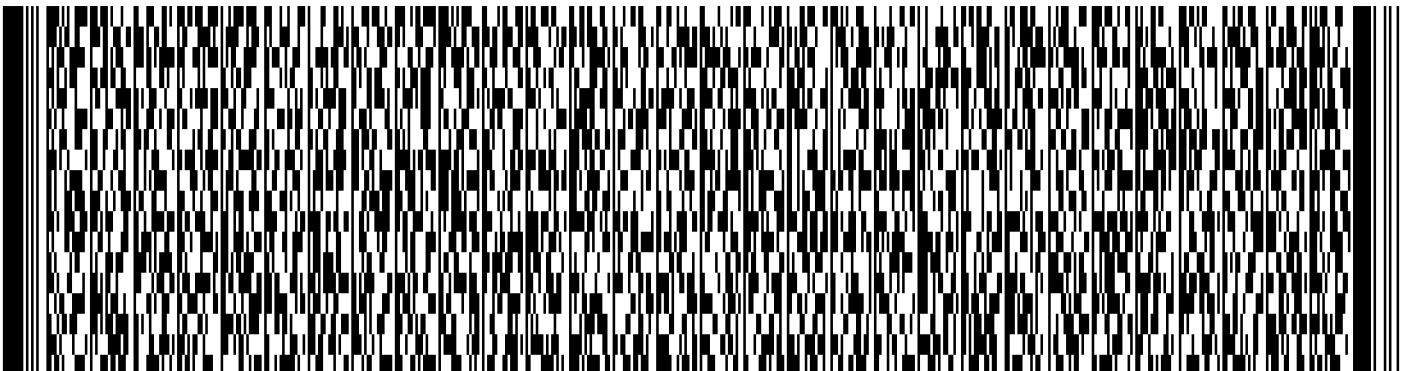
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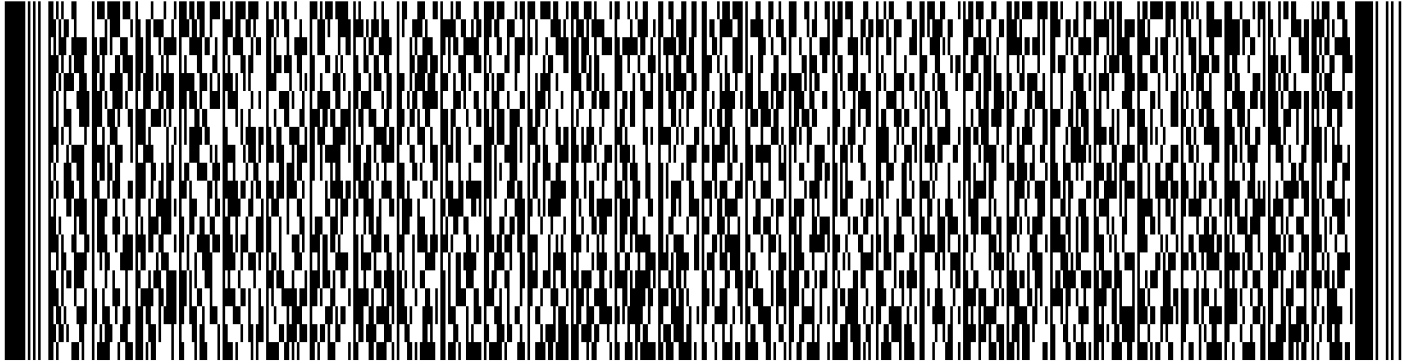
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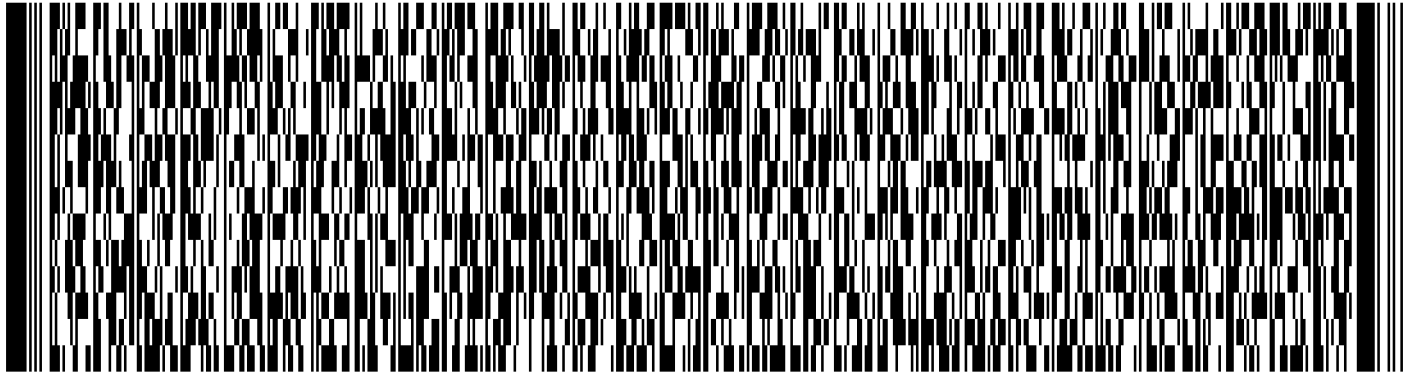
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Debtor's Name Hanover Hills Surgery Center LLC

