

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2001-08-03** | Period of Report: **2001-06-30**
SEC Accession No. **0000925328-01-500026**

(HTML Version on secdatabase.com)

FILER

PROMEDCO MANAGEMENT CO

CIK: **1011630** | IRS No.: **752529809** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **000-29172** | Film No.: **1697090**
SIC: **8011** Offices & clinics of doctors of medicine

Mailing Address
1200 SUMMIT AVE
SUITE 502
FORT WORTH TX 76102

Business Address
1200 SUMMIT AVE
SUITE 502
FORT WORTH TX 76102
8173355035

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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report: July 20, 2001

Commission file number 0-29172

ProMedCo Management Company

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

75-2529809
(I.R.S. Employer
Identification Number)

1200 Summit Ave. Suite 502
Fort Worth, Texas
(Address of principal executive offices)

76102
(Zip Code)

(817) 335-5035
(Registrant's telephone number, including area code)

(Former address since last report)

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Item 5. Other Events

On April 4, 2001, ProMedCo Management Company, a Delaware corporation (the "Company"), filed a voluntary petition for protection under Chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Northern District of Texas (the "Bankruptcy Court").

Pursuant to Bankruptcy Rule 2015 and the United States Trustee's Operating Guidelines and Reporting Requirements for Chapter 11 cases, the Company is obligated to file monthly operating reports with the Bankruptcy Court. The Company's unconsolidated, unaudited monthly operating report dated June 30, 2001 is filed as Exhibit 99.1 hereto.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits

Exhibit No.	Description
99.1	Unconsolidated, Unaudited Monthly Operating Report dated June 30, 2001.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: July 20, 2001

ProMedCo Management Company

By: /s/ Charles McQueary
Name: Charles McQueary
Title: Chief Executive Officer

Exhibit Index

Exhibit No.	Description
99.1	Unconsolidated, Unaudited Monthly Operating Report dated June 30, 2001.

<TABLE>
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Monthly Operating Report

CASE NAME: ProMedCo Management Company

ACCRUAL BASIS-1

CASE NUMBER: 01-42502-BJH-11

02/13/95, RWD, 2/96

COMPARATIVE BALANCE SHEET

***** AMOUNTS ARE UNAUDITED *****

<S>

ASSETS	SCHEDULE AMOUNT	MONTH June 2001	MONTH May 2001	MONTH April 2001
1. UNRESTRICTED CASH	<C> \$657,834	<C> \$761,182	<C> \$252,642	<C> \$14,857,739
2. RESTRICTED CASH				
3. TOTAL CASH	\$657,834	\$761,182	\$252,642	\$14,857,739
4. ACCOUNTS RECEIVABLE (NET)				
5. INVENTORY				
6. NOTES RECEIVABLE				
7. PREPAID EXPENSES	\$435,981	\$395,297	\$457,524	\$439,818
8. OTHER (ATTACH LIST)	\$14,534,047	\$570,672	\$584,607	\$584,607
9. TOTAL CURRENT ASSETS	\$15,627,862	\$1,727,152	\$1,294,773	\$15,882,163
10. PROPERTY, PLANT & EQUIPMENT		\$3,943,998	\$3,268,998	\$3,268,998
11. LESS: ACCUMULATED DEPRECIATION / DEPLETION		\$2,401,042	\$2,331,292	\$2,254,588
12. NET PROPERTY, PLANT & EQUIPMENT	\$1,092,455	\$1,542,956	\$937,706	\$1,014,410
13. DUE FROM INSIDERS				
14. OTHER ASSETS - NET OF AMORT. (Service Agreement Rights)				
15. OTHER (ATTACH LIST)	\$88,579,000	\$44,443,529	\$52,487,734	\$89,768,994
16. TOTAL ASSETS	\$105,299,317	\$47,713,637	\$54,720,213	\$106,665,568
POSTPETITION LIABILITIES				
17. ACCOUNTS PAYABLE		\$439,353	\$6,412	\$194,662
18. TAXES PAYABLE		\$55	\$55	\$55
19. NOTES PAYABLE				
20. PROFESSIONAL FEES				
21. SECURED DEBT		\$0	\$0	\$400,000
22. OTHER (ATTACH LIST)		\$1,953	\$16,468	\$9,372
23. TOTAL POSTPETITION LIABILITIES		\$441,362	\$22,935	\$604,088
PREPETITION LIABILITIES				
24. SECURED DEBT	\$156,072,699	\$133,511,861	\$126,489,596	\$156,072,699
25. PRIORITY DEBT	\$2,064,593	\$1,165,109	\$1,149,101	\$1,217,192
26. UNSECURED DEBT	\$16,118,079	\$13,495,197	\$17,517,852	\$15,773,045
27. OTHER (ATTACH LIST)		\$17,870,986	\$24,081,802	\$27,013,187
28. TOTAL PREPETITION LIABILITIES	\$174,255,371	\$166,043,153	\$169,238,351	\$200,076,122

