

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEW JERSEY

In Re. Hanover Hills Surgery Center LLC

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§

Debtor(s)

Case No. 24-16995

Lead Case No. 24-15726

☒ Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 03/24/2025

Petition Date: 07/12/2024

Months Pending: 9

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)

- | | | |
|-------------------------------------|--|---|
| <input checked="" type="checkbox"/> | Statement of cash receipts and disbursements | |
| <input type="checkbox"/> | Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit | |
| <input type="checkbox"/> | Statement of operations (profit or loss statement) | |
| <input checked="" type="checkbox"/> | Accounts receivable aging | - Debtor bank statements have been provided directly to the US Trustee |
| <input type="checkbox"/> | Postpetition liabilities aging | |
| <input type="checkbox"/> | Statement of capital assets | - March 2025 stub MOR does not include financial statements as per discussion with US Trustee and reflects financial results (Balance Sheet and Income Statement) covering January 31, 2025 period. |
| <input checked="" type="checkbox"/> | Schedule of payments to professionals | |
| <input type="checkbox"/> | Schedule of payments to insiders | |
| <input type="checkbox"/> | All bank statements and bank reconciliations for the reporting period | |
| <input checked="" type="checkbox"/> | Description of the assets sold or transferred and the terms of the sale or transfer | |

/s/ Jay Lubetkin

Signature of Responsible Party

04/08/2025

Date

Jay Lubetkin Esq.

Printed Name of Responsible Party

293 Eisenhower Parkway, Suite 100, Livingston, NJ
07039

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	\$617	
b. Total receipts (net of transfers between accounts)	\$150,450	\$459,339
c. Total disbursements (net of transfers between accounts)	\$150,450	\$489,810
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)	\$150,450	\$489,810

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 <input checked="" type="radio"/> Market <input type="radio"/> Other <input type="radio"/> (attach explanation))	\$54,710
d. Total current assets	\$747,550
e. Total assets	\$3,269,433
f. Postpetition payables (excluding taxes)	\$431,426
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>		\$0	\$609,965	\$0	\$36,748
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
i	Fox Rothschild LLP	Lead Counsel	\$0	\$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

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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

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Debtor's Name Hanover Hills Surgery Center LLC

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	c						
c.	All professional fees and expenses (debtor & committees)			\$0	\$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/ Jay Lubetkin

Signature of Responsible Party

Liquidation Trustee

Title

Jay Lubetkin Esq.