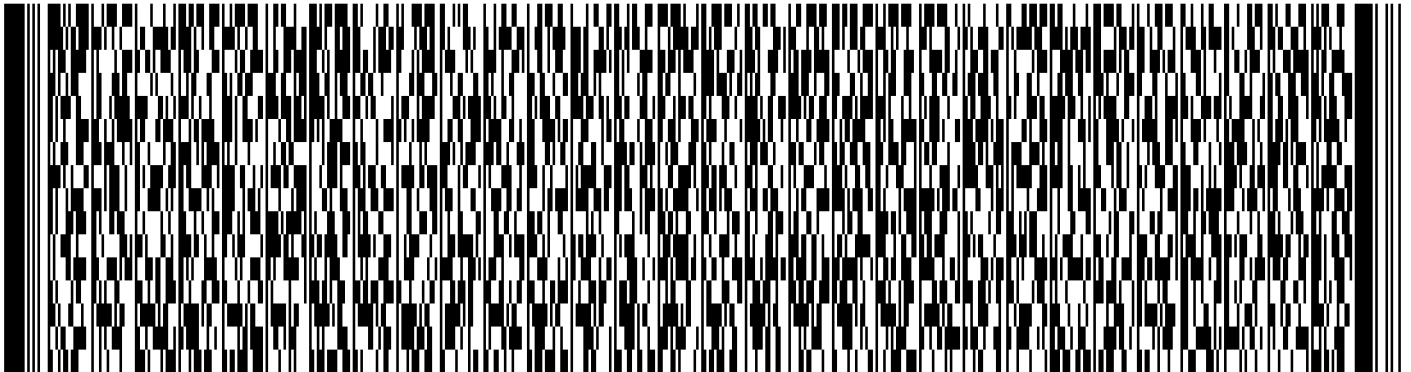
Case No. 24-16995



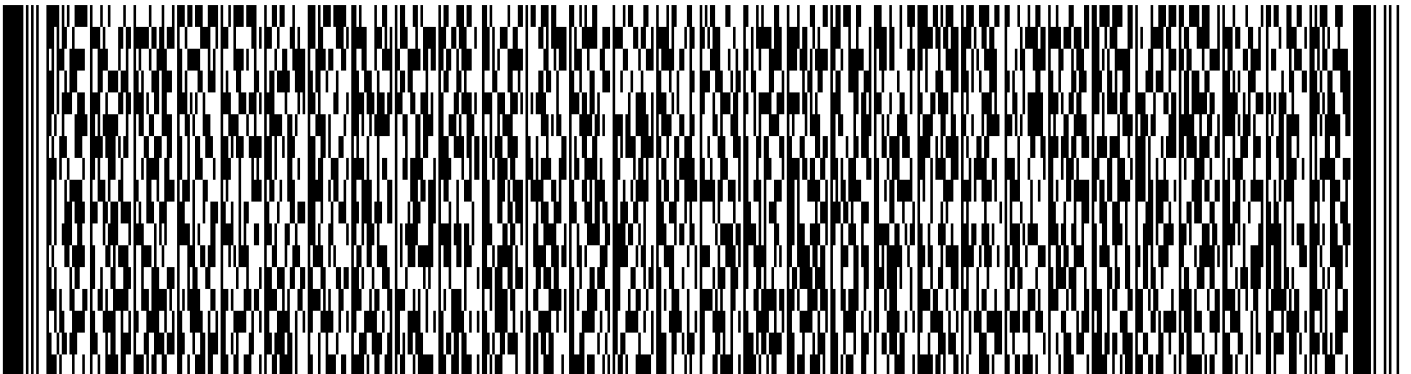
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Bankruptcy51to100