29. TOTAL LIABILITIES	\$174,255,371	\$166,484,515	\$169,261,286	\$200,680,211
EQUITY				
30. PREPETITION OWNERS' EQUITY	(68,956,054)	(\$107,017,977)	(\$104,788,665)	(\$92,770,864)
31. POSTPETITION CUMULATIVE PROFIT OR (LOSS)		(\$11,752,901)	(\$9,752,409)	(\$1,243,779)
32. DIRECT CHARGES TO EQUITY (ATTACH EXPLANATION)				
33. TOTAL EQUITY	(\$68,956,054)	(\$118,770,878)	(\$114,541,074)	(\$94,014,643)
34. TOTAL LIABILITIES & OWNERS' EQUITY	\$105,299,317	\$47,713,637	\$54,720,213	\$106,665,568

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Monthly Operating Report

CASE NAME: ProMedCo Management Company

ATTACHMENT - ACCRUAL BASIS-1

CASE NUMBER: 01-42502-BJH-11

02/13/95, RWD, 2/96

***** AMOUNTS ARE UNAUDITED *****

ASSETS	SCHEDULE AMOUNT	MONTH		
		June 2001	May 2001	April 2001
8. OTHER CURRENT ASSETS	<C>	<C>	<C>	<C>
Income tax receivable	\$13,983,375			
Other current assets		\$20,000	\$33,934	\$33,934
Management fees receivable	\$550,672	\$550,672	\$550,672	\$550,672
	\$14,534,047	\$570,672	\$584,607	\$584,607

<S>

15. OTHER ASSETS				
Security deposit	\$11,760	\$11,760	\$11,760	\$11,760
Stock and interests in subsidiaries	\$87,800,000	\$43,663,914	\$51,708,426	\$88,989,994
Club membership	\$16,000	\$16,000	\$16,000	\$16,000
STAR program advancing	\$751,240	\$751,855	\$751,548	\$751,240
	\$88,579,000	\$44,443,529	\$52,487,734	\$89,768,994

22. OTHER POSTPETITION LIABILITIES				
Withholdings from employee gross payroll		\$1,953	\$16,468	\$9,372

27. OTHER PREPETITION LIABILITIES

Deferred revenue	\$17,870,986	\$24,081,802	\$27,013,187
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Monthly Operating Report

CASE NAME: ProMedCo Management Company

ACCRUAL BASIS-2

CASE NUMBER: 01-42502-BJH-11

02/13/95, RWD, 2/96

INCOME STATEMENT

***** AMOUNTS ARE UNAUDITED *****

<S>

	MONTH	MONTH	MONTH	QUARTER
	June 2001	May 2001	April 2001	TOTAL
REVENUES				
1. GROSS REVENUES	\$104,764	\$2,948,066	\$113,786	
2. LESS: RETURNS & DISCOUNTS				
3. NET REVENUE	\$104,764	\$2,948,066	\$113,786	\$0
COST OF GOODS SOLD				
4. MATERIAL				
5. DIRECT LABOR				
6. DIRECT OVERHEAD				
7. TOTAL COST OF GOODS SOLD	\$0	\$0	\$0	\$0
8. GROSS PROFIT	\$104,764	\$2,948,066	\$113,786	\$0
OPERATING EXPENSES				
9. OFFICER / INSIDER COMPENSATION	\$155,068	\$83,494	\$76,818	
10. SELLING & MARKETING				
11. GENERAL & ADMINISTRATIVE	\$6,315	\$111,434	\$23,991	
12. RENT & LEASE	\$24,183	\$48,129	\$33,474	
13. OTHER (ATTACH LIST)	\$405,778	\$423,960	\$1,011,596	
14. TOTAL OPERATING EXPENSES	\$591,344	\$667,017	\$1,145,879	\$0
15. INCOME BEFORE NON-OPERATING INCOME & EXPENSE	(\$486,580)	\$2,281,049	(\$1,032,093)	\$0
OTHER INCOME & EXPENSES				
16. NON-OPERATING INCOME (ATT. LIST)				
17. NON-OPERATING EXPENSE (ATT. LIST)				
18. INTEREST EXPENSE	\$936,541	\$636,468	\$429,760	