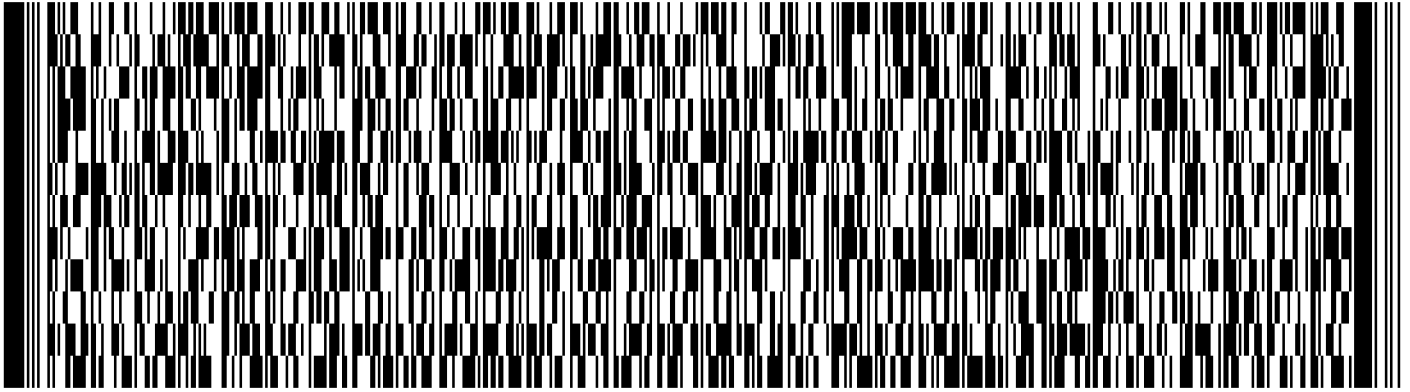
Printed Name of Responsible Party

04/08/2025

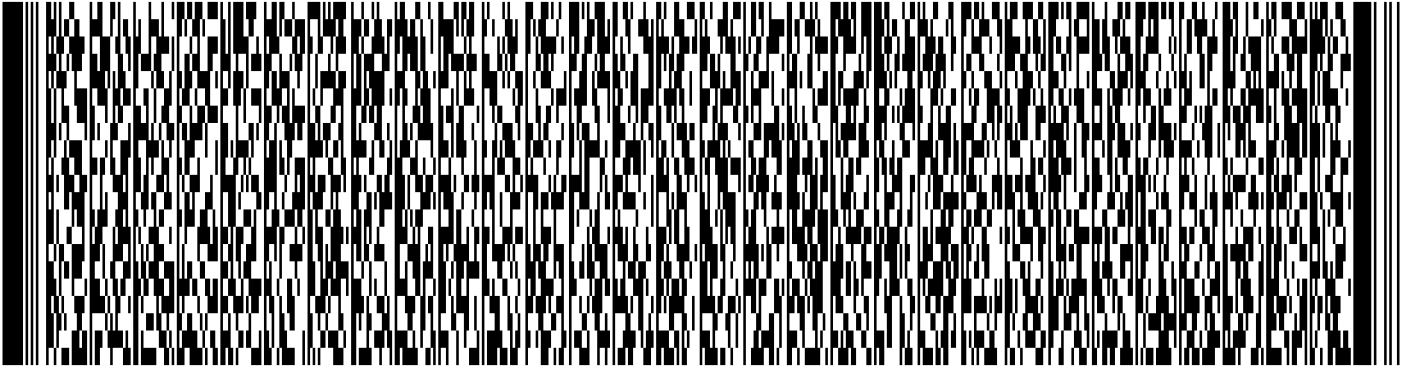
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Debtor's Name Hanover Hills Surgery Center LLC

