



FINANCIALS

Patient Information

(For fiscal years beginning October 1 and ending September 30)
(dollar amounts in thousands)

Charges for Patient Services	2006	%	2005	%
Medicare	\$ 231,246	25.4%	\$ 178,393	24.3%
Indemnity insurance	2,975	0.3%	8,266	1.1%
Managed care contracts	523,300	57.3%	422,939	57.4%
Subsidized care	155,332	17.0%	126,633	17.2%
Total	\$ 912,853	100.0%	\$ 736,231	100.0%

Payments Received for Patient Services	2006	%	2005	%
Medicare	\$ 56,503	17.1%	\$ 47,212	17.5%
Indemnity insurance	2,123	0.6%	3,296	1.2%
Managed care contracts	225,299	67.8%	199,242	73.7%
Medi-Cal and other	48,270	14.5%	20,463	7.6%
Total	\$ 332,195	100.0%	\$ 270,213	100.0%

Patients Treated (based on admissions)	2006	2005
New patient referrals	6,419	6,148
Patients treated during year	17,695	16,894
Admissions	4,934	4,643
Patient days	49,330	43,745
Clinic and infusion visits	109,603	102,605
Bone marrow transplants (BMT)	605*	460*

*includes BMT performed at City of Hope • Banner Good Samaritan

City of Hope and Affiliates Combined Statements of Financial Position

(For fiscal years beginning October 1 and ending September 30)
(dollar amounts in thousands)

ASSETS

Current Assets	2006	2005*
Cash and cash equivalents	\$ 49,473	\$ 51,041
Investments	71,072	53,437
Patient accounts receivable, less allowances for uncollectible accounts of \$3,377 in 2006 and \$2,010 in 2005	64,415	52,971
Grants and other receivables	15,187	9,288
Donor restricted unconditional promises to give, net	10,588	11,867
Prepaid and other	28,291	15,322
Total current assets	\$ 239,026	\$ 193,926
PROPERTY, PLANT AND EQUIPMENT, net of accumulated depreciation of \$273,123 in 2006 and \$242,257 in 2005	\$ 371,440	\$ 366,246
Other Assets		
Investments	\$ 9,133	\$ 5,334
Board-designated investments	161,234	136,002
Bond trust funds	41,774	12,367
Escrow funds	–	1,699
Donor restricted assets	128,989	94,236
Other assets	11,870	10,532
Total other assets	353,000	260,170
TOTAL ASSETS	\$ 963,466	\$ 820,342

*Certain reclassifications were made to the 2005 financial statements to conform to the 2006 presentation.

(For fiscal years beginning October 1 and ending September 30)
(dollar amounts in thousands)

LIABILITIES AND NET ASSETS

Current Liabilities	2006	2005*
Accounts payable and accrued liabilities	\$ 72,281	\$ 98,545
Long-term debt, current portion and accrued interest	14,015	10,349
Total current liabilities	86,296	108,894
LONG-TERM DEBT, net of current portion and unamortized discount of \$2,131 and \$2,259 as of September 30, 2006 and 2005, respectively	241,144	191,613
ANNUITY AND SPLIT-INTEREST AGREEMENT OBLIGATIONS	19,670	19,037
Other	7,036	5,608
Total liabilities	\$ 354,146	\$ 325,152

COMMITMENTS AND CONTINGENCIES

Net Assets

Unrestricted	\$ 457,589	\$ 382,940
Restricted	151,731	112,250
Total net assets	609,320	495,190
TOTAL LIABILITIES AND NET ASSETS	\$ 963,466	\$ 820,342

*Certain reclassifications were made to the 2005 financial statements to conform to the 2006 presentation.

City of Hope Combined Statements of Activities

(For fiscal years beginning October 1 and ending September 30)
(dollar amounts in thousands)

Revenues	2006	2005
Net patient service revenues	\$ 332,195	\$270,213
Contributions and net special event revenues	124,867	85,645
Royalties and research grants	151,884	123,754
Other	32,330	23,995
Total revenues	\$ 641,276	\$503,607
Expenses		
Program services	\$ 441,862	\$370,107
Supporting services	83,780	82,437
Total expenses	525,642	452,544
Operating income	115,634	51,063
Change in net unrealized (loss) gain on investments	(998)	6,755
Loss on interest rate swap agreement	(506)	–
FEMA grant used for eligible construction projects	–	272
Changes in net assets	114,130	58,090
Net assets, beginning of year	495,190	437,100
Net assets, end of year	\$ 609,320	\$495,190

City of Hope Combined Statements of Cash Flow

(For fiscal years beginning October 1 and ending September 30)
(dollar amounts in thousands)

Cash Flows from Operating Activities	2006	2005
Changes in net assets	\$114,130	\$ 58,090
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation and amortization	31,333	24,103
Unrealized (loss) gain on investments	998	(6,755)
Other changes in operating assets and liabilities	(59,830)	(17,321)
Total adjustments	(27,499)	27
Net cash provided by operating activities	\$ 86,631	\$ 58,117
Cash Flows from Investing Activities		
Proceeds from sales of property, plant and equipment	\$ 416	\$ 786
Additions to property, plant and equipment	(36,212)	(56,707)
Change in investments	(95,632)	(21,560)
Net cash used in investing activities	\$(131,428)	\$ (77,481)
Cash Flows from Financing Activities		
Net cash provided by financing activities	\$ 43,229	\$ 33,066
Net increase in cash and cash equivalents	(1,568)	13,702
Cash and cash equivalents, beginning of year	51,041	37,339
Cash and cash equivalents, end of year	\$ 49,473	\$ 51,041