19. DEPRECIATION / DEPLETION	\$69,750	\$76,704	\$78,045	

20. AMORTIZATION				

21. OTHER - Adjustment to estimated market values	(\$63,122)	\$10,009,429	(\$273,230)	

22. NET OTHER INCOME & EXPENSES	\$943,169	\$10,722,601	\$234,575	\$0

REORGANIZATION EXPENSES				

23. PROFESSIONAL FEES	\$539,742			

24. U.S. TRUSTEE FEES				

25. OTHER (ATTACH LIST)				

26. TOTAL REORGANIZATION EXPENSES	\$539,742	\$0	\$0	\$0

27. INCOME TAX	\$31,000	\$67,109	(\$22,889)	

28. NET PROFIT (LOSS)	(\$2,000,491)	(\$8,508,661)	(\$1,243,779)	\$0

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Monthly Operating Report

CASE NAME: ProMedCo Management Company

ATTACHMENT -

ACCRUAL BASIS-2

CASE NUMBER: 01-42502-BJH-11

02/13/95, RWD, 2/96

***** AMOUNTS ARE UNAUDITED *****

<S>

	MONTH	MONTH	MONTH	QUARTER
	June 2001	May 2001	April 2001	TOTAL
	<C>	<C>	<C>	<C>

13. OTHER OPERATING EXPENSES				

Payroll and payroll taxes	\$264,356	\$322,515	\$326,361	

Sales use and other taxes	\$7,221	\$559	\$734	

Utilities	\$74,274	\$36,097	\$9,375	

Insurance	\$19,988	\$19,905	\$20,846	

Travel	\$8,354	\$23,343	\$22,293	

Entertainment	\$2,836	\$2,010	\$2,290	

Repairs & Maintenance	\$487	\$763		

Supplies	(\$36,022)	(\$25,143)	(\$26,935)	

Employee benefits	\$18,546	\$7,848	\$18,684	

Occupancy Costs				

Purchased Services	\$45,738	\$36,063	\$637,948	

Total Other Operating Expenses	\$405,778	\$423,960	\$1,011,596	

16. NON-OPERATING INCOME (ATT. LIST)

17. NON-OPERATING EXPENSE (ATT. LIST)

21. OTHER NON-OPERATING EXPENSES

25. OTHER REORGANIZATION EXPENSES

</TABLE>

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Monthly Operating Report

CASE NAME: ProMedCo Management Company

ACCRUAL BASIS-3

CASE NUMBER: 01-42502-BJH-11

02/13/95, RWD, 2/96

***** AMOUNTS ARE UNAUDITED *****

CASH RECEIPTS AND DISBURSEMENTS	MONTH June 2001	MONTH May 2001	MONTH April 2001	QUARTER TOTAL
1. CASH - BEGINNING OF MONTH	<C> \$252,642	<C> \$14,857,739	<C> \$231,036	<C>
RECEIPTS FROM OPERATIONS				
2. CASH SALES				
COLLECTION OF ACCOUNTS RECEIVABLE				
3. PREPETITION				
4. POSTPETITION				
5. TOTAL OPERATING RECEIPTS	\$133,103	\$416,438	\$525,184	\$0
NON - OPERATING RECEIPTS				
6. LOANS & ADVANCES (ATTACH LIST)	\$606,368		\$400,000	
7. SALE OF ASSETS	\$721,164		\$602,240	
8. OTHER (ATTACH LIST)			\$14,017,593	
9. TOTAL NON-OPERATING RECEIPTS	\$1,327,532	\$0	\$15,019,833	\$0
10. TOTAL RECEIPTS	\$1,460,635	\$416,438	\$15,545,017	\$0
11. TOTAL CASH AVAILABLE	\$1,713,277	\$15,274,177	\$15,776,053	\$0
OPERATING DISBURSEMENTS				
12. NET PAYROLL	\$265,335	\$240,072	\$244,164	