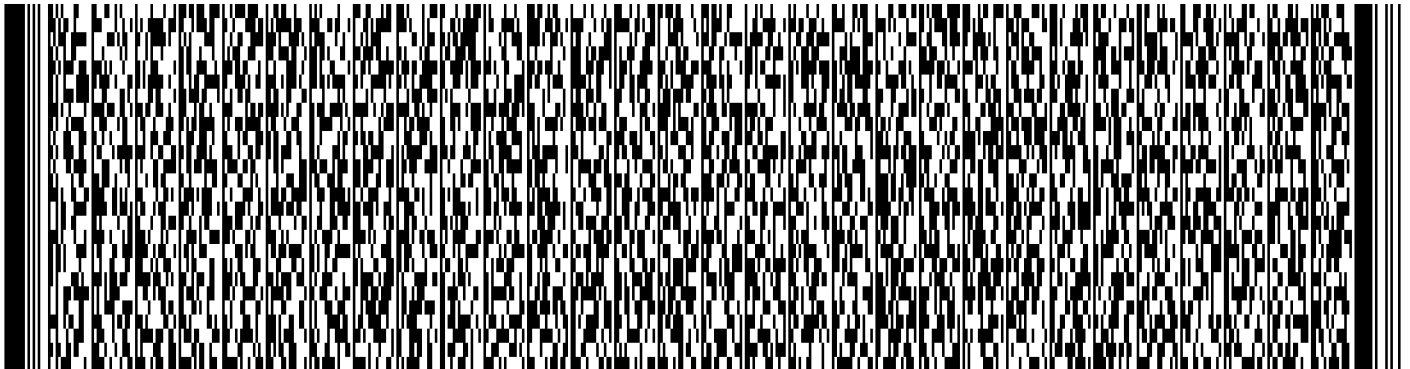
Case No. 24-16995



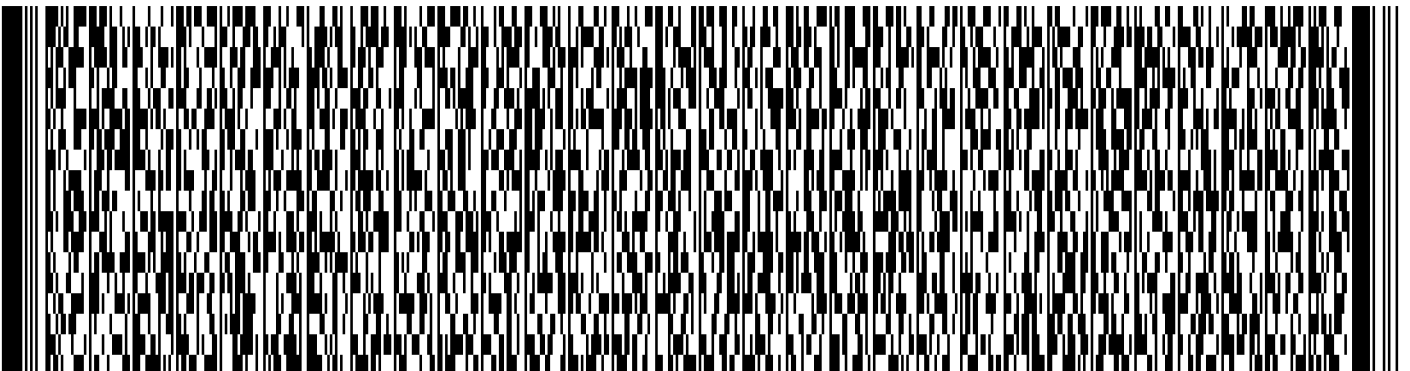
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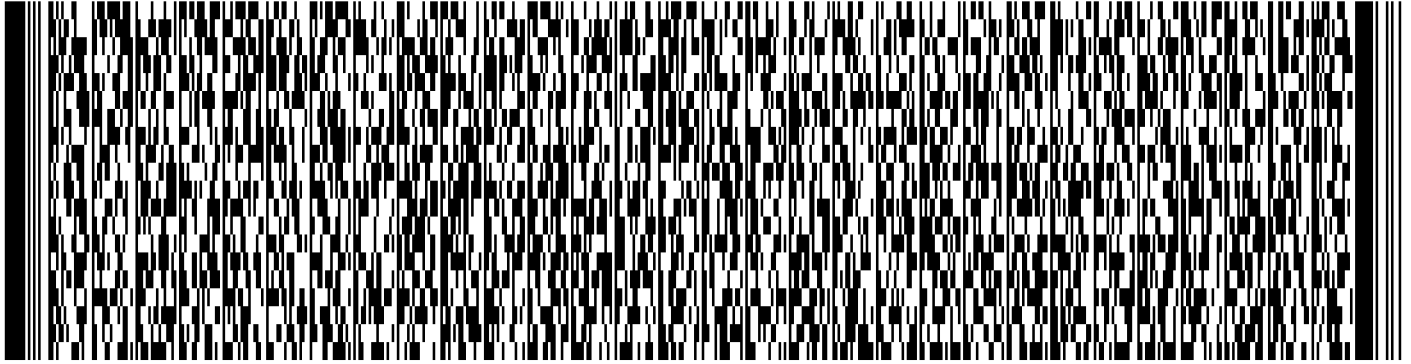
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Debtor's Name Hanover Hills Surgery Center LLC

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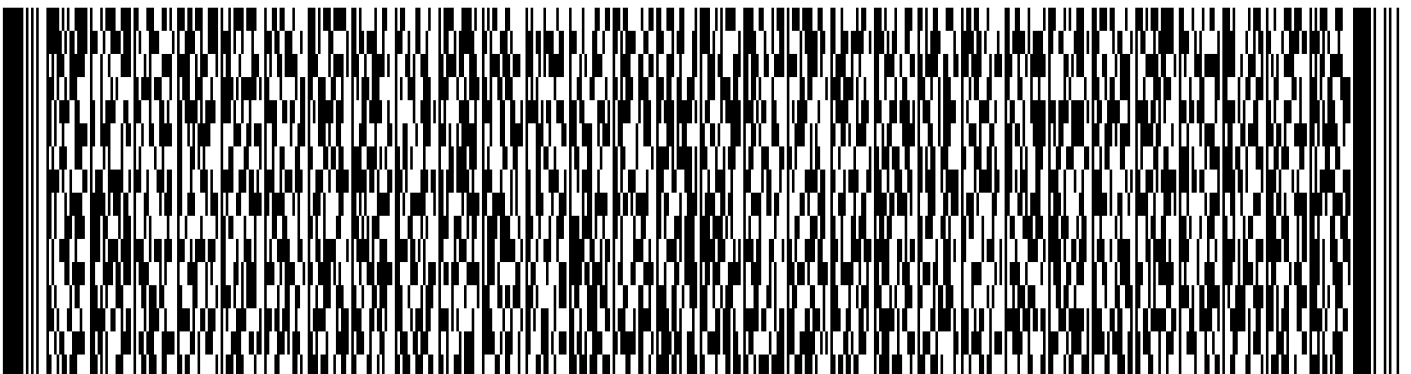
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Bankruptcy51to100