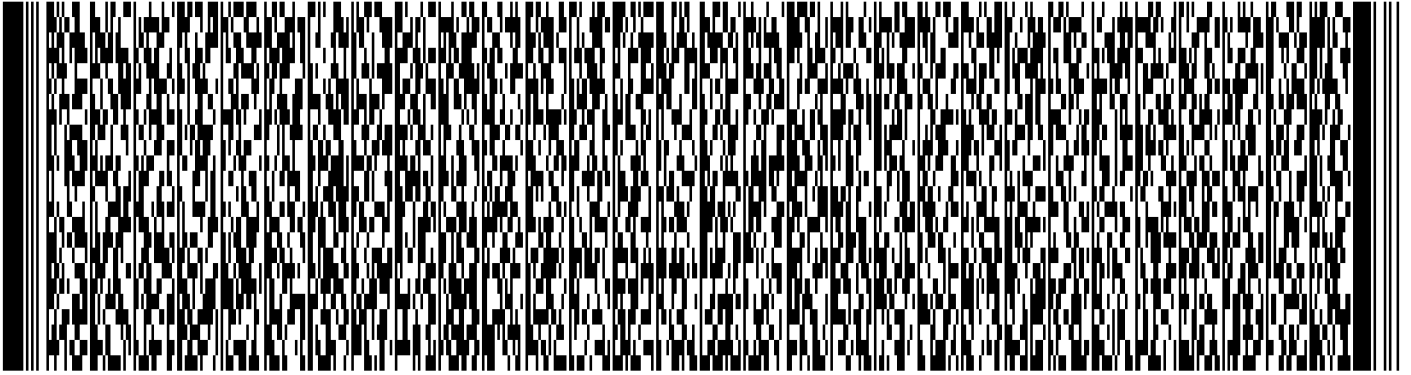
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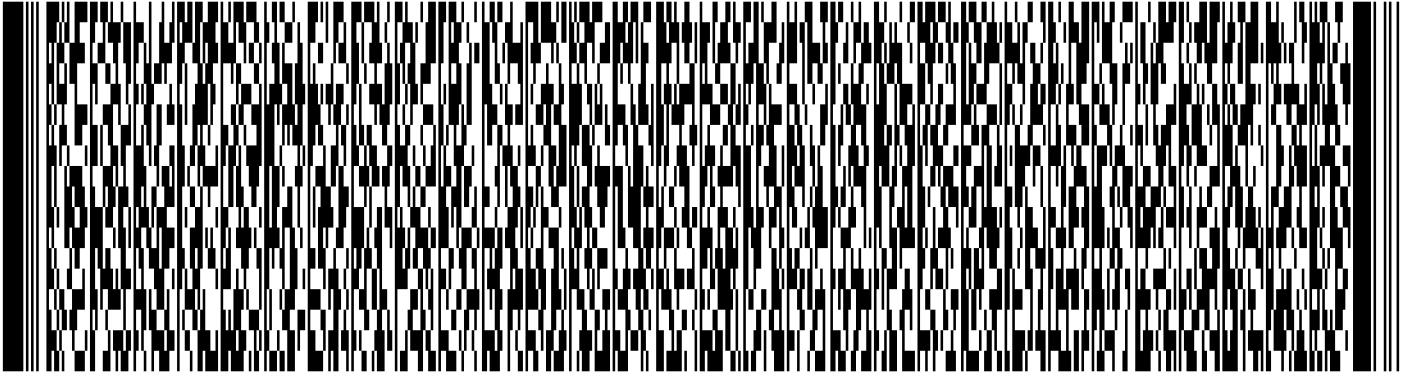
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Debtor's Name Hanover Hills Surgery Center LLC

Case No. 24-16995



PageThree



PageFour

CASE NAME: Hanover Hills Surgery Center LLC
CASE NUMBER: Case #: 24-16995

Notes to the Monthly Operating Report

General: On July 12, 2024 (the "Petition Date"), Hanover Hills Surgery Center LLC, (HHSC) filed a voluntary petition with the United States Bankruptcy Court under Chapter 11 of the Bankruptcy Code [Case No.: 24-16995]. Debtor-in-Possession Financial Statements - The accompanying schedules herein are unaudited, preliminary, and may not comply with generally accepted accounting principles in the United States of America ("U.S. GAAP") in all material respects. The Monthly Operating Report is limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Bankruptcy Court and the Office of the United States Trustee. The information presented herein has not been subjected to all procedures that would typically be applied to financial information presented in accordance with U.S. GAAP. Upon the application of such procedures, the financial information could be subject to changes, and these changes could be material. The information furnished in this Monthly Operating Report includes normal recurring adjustments, but does not include all of the adjustments that would typically be made for interim financial statements in accordance with U.S. GAAP. Reservation of Rights: Given the complexity of the Debtor's business, inadvertent errors, omissions or over inclusions may have occurred. Accordingly, the Debtor hereby reserves all of its rights to dispute the validity, status, enforceability, or executory nature of any claim amount, representation or other statement in this Monthly Operating Report and reserves the right to amend or supplement this Monthly Operating Report, if necessary, but shall be under no obligation to do so.
January 2025 Monthly Operating Report: 1. The Reporting Period for this Monthly Operating Report is January 1, 2025 to January 31, 2025 and the financial statements referenced herein cover January 31, 2025 period. The disbursement detail is reflective of the post-petition period from January 1, 2025 to January 31, 2025. 2. The Financial Statements are reported on an Accrual Basis. Cash Receipts & Disbursements are reported on a Cash Basis. 3. Total Current Assets includes Cash, Accounts Receivable, Intercompany Receivable. 4. Hanover Hills does not have any employees as of January 31, 2025. 5. Mr. Buck is the CRO of Atlantic NeuroSurgical Specialists, P.A. ("ANS"), which, through its 59% interest in ANS Continuum Holdco LLC (the "MSO"), holds an indirect interest in Hanover Hills Surgery Center LLC (the "Debtor" or "Hanover Hills"). Mr. Buck is not a fiduciary of the Debtor, and instead is signing on behalf of the Debtor with the express written consent of Dr. Ronald Benitez and David Berman who are the authorized representatives of Hanover Hills. In reviewing and signing the MOR, Mr. Buck has relied upon the efforts, statements and representations of various personnel employed by the Debtor and the Debtor's advisors. Mr. Buck has not (and could not have) personally verified the accuracy of each statement and representation contained in the MOR, including statements and representations concerning amounts owed to creditors, classification of such amounts, and other attached information. 6. Debtor bank statements have been provided directly to the US Trustee. Attachments: A. Summary Financial Statements