13. PAYROLL TAXES PAID	\$131,508	\$182,766	\$142,893	
14. SALES, USE & OTHER TAXES PAID	\$38,603	\$171,081	\$1,251	
15. SECURED / RENTAL / LEASES	\$0		\$10,967	
16. UTILITIES	\$75,217	\$41,346	\$156	
17. INSURANCE		\$217,011	\$63,322	
18. INVENTORY PURCHASES				
19. VEHICLE EXPENSES				
20. TRAVEL	\$21,353	\$17,819	\$19,982	
21. ENTERTAINMENT	\$2,952	\$1,565	\$5,795	
22. REPAIRS & MAINTENANCE		\$276		
23. SUPPLIES	\$1,407	\$1,952		
24. ADVERTISING				
25. OTHER (ATTACH LIST)	\$139,544	\$201,714	\$392,816	
26. TOTAL OPERATING DISBURSEMENTS	\$675,919	\$1,075,601	\$881,346	\$0
REORGANIZATION EXPENSES				
27. PROFESSIONAL FEES	\$276,175	\$51,713		
28. U.S. TRUSTEE FEES				
29. OTHER (ATTACH LIST)		\$13,894,221	\$36,968	
30. TOTAL REORGANIZATION EXPENSES	\$276,175	\$13,945,934	\$36,968	\$0
31. TOTAL DISBURSEMENTS	\$952,094	\$15,021,535	\$918,314	\$0
32. NET CASH FLOW	\$508,541	(\$14,605,097)	\$14,626,703	\$0
33. CASH - END OF MONTH	\$761,183	\$252,642	\$14,857,739	\$0

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Monthly Operating Report

CASE NAME: ProMedCo Management Company

ATTACHMENT -

ACCRUAL BASIS-3

CASE NUMBER: 01-42502-BJH-11

02/13/95, RWD, 2/96

***** AMOUNTS ARE UNAUDITED *****

	MONTH	MONTH	MONTH	QUARTER
	June 2001	May 2001	April 2001	TOTAL
<S> 6. LOANS & ADVANCES	<C>	<C>	<C>	<C>
8. OTHER NON-OPERATING RECEIPTS				

25. OTHER (ATTACH LIST)				
EMPLOYEE WITHHOLDINGS & BENEFITS	\$23,577	\$36,972	\$117,759	
OCCUPANCY COSTS				
PURCHASED SERVICES	\$6,001	\$17,888	\$9,420	
GENERAL AND ADMINISTRATIVE EXP.	\$22,214	\$28,130	\$8,814	
WORKING CAPITAL ADVANCE TO SUBSIDIARIES	\$87,753	\$118,724	\$256,823	
TOTAL OTHER OPERATING DISBURSEMENTS	\$139,544	\$201,714	\$392,816	\$0

29. OTHER REORGANIZATION DISBURSEMENTS

</TABLE>

<TABLE>
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Monthly Operating Report

CASE NAME: ProMedCo Management Company

ACCRUAL BASIS-4

CASE NUMBER: 01-42502-BJH-11

02/13/95, RWD, 2/96

***** AMOUNTS ARE UNAUDITED *****

ACCOUNTS RECEIVABLE AGING	SCHEDULE AMOUNT	MONTH		
		June 2001	May 2001	April 2001
1. 0-30	<C>	<C>	<C>	<C>
2. 31-60				
3. 61-90				
4. 91+				
5. TOTAL ACCOUNTS RECEIVABLE	\$0	\$0	\$0	\$0
6. AMOUNT CONSIDERED UNCOLLECTIBLE				
7. ACCOUNTS RECEIVABLE (NET)	\$0	\$0	\$0	\$0

AGING OF POSTPETITION TAXES AND PAYABLES

MONTH: June 2001

TAXES PAYABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	91+ DAYS	TOTAL

1.	FEDERAL					\$ -
2.	STATE	\$55				\$ 55
3.	LOCAL					\$ -
4.	OTHER (ATTACH LIST)					\$ -
5.	TOTAL TAXES PAYABLE	\$55	\$0	\$0	\$0	\$55