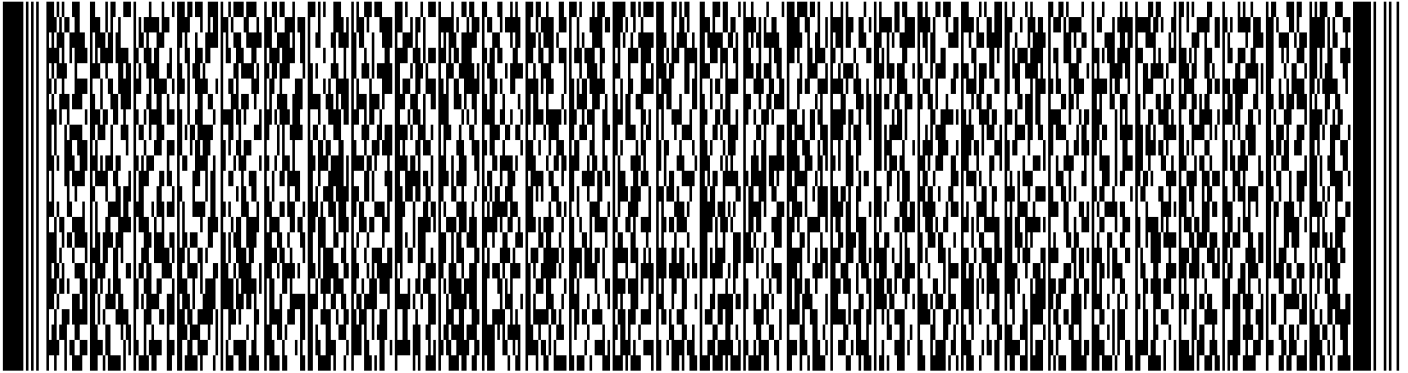
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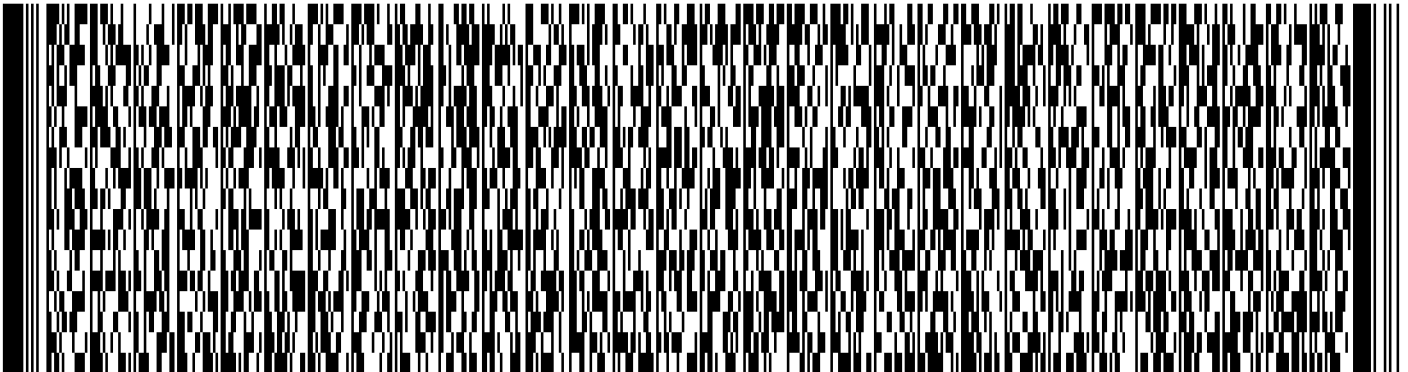
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Debtor's Name Hanover Hills Surgery Center LLC

Case No. 24-16995



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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.