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Cover Page: Employee Data

Source: HHSC employee and payroll data

Debtor	Employees at Petition Date	Employees as of 7/31/24	Employees as of 8/31/24	Employees as of 9/30/24	Employees as of 10/31/24	Employees as of 11/30/24	Employees as of 12/31/24	Employees as of 1/31/25
Hanover Hills Surgery Center LLC	1	0.5	0.5	0	0	0	0	0
Total	1	0.5	0.5	0	0	0	0	0

Notes:

- The Debtor does not have any employees as of January 31, 2025

Hanover Hills Surgery Center LLC
Debtor24-16995
Reporting Period: January 1 - January 31, 2025

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

	BANK ACCOUNTS							CURRENT MONTH		CUMULATIVE FILING TO DATE	
	HHSC Wells Fargo x7346	HHSC KeyBank x2865						ACTUAL	PROJECTED	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	2,279	609						2,888		31,089	
RECEIPTS											
Insurance receipts								-		1,064	
Patient receipts								-		600	
Arbitration/Litigation receipts								-		-	
Other medical receipts	25							25		6,741	
Others								-		-	
Interest								-		-	
Return Item Chargeback								-		-	
Transfer from Other Debtor Bank Accounts		2,347						2,347		20,401	
ANSPA Loan Advance	10,904							10,904		300,484	
Transfer From Other Non-Debtor Bank Account								-		-	
								-		-	
TOTAL RECEIPTS	10,929	2,347		-	-	-		13,277		329,291	
DISBURSEMENTS											
OpEx reimbursements - MSO											
SG&A - Payroll								-		(13,694)	
SG&A - Employee benefits								-		-	
SG&A - Regulatory								-		-	
Vendor - Credit card processor	(345)							(345)		(1,205)	
SG&A - IT	(467)	(467)						(933)		(4,456)	
SG&A - Legal								-		-	
SG&A - Rent								-		(255,398)	
SG&A - Office expenses	(4,704)	(1,162)						(5,866)		(9,974)	
SG&A - Marketing								-		-	
SG&A - Membership dues/fees								-		-	
SG&A - Regulatory	(4,000)							(4,000)		(4,007)	
SG&A - Others								-		(2,907)	
Vendor - Billing & Collections								-		(149)	
Vendor - Medical records	(1,000)							(1,000)		(2,000)	
Vendor - Medical supplies								-		-	
Vendor - Medical other								-		(250)	
Vendor - Medical imaging								-		-	
Insurance								-		-	
Contractors/OCs								-		-	
Employee								-		-	
Equipment Lease								-		-	
Bank Fees	(346)							(346)		(7,268)	
Patient refunds								-		-	
Admittance Fees								-		-	
Refunds - Other								-		-	
Others								-		-	
Transfer to Other Debtor Bank Accounts	(2,347)							(2,347)		(20,401)	
Transfer to MSO (pass thru)								-		-	
Transfer to Hanover Hills Surgical Center (DIP Loan)								-		-	
Restructuring Professional Fees								-		(36,748)	
Disbursements made by third party for the benefit of estate								-		-	
U.S. Trustee Fees		(711)						(711)		(1,305)	
Other Court Costs								-		-	
TOTAL DISBURSEMENTS	(13,208)	(2,340)		-	-			(15,548)		(359,762)	
NET CASH FLOW	(2,279)	7		-	-			(2,271)		(30,472)	
Adjustment for disbursements made by third parties								-		-	
CASH - END OF MONTH (BANK BALANCE)	0	617		-	-			617		617	

CASH - END OF MONTH (BOOK BALANCE)

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)										
TOTAL DISBURSEMENTS										(15,548)
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS										(2,347)
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES										(13,201)

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Part 1: Cash Receipts & Disb

Source: Debtor bank account statements

Company	Account Name	Account #	Bank	Debtor/ Non Debtor	Balance as of 12.31.24	Credits	Debits	Balance as of 1.31.25
Atlantic Neurosurgical Specialists, P.A.	Operating Account	xxx2525	Wells Fargo	Debtor	\$ 1,331,867.36	\$ 215,268.87	(126,381.39)	\$ 1,420,754.84
Atlantic Neurosurgical Specialists, P.A.	Savings	xxx9795	Wells Fargo	Debtor	2,700.52	2.82	(2,700.52)	2.82
ANS Newco, LLC	Checking	xxx5348	Wells Fargo	Debtor	-	-	-	-
ANS Continuum Holdco, LLC	Commercial Checking	xxx0968	Key Bank	Non-Debtor	2,537.23	53,136.00	(54,134.92)	1,538.31
ANS Founders P.C.	Checking	xxx5330	Wells Fargo	Non-Debtor	-	-	-	-
Hanover Hills Surgery Center LLC	Commercial Checking	xxx2865	Key Bank	Debtor	609.42	2,347.34	(2,340.01)	616.75
Hanover Hills Surgery Center LLC	Checking	xxx7346	Wells Fargo	Debtor	2,278.80	10,929.20	(13,208.00)	-
Morristown Intraoperative Monitoring, P.A.	Checking	xxx8821	Wells Fargo	Non-Debtor	1,886.68	-	(929.49)	957.19
New Jersey Pain Consultants P.C.	Checking	xxx8822	Peapack-Gladstone Bank	Non-Debtor	32,915.75	55.82	(3,523.40)	29,448.17
Total					\$ 1,374,795.76	\$ 281,740.05	\$ (203,217.73)	\$ 1,453,318.08