6. ACCOUNTS PAYABLE #REF! #REF! #REF!

STATUS OF POSTPETITION TAXES

MONTH: June 2001

	BEGINNING TAX LIABILITY*	AMOUNT WITHHELD AND/OR ACCRUED	AMOUNT PAID	ENDING TAX LIABILITY
FEDERAL				
1.	WITHHOLDING**	\$100,595	\$100,595	\$0
2.	FICA-EMPLOYEE**	\$14,723	\$14,723	\$0
3.	FICA-EMPLOYER**	\$14,723	\$14,723	\$0
4.	UNEMPLOYMENT	\$0	\$0	\$0
5.	INCOME			\$0
6.	OTHER (ATTACH LIST)			\$0
7.	TOTAL FEDERAL TAXES	\$0	\$130,041	\$0
STATE AND LOCAL				
8.	WITHHOLDING	\$32	\$1,467	\$32
9.	SALES			\$0
10.	EXCISE			\$0
11.	UNEMPLOYMENT	\$23	\$0	\$23
12.	REAL PROPERTY			\$0
13.	PERSONAL PROPERTY			\$0
14.	OTHER - Franchise and income taxes		\$38,603	\$0
15.	TOTAL STATE & LOCAL	\$55	\$40,070	\$55
16.	TOTAL TAXES	\$55	\$170,111	\$55

</TABLE>

- * The beginning tax liability should represent the liability from the prior month or, if this is the first operating report, the amount should be zero.
- ** Attach photocopies of IRS Form 6123 or your FTD coupon and payment receipt to verify payment or deposit.

<TABLE>
<CAPTION>

CASE NAME: ProMedCo Management Company

CASE NUMBER: 01-42502-BJH-11

Monthly Operating Report
ACCRUAL BASIS-5
02/13/95, RWD, 2/96

The debtor in possession must complete the reconciliation below for each bank account, including all general, payroll and tax accounts, as well as all savings and investment accounts, money market accounts, certificates of deposit, government obligations, etc. Accounts with restricted funds should be identified by placing an asterisk next to the account number. Attach additional sheets if necessary.

MONTH: June 2001

BANK RECONCILIATIONS

		Account #1	Account #2	Account #3	Account #4	Account #5	Account #6	
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
A.	BANK:	Bank of America						
B.	ACCOUNT NUMBER:	1630767251	3751782030	1631766518	3751782043	4771140656	3751782056	TOTAL
C.	PURPOSE (TYPE):	Operating	Operating	Health Benefits	Health Benefits	Employee Benefit Plan	Employee Benefit Plan	
1.	BALANCE PER BANK STATEMENT	\$134,733	\$725,510	\$0	\$90,481	\$52,337	\$5,894	\$1,008,955
2.	ADD: TOTAL DEPOSITS NOT CREDITED	\$0						\$0
3.	SUBTRACT: OUTSTANDING CHECKS	(\$173,623)			(\$23,192)			(\$196,814)
4.	OTHER RECONCILING ITEMS	\$725,510	(\$725,510)			(\$45,315)	(\$5,894)	(\$51,208)
5.	MONTH END BALANCE PER BOOKS	\$686,620	\$0	\$0	\$67,290	\$7,023	\$0	\$760,932
6.	NUMBER OF LAST CHECK WRITTEN							

INVESTMENT ACCOUNTS

BANK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
7.				
8.				
9.				
10.				
11. TOTAL INVESTMENTS			\$0	\$0

CASH

12. CURRENCY ON HAND		\$250
13. TOTAL CASH - END OF MONTH		\$761,182

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Monthly Operating Report

CASE NAME: ProMedCo Management Company

ACCRUAL BASIS-6

***** AMOUNTS ARE UNAUDITED *****MONTH: June_2001

PAYMENTS TO INSIDERS AND PROFESSIONALS

OF THE TOTAL DISBURSEMENTS SHOWN FOR THE MONTH, LIST THE AMOUNT PAID TO INSIDERS (AS DEFINED IN SECTION 101 (31) (A)-(F) OF THE U.S. BANKRUPTCY CODE) AND TO PROFESSIONALS. ALSO, FOR PAYMENTS TO INSIDERS, IDENTIFY THE TYPE OF COMPENSATION PAID (e.g. SALARY, BONUS, COMMISSIONS, INSURANCE, HOUSING ALLOWANCE, TRAVEL, CAR ALLOWANCE, ETC.). ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSIDERS

	NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE		
<S>	<C>	<C>	<C>	<C>	<C>	<C>
1.	Charles McQueary	salary	\$74,435	\$103,721		
	Charles McQueary	expense reports	\$2,187	\$2,282		
2.	Robert Smith	salary	\$13,700	\$38,373		
	Robert Smith	expense reports	\$380	\$380		
3.	Mike Yeary	salary	\$34,396	\$98,202		
	Mike Yeary	expense reports	\$4,579	\$8,285		
4.	Karen Nicolaou	salary	\$19,848	\$58,593		
5.	Karen Nicolaou	expense reports	\$5,545	\$5,545		
6.	TOTAL PAYMENTS TO INSIDERS		\$155,068	\$315,381		