March 2025 (stub) Monthly Operating Report:

1. The Reporting Period for this Monthly Operating Report is March 1, 2025 to March 24, 2025 and the financial statements referenced herein cover January 31, 2025 period. The disbursement detail is reflective of the post-petition period from March 1, 2025 to March 24, 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 March 24, 2025.
5. Jay Lubetkin has signed this Monthly Operating Report ("MOR"). Mr. Lubetkin is the Liquidation Trustee for the Debtor and an authorized signatory for the Debtor. In reviewing and signing the MOR, Mr. Lubetkin has relied upon the efforts, statements and representations of various personnel employed by the Debtor and the Debtor's former advisors. Mr. Lubetkin 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.
7. March 2025 stub MOR does not include financial statements as per discussion with US Trustee and reflects financial results (Balance Sheet and Income Statement) covering January 31, 2025 period.
8. As of March 24, 2025, the balance of Intercompany DIP Loan to Hanover Hills Surgery Center from ANS PA is \$450,933.

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	Employees as of 2/28/25	Employees as of 3/24/25
Hanover Hills Surgery Center LLC	1	0.5	0.5	0	0	0	0	0	0	0
Total	1	0.5	0.5	0	0	0	0	0	0	0

Notes:

- The Debtor does not have any employees as of March 24, 2025

Hanover Hills Surgery Center LLC
Debtor24-16995
Reporting Period: March 1 - March 24, 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	0	617						617		31,089	
RECEIPTS											
Insurance receipts								-		1,064	
Patient receipts								-		600	
Arbitration/Litigation receipts								-		-	
Other medical receipts								-		6,741	
Others								-		-	
Interest								-		-	
Return Item Chargeback								-		-	
Transfer from Other Debtor Bank Accounts								-		20,401	
ANSPA Loan Advance		150,450						150,450		450,933	
Transfer From Other Non-Debtor Bank Account								-		-	
								-		-	
TOTAL RECEIPTS	-	150,450		-	-	-		150,450		479,740	
DISBURSEMENTS											
OpEx reimbursements - MSO											
SG&A - Payroll								-		(13,694)	
SG&A - Employee benefits								-		-	
SG&A - Regulatory								-		-	
Vendor - Credit card processor								-		(1,205)	
SG&A - IT		(467)						(467)		(4,923)	
SG&A - Legal								-		-	
SG&A - Rent		(148,155)						(148,155)		(403,553)	
SG&A - Office expenses		(1,828)						(1,828)		(11,802)	
SG&A - Marketing								-		-	
SG&A - Membership dues/fees								-		-	
SG&A - Regulatory								-		(4,007)	
SG&A - Others								-		(2,907)	
Vendor - Billing & Collections								-		(149)	
Vendor - Medical records								-		(2,000)	
Vendor - Medical supplies								-		-	
Vendor - Medical other								-		(250)	
Vendor - Medical Imaging								-		-	
Insurance								-		-	
Contractors/OCPs								-		-	
Employee								-		-	
Equipment Lease								-		-	
Bank Fees								-		(7,268)	
Patient refunds								-		-	
Admittance Fees								-		-	
Refunds - Other								-		-	
Others								-		-	
Transfer to Other Debtor Bank Accounts								-		(20,401)	
Transfer to MSO (pass thru)								-		-	
Tranfer 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								-		(1,305)	
Other Court Costs								-		-	
TOTAL DISBURSEMENTS	-	(150,450)		-	-			(150,450)		(510,212)	
NET CASH FLOW	-	-		-	-			-		(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	(150,450)
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	-
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	(150,450)

Notes:

- The Debtor paid \$148,154.57 as "Interim Rent Payment" as approved by court under [Doc 437 - ORDER APPROVING DISCLOSURE STATEMENT ON A FINAL BASIS AND CONFIRMING AMENDED COMBINED DISCLOSURE STATEMENT AND JOINT CHAPTER 11 PLAN OF LIQUIDATION PROPOSED...]