Notes:

- Values reflect bank balances

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Part 1: Bank Balance Summary

Source: Debtor bank account statements

Company	Account Name	Account #	Bank	Debtor/ Non Debtor	Balance as of 1/31/2025	Balance as of 12/31/2024	Balance as of 11/30/2024	Balance as of 10/31/2024	Balance as of 9/30/2024	Balance as of 8/31/2024	Balance as of 7/31/2024	Balance as of Petition Date
ATLANTIC NEUROSURGICAL SPECIALISTS, P.A.	Operating Account	xxx2525	Wells Fargo	Debtor	\$ 1,420,754.84	\$ 1,331,867.36	\$ 1,301,063.08	\$ 1,270,744.68	\$ 1,376,705.20	\$ 1,025,083.06	\$ 1,059,011.99	N/A
ATLANTIC NEUROSURGICAL SPECIALISTS, P.A.	Savings	xxx9795	Wells Fargo	Debtor	2.82	2,700.52	2,421,819.52	2,418,364.69	2,414,486.30	2,410,294.40	2,405,664.78	N/A
ANS NEWCO, LLC	Checking	xxx5348	Wells Fargo	Debtor	-	-	58,156.60	58,156.60	58,406.60	4,626.03	4,626.03	N/A
ANS CONTINUUM HOLDCO, LLC	Commercial Checking	xxx0968	Key Bank	Non-Debtor	1,538.31	2,537.23	3,463.76	3,709.12	12,390.76	2,699.93	3,746.96	N/A
ANS FOUNDERS P.C.	Checking	xxx5330	Wells Fargo	Non-Debtor	-	-	5,023.50	5,023.50	5,023.50	5,023.50	5,023.50	N/A
HANOVER HILLS SURGERY CENTER LLC	Commercial Checking	xxx2865	Key Bank	Debtor	616.75	609.42	609.42	683.06	1,055.28	55.28	3,214.31	3,214.31
HANOVER HILLS SURGERY CENTER LLC	Checking	xxx7346	Wells Fargo	Debtor	-	2,278.80	2,154.48	84.65	881.37	316.04	24,554.36	28,374.21
MORRISTOWN INTRAOPERATIVE MONITORING, P.A.	Checking	xxx8821	Wells Fargo	Non-Debtor	957.19	1,886.68	14,954.80	15,386.60	15,817.05	16,247.03	16,678.61	N/A
NEW JERSEY PAIN CONSULTANTS PC	Checking	xxx8822	Peapack-Gladstone Bank	Non-Debtor	29,448.17	32,915.75	34,172.19	34,889.59	35,099.60	35,817.54	34,979.17	N/A
Total					\$ 1,453,318.08	\$ 1,374,795.76	\$ 3,841,417.35	\$ 3,807,042.49	\$ 3,919,865.66	\$ 3,500,162.81	\$ 3,557,499.71	\$ 31,588.52

Notes:

- Values reflect bank balances.

- Balances as of petition date are only shown for Hanover Hills Surgery Center LLC

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Part 2: Asset and Liability Status

Source: Debtor A/R Aged Balances for Billing Period Ending January 31, 2025

Total	Current	30 days	60 days	90 days	90+ days
\$ 643,698.62	\$ -	\$ -	\$ -	\$ -	\$ 643,698.62

Notes:

- The collectability of Debtor's Accounts Receivable is undetermined and may have limited recovery

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Part 2: Asset and Liability Status

Source: Debtor Balance Sheet as of January 31, 2025

Cash	
Description	1/31/2025
1015 - Cash-Key Bank-ASC-FP	\$ 616.75
1017 - Cash-ASC WF Deposit	-
Total Cash	\$ 616.75

Part 2a: Accounts Receivable	
Description	1/31/2025
1100 - Accounts Receivable	\$ 643,698.62 [2]
Total Accounts Receivable (Net of allowance)	\$ 643,698.62

Part 2b: Accounts Receivable over 90 Days Outstanding	
Description	1/31/2025
Accounts Receivable over 90 days	\$ 643,698.62
Total A/R Over 90 Days	\$ 643,698.62

Part 2c: Inventory	
Description	1/31/2025
1350 - Inventory-Surgical Supplies	\$ 54,710.06 [4]
Total Inventory	\$ 54,710.06

Part 2d: Total Current Assets	
Description	1/31/2025
Cash	\$ 616.75
Accounts Receivable	643,698.62
Other Current Assets - Prepaid Expenses	48,524.53
Inventory	54,710.06
Total Current Assets	\$ 747,549.96

Part 2e: Total Assets	
Description	1/31/2025
Cash	\$ 616.75
Accounts Receivable	643,698.62
Other Current Assets	103,234.59
Fixed Assets, net of depreciation	343,405.85
Other Assets - Intangibles, net of amortization (Goodwill)	2,078,477.11
Other Assets - Security Deposits KeyBank LoC	100,000.00
Total Assets	\$ 3,269,432.92

Part 2f: Post petition Payables (excl. taxes)	
Description	1/31/2025
Post Petition AP	\$ 51,559
2317 - Due to NJ Advance Media	1,045.16
2308 - Due to Atlantic Neurosurgical Specialists	300,483.63 [1]
2315 - Accrued Interest	78,338.12
Total Postpetition Payables	\$ 431,426.00

Part 2g: Post petition Payables Past Due (excl. taxes)	
Description	1/31/2025
	\$ -
Total Post petition Payables Past Due	\$ -

Part 2h: Post petition Taxes Payable	
Description	1/31/2025
	\$ -
Total Post petition Taxes Payable	\$ -

Part 2i: Post petition Taxes Past Due	
Description	1/31/2025
	\$ -
Total Post petition Taxes Past Due	\$ -

Part 2k: Prepetition Secured Debt	
Description	1/31/2025
2220 - ST Portion of LTD	\$ 41,663.00
2315 - Accrued Interest	243,646.76
2560 - LT Debt Obligation-Surgery Center Florham Park	1,541,655.00
Total Prepetition Secured Debt	\$ 1,826,964.76

Part 2l: Prepetition Priority Debt	
Description	1/31/2025
	\$ -
Total Prepetition Priority Debt	\$ -

Part 2m: Prepetition Unsecured Debt	
Description	1/31/2025
2306 - Due to ANS Continuum Holdco LLC	\$ 3,083,279.43
2000 - Accounts Payable	78,642.36 [3]
2313 - Due to NJPC	1,421.73
2314 - Due to Morristown Intraoperative Monitoring	54,000.00
2111 - Accrued Lorient Mgmt Fee	8,935.08
2140 - Accrued Expenses	15,518.93
2200 - Payroll Liabilities -401K Plan Withholding	13,178.04
2250 - Accrued bonuses	24,879.00
2307 - Due to CIA	400,000.00
2308 - Due to Atlantic Neurosurgical Specialists	1,794,020.93
2317 - Due to NJ Advance Media	36,937.53
2160 - Deposits Received	1,740.37
Total Prepetition Unsecured Debt	\$ 5,512,553.40

Part 2n: Total Liabilities	
Description	1/31/2025
Total Liabilities	\$ 7,770,944.16
Total Liabilities	\$ 7,770,944.16

Notes:

- All amounts, unless specified, are as of January 31, 2025 unaudited, interim and preliminary financials
- [1] Intercompany DIP Loan - The Debtor borrowed amounts in the post petition period from Atlantic Neurosurgical Specialists, P.A. as approved under "Interim Order (I) Authorizing Post-Petition Financing to Hanover Hills Surgery Center LLC" [Docket # 169]
- [1] Intercompany DIP Loan amounts are shown under Post petition payables (Part 2f) above
- [2] The collectability of Debtor's Accounts Receivable is undetermined and may have limited recovery
- [3] Pre-petition AP amounts (\$214.03) for vendor were written off and amounts have been adjusted to reflect the change
- [4] As of petition date, the Debtor's inventory comprised of pharmaceuticals and disposables
- Pre-petition AP amounts, as shown above, have a variance of \$38,111 as compared to amounts in SOALs and internal payables report
- Secured claim for KeyBank, as per SOALs, reflects the amounts asserted by KeyBank for the claim. The amount may be contested during the pendency of the case
- Debtor is a co-obligor under secured loan agreement with KeyBank
- As of petition date, collateralized Letter of Credit (\$100k) is listed on the balance sheet of the Debtor but the Debtor has not been able to determine if the LC still exists
- Wells Fargo occasionally improperly deposits amounts in Hanover Hills Wells Fargo account. Those amounts are subsequently returned.

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Part 3: Assets Sold or Transferred

Description	Date	Cash Proceeds/Payments	Amount
n/a	n/a	\$ -	\$ -
		Total	\$ -

Notes:

#

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Part 4: Income Statement

Source: Debtor's P&L

Part 4a: Gross Income/Sales	
Description	1/31/2025
	\$ -
Total Gross Income/Sales	\$ -

Part 4b: Cost of Goods	
Description	1/31/2025
	\$ -
Total Cost of Goods	\$ -

Part 4d: Selling Expenses	
Description	1/31/2025
	\$ -
Total Selling Expenses	\$ -

Part 4e: General & Administrative Expenses	
Description	1/31/2025
Bank Service Charges	\$ 690.50
Equip/Technology Costs	466.64
Occupancy Costs	54,232.64
Insurance Expense	-
Payroll Expenses	-
Total General & Administrative Expenses	\$ 55,389.78

Part 4f: Other Expenses	
Description	1/31/2025
5675 - Medical Supplies	\$ -
5690 - Miscellaneous Expense	-
Total Other Expenses	\$ -

Part 4g: Depreciation and Amortization	
Description	1/31/2025
5020 - Amortization Expense-Goodwill	\$ 43,301.62
5300 - Depreciation Expense	2,083.33
Total Depreciation and Amortization	\$ 45,384.95

Part 4h: Interest	
Description	1/31/2025
5695 - Interest Expense	\$ 11,177.11
Total Interest	\$ 11,177.11

Part 4i: Taxes	
Description	1/31/2025
	\$ -
Total Taxes	\$ -

Part 4j: Reorganization Items	
Description	1/31/2025
5254 - Consulting Expense: Restructuring expenses	\$ -
Total Reorganization Items	\$ -

Notes:

- The Debtor paid approximately \$255,398.35 for August 2024, September 2024, October 2024, November 2024 and December 2024 rent of Hanover Hills Surgical location as approved under "Interim Order (I) Authorizing Post-Petition Financing to Hanover Hills Surgery Center LLC" [Docket # 169].