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 2.28.25	Credits	Debits	Balance as of 3.24.25
Atlantic Neurosurgical Specialists, P.A.	Operating Account	xxx2525	Wells Fargo	Debtor	\$ 1,186,022.66	\$ 47,856.83	(1,231,879.49)	\$ 2,000.00
Atlantic Neurosurgical Specialists, P.A.	Savings	xxx9795	Wells Fargo	Debtor	-	-	-	-
ANS Newco, LLC	Checking	xxx5348	Wells Fargo	Debtor	-	-	-	-
ANS Continuum Holdco, LLC	Commercial Checking	xxx0968	Key Bank	Non-Debtor	662.43	20,979.02	(21,541.45)	100.00
ANS Founders P.C.	Checking	xxx5330	Wells Fargo	Non-Debtor	-	3,502,000.32	(3,502,000.32)	-
Hanover Hills Surgery Center LLC	Commercial Checking	xxx2865	Key Bank	Debtor	616.75	150,449.55	(150,449.55)	616.75
Hanover Hills Surgery Center LLC	Checking	xxx7346	Wells Fargo	Debtor	-	-	-	-
Morristown Intraoperative Monitoring, P.A.	Checking	xxx8821	Wells Fargo	Non-Debtor	-	-	-	-
New Jersey Pain Consultants P.C.	Checking	xxx8822	Peapack-Gladstone Bank	Non-Debtor	-	-	-	-
Total					\$ 1,187,301.84	\$ 3,721,285.72	\$ (4,905,870.81)	\$ 2,716.75

Notes:

- Values reflect bank balances

- The following bank accounts are closed as of filing of this MOR:

(1) Atlantic Neurosurgical Specialists, P.A. (Debtor) Savings Account ending in x9795 at Wells Fargo,

(2) ANS Newco, LLC (Debtor) Checking Account ending in x5348 at Wells Fargo,

(3) Hanover Hills Surgery Center LLC (Debtor) Checking Account ending in x7346 at Wells Fargo,

(4) Morristown Intraoperative Monitoring P.A. (Non-debtor) Checking Account ending in x8821 at Wells Fargo,

(5) New Jersey Pain Consultants P.C. (Non-debtor) Checking Account ending in x8822 at Peapack-Gladstone Bank

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 3/24/2025	Balance as of 2/28/2025	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	\$ 2,000.00	\$ 1,186,022.66	\$ 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	-	0.00	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	100.00	662.43	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	616.75	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					\$ 2,716.75	\$ 1,187,301.84	\$ 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

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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

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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 [3]
2000 - Accounts Payable	78,642.36
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 was written off and amounts were 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.

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Part 3: Assets Sold or Transferred

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

Notes:

#

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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].

- In March 2025, the Debtor paid \$148,154.57 "Interim Rent Payment" as approved by court under "Order Approving Disclosure Statement On A Final Basis And Confirming Amended Combined Disclosure Statement And Joint Chapter 11 Plan Of Liquidation Proposed...." [Docket 437].

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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	2/1/25 to 2/28/25	3/1/25 to 3/24/25	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 - Q1 2025 estimated quarterly fees of \$698.22, covering period of January 1, 2025 to March 24, 2025, for Hanover Hills Surgery Center was paid in March 2025 from ANS PA Operating account
- 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

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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	As of 2/28/2025	As of 3/24/2025	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:

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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

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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	\$ -	

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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	2/28/2025	3/24/2025	Cumulative
Beginning Intercompany DIP Loan Balance	\$ -	\$ -	\$ -	\$ 115,299.68	\$ 173,339.42	\$ 231,675.05	\$ 289,579.43	\$ 300,483.63	\$ 300,483.63	\$ -
Advances (+)	-	-	115,299.68	58,039.74	58,335.63	57,904.38	10,904.20	-	150,449.55	450,933.18
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	\$ 450,933.18	\$ 450,933.18

-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]