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Part 5: Professional Fees and Expenses

Professional Name	Bankruptcy / Non Bankruptcy	7/12/24 to 7/31/24	8/1/24 to 8/31/24	9/1/24 to 9/30/24	10/1/24 to 10/31/24	11/1/24 to 11/30/24	12/1/24 to 12/31/24	1/1/25 to 1/31/25	Cumulative
Fox Rothschild LLP	Bankruptcy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
B Riley Advisory Services	Bankruptcy	-	-	-	-	-	-	-	-
The Bloom Organization, LLC	Bankruptcy		15,000.00	7,000.00	747.87	7,000.00	7,000.00	-	36,747.87
Total Bankruptcy Professionals		-	15,000.00	7,000.00	747.87	7,000.00	7,000.00	-	36,747.87
Other Professionals	Non Bankruptcy	-	-	-	-	-	-	-	-
Total Other Professionals		-	-	-	-	-	-	-	-
Total		\$ -	\$ 15,000.00	\$ 7,000.00	\$ 747.87	\$ 7,000.00	\$ 7,000.00	\$ -	\$ 36,747.87

Notes:

- US Trustee fees - Q4 2024, ending 12/31/2024, quarterly fees of \$711.29 for Hanover Hills Surgery Center was paid in January 2025

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Part 6: Post-Petition Taxes

Source: Debtor's book of records

Post-Petition Tax	As of 7/31/2024	As of 8/31/2024	As of 9/30/2024	As of 10/31/2024	As of 11/30/2024	As of 12/31/2024	As of 1/31/2025	Cumulative
Income tax accrued	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income tax paid	-	-	-	-	-	-	-	-
Employer payroll tax accrued	-	-	-	-	-	-	-	-
Employer payroll tax paid	885.60	586.87	-	-	-	-	-	1,472.47
Property tax paid	-	-	-	-	-	-	-	-
Other taxes (local, state, federal) accrued	-	-	-	-	-	-	-	-
Other taxes (local, state, federal) paid	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Part 7a: Payments on Pre-Petition Debt

Source: Debtor Operating account and Checking account activity

Payment Details						
Check #	Check Date	Clear Date	Vendor Name	Check Amount	Cleared	Type
n/a	n/a	n/a	n/a	\$ -	n/a	n/a

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Part 7c: Payments made to Insiders

Insider Name	Relationship to Debtor	Dates of Payments	Amount Paid	Description of payment or transfer
n/a	n/a	n/a	-	n/a
		Total	\$ -	

Hanover Hills Surgery Center LLC

United States Bankruptcy Court

Case #: 24-16995

Part 7g: Postpetition Borrowings, other than trade credit

Loans										
Type	7/31/2024	8/31/2024	9/30/2024	10/31/2024	11/30/2024	12/31/2024	1/31/2025		Cumulative	
Beginning Intercompany DIP Loan Balance	\$ -	\$ -	\$ -	\$ 115,299.68	\$ 173,339.42	\$ 231,675.05	\$ 289,579.43		\$ -	
Advances (+)	-	-	115,299.68	58,039.74	58,335.63	57,904.38	10,904.20		300,483.63	
Payments (-)	-	-	-	-	-	-	-		-	
Adjustments	-	-	-	-	-	-	-		-	
Ending Intercompany DIP Loan Balance	\$ -	\$ -	\$ 115,299.68	\$ 173,339.42	\$ 231,675.05	\$ 289,579.43	\$ 300,483.63		\$ 300,483.63	

-Notes

- Intercompany DIP Loan - The Debtor borrowed amounts in the post petition period from Atlantic Neurosurgical Specialists, P.A. as approved under "Interim Order (I) Authorizing Post-Petition Financing to Hanover Hills Surgery Center LLC" [Docket # 169]

Hanover Hills Surgery Center
Balance Sheet
Part 2: Asset and Liability Status
Source: Debtor Balance sheet

BALANCE SHEET	As of January 31, 2025
Assets	
Current Assets	
Cash and Cash Equivalents	
1015 - Cash-Key Bank-ASC-FP	\$ 617
1017 - Cash-ASC WF Deposit	-
Total Cash and Cash Equivalents	617
Accounts Receivable	
1100 - Accounts Receivable	643,699
Total Accounts Receivable	643,699
Total Accounts Receivable, Net	643,699
Other Current Assets	
1212 - Prepaid Expenses	48,525
1215 - Prepaid Insurance	-
1350 - Inventory-Surgical Supplies	54,710
Total Other Current Assets	103,235
Total Current Assets	747,550
Fixed Assets, Net	
Fixed Assets	
1500 - Fixed Assets:Computer Equipment	20,760
1503 - Fixed Assets:Hardware and Equipment	19,561
1505 - Fixed Assets:Leasehold Improvements	84,487
1507 - Fixed Assets:Medical Equipment	535,881
Total Fixed Assets	660,690
Accumulated Depreciation	
1510 - Fixed Assets: Accumulated Depreciation	317,285
Total Accumulated Depreciation	317,285
Total Fixed Assets, Net	343,406
Other Assets	
Intangible Assets, Net	
Goodwill	
1900 - Goodwill	5,196,194
Total Goodwill	5,196,194
Amortization	
1910 - Goodwill Amortization	3,117,717
Total Amortization	3,117,717
Total Intangible Assets, Net	2,078,477
Other Assets	
1701 - Security Deposits - Key Bank LOC collateral	100,000
Total Other Assets	100,000
Total Other Assets	2,178,477
Total Assets	3,269,433
Liabilities and Equity	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 - Accounts Payable	130,201
Total Accounts Payable	130,201
Accrued Liabilities	
2315 - Accrued Interest	321,985
Total Accrued Liabilities	321,985
Intercompany Payable	
2306 - Due to ANS Continuum Holdco LLC	3,083,279
2313 - Due to NJPC	1,422
2314 - Due to Morristown Intraoperative Monitoring	54,000
Total Intercompany Payable	3,138,701
Short Term Debts	
2220 - ST Portion of LTD	41,663
Total Short Term Debts	41,663
Other Current Liabilities	
2111 - Accrued Loriet Mgmt Fee	8,935
2140 - Accrued Expenses	15,519
2200 - Payroll Liabilities -401K Plan Withholding	13,178
2250 - Accrued bonuses	24,879
2307 - Due to CIA	400,000
2308 - Due to Atlantic Neurosurgical Specialists	2,094,505
Total Other Current Liabilities	2,557,016
Total Current Liabilities	6,189,566
Long Term Liabilities	
Loans	
2560 - LT Debt Obligation-Surgery Center Florham Park	1,541,655
Total Loans	1,541,655
Total Long Term Liabilities	1,541,655
Other Liabilities	
Other Liabilities	
2160 - Deposits Received	1,740
2317 - Due to NJ Advance Media	37,983
Total Other Liabilities	39,723
Total Other Liabilities	39,723
Total Liabilities	7,770,944
Stockholders Equity	
Partners Equity	
3022 - Contributed Capital - Blank	44,059
3410 - FPI, LLC Distributions	(4,000,000)
Total Partners Equity	(3,955,941)
Additional Paid In Capital	
3020 - Contributed Capital-FPI, LLC	5,212,923
Total Additional Paid In Capital	5,212,923
Retained Earnings	
3400 - Retained Earnings	(5,646,541)
Total Retained Earnings	(5,646,541)
Net Income (Loss)	(111,952)
Total Stockholders Equity	(4,501,511)
Total Liabilities and Equity	\$ 3,269,433

Hanover Hills Surgery Center LLC
United States Bankruptcy Court
Case #: 24-16995
Part 4: Income Statement
Source: Debtor Income Statement

INCOME STATEMENT

**January 1 - January 31,
2025**

Operating Expenses

Amortization Expense-Goodwill	
5020 - Amortization Expense-Goodwill	\$ 43,302
5300 - Depreciation Expense	2,083
5695 - Interest Expense	11,177
Total ITDA expense	56,562
Bank Charges	
Bank Service Charges	
5051 - Bank Service Charges:Merchant bank fees	345
5052 - Bank Service Charges:Service Charge	346
Total Bank Service Charges	691
Total Bank Charges	691
Consulting Expense	
5254 - Consulting Expense: Restructuring expenses	-
Total Consulting Expense	-
Equip/Technology Costs	
5400 - Equip/Technology Costs:Computer and Internet Expenses	467
5402 - Equip/Technology Costs:Electronic Billing Expense	-
5403 - Equip/Technology Costs:Equipment Rental	-
Total Equip/Technology Costs	467
Other Operating Expenses	
5100 - Business Licenses and Permits	-
5675 - Medical Supplies	-
5676 - Medical Equipment Lease	-
5690 - Miscellaneous Expense	-
5760 - Office Supplies	-
5970 - Travel Expense	-
Other Operating Expenses	-
Insurance Expense	
5507 - Insurance Expense:Health Insurance	-
5514 - Insurance Expense:Malpractice Insurance	-
5517 - Insurance Expense:Workers Comp Insurance	-
Total Insurance Expense	-
Occupancy Costs	
Occupancy	
5700 - Occupancy Costs:Medical Waste	-
5701 - Occupancy Costs:Rent Expense	47,929
5702 - Occupancy Costs:Repairs and Maintenance	3,930
5703 - Occupancy Costs:Storage	-
5706 - Occupancy Costs:Utilities:Electric Expense-ASC FP	1,481
5716 - Occupancy Costs:Utilities:Water-ASC FP	-
5717 - Occupancy Costs:Utilities-Gas	892
Total Occupancy	54,233
Repairs and Maintenance	
5680 - Equipment Inspection Costs	-
Total Repairs and Maintenance	-
Total Occupancy Costs	54,233
Payroll Expenses	
Payroll Expenses	
5800 - Payroll Expenses:Fica Expense	-
5802 - Payroll Expenses:Payroll Service Fee	-
5815 - Payroll Expenses-Salaries-ASC Clinical Staff	-
5816 - Payroll Expenses-Salaries-ASC Non Clinical Staff	-
Total Payroll Expenses	-
Total Payroll Expenses	-
Total Operating Expenses	111,952

Other Income (Expense)

Other Income	-
Total Other Income (Expense)	-

Net Income (Loss) **\$ (111,952)**