PROFESSIONALS

	NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT APPROVED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL INCURRED & UNPAID *
1.	Andrews & Kurth	June 2001	\$523,826	\$260,259	\$260,259	\$417,592
2.	Colvin & Petrocchi, L.	June 2001	\$15,916	\$15,916	\$15,916	\$0
3.						\$0
4.						\$0
6.	TOTAL PAYMENTS TO PROFESSIONALS		\$539,742	\$276,175	\$276,175	\$417,592

* INCLUDE ALL FEES INCURRED, BOTH APPROVED AND UNAPPROVED

POSTPETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS

	NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POSTPETITION
1.				
2.				
6.	TOTAL	\$0	\$0	\$0

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Monthly Operating Report

CASE NAME: ProMedCo Management Company

ACCRUAL BASIS-7

CASE NUMBER: 01-42502-BJH-11

02/13/95, RWD, 2/96

MONTH: June 2001

QUESTIONNAIRE

		YES	NO
<S>	<C> <C> <C>		
1.	HAVE ANY ASSETS BEEN SOLD OR TRANSFERRED OUTSIDE THE NORMAL COURSE OF BUSINESS THIS REPORTING PERIOD?		XX
2.	HAVE ANY FUNDS BEEN DISBURSED FROM ANY ACCOUNT OTHER THAN A DEBTOR IN POSSESSION ACCOUNT?		XX
3.	ARE ANY POSTPETITION RECEIVABLES (ACCOUNTS, NOTES, OR LOANS) DUE FROM RELATED PARTIES?		XX
4.	HAVE ANY PAYMENTS BEEN MADE ON PREPETITION LIABILITIES THIS REPORTING PERIOD?	XX	
5.	HAVE ANY POSTPETITION LOANS BEEN RECEIVED BY THE DEBTOR FROM ANY PARTY?		XX
6.	ARE ANY POSTPETITION PAYROLL TAXES PAST DUE?		XX
7.	ARE ANY POSTPETITION STATE OR FEDERAL INCOME TAXES PAST DUE?		XX
8.	ARE ANY POSTPETITION REAL ESTATE TAXES PAST DUE?		XX
9.	ARE ANY OTHER POSTPETITION TAXES PAST DUE?		XX
10.	ARE ANY AMOUNTS OWED TO POSTPETITION CREDITORS DELINQUENT?		XX
11.	HAVE ANY PREPETITION TAXES BEEN PAID DURING THE REPORTING PERIOD?		XX
12.	ARE ANY WAGE PAYMENTS PAST DUE?		XX

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "YES," PROVIDE A DETAILED EXPLANATION OF EACH ITEM. ATTACH ADDITIONAL SHEETS IF NECESSARY.

4. In accordance with an approved court order, prepetition salaries and wages and employee benefit liabilities were paid during the month.

During the month, the bank group withdrew cash from the cash collateral account as a payment against the pre-petition secured debt.

INSURANCE

		YES	NO
1.	ARE WORKER'S COMPENSATION, GENERAL LIABILITY AND OTHER NECESSARY INSURANCE COVERAGES IN EFFECT?	XX	
2.	ARE ALL PREMIUM PAYMENTS PAID CURRENT?	XX	
3.	PLEASE ITEMIZE POLICIES BELOW.		

IF THE ANSWER TO ANY OF THE ABOVE QUESTIONS IS "NO," OR IF ANY POLICIES HAVE BEEN CANCELLED OR NOT RENEWED DURING THIS REPORTING PERIOD, PROVIDE AN

EXPLANATION BELOW. ATTACH ADDITIONAL SHEETS IF NECESSARY.

INSTALLMENT PAYMENTS

TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY
Property Insurance	Philadelphia Indemnity Insurance Company	9-1-00 to 9-1-01	\$92,378 - paid in full
Automobile Insurance	Hartford Insurance Company	9-24-00 to 9-24-01	\$15,000 - annual
General liability	Hartford Insurance Company	9-1-00 to 9-1-01	\$75,388 paid in full
Fiduciary liability	National Union Fire Insurance Co. of Pittsburgh	4-15-01 to 4-15-02	\$6,000 - paid in full
Crime (Fidelity/Dishonesty)	National Union Fire Insurance Co. of Pittsburgh	4-15-01 to 4-15-02	\$12,500 - paid in full
Errors & Omissions (E&O)	Steadfast Insurance Company	10-1-00 to 10-1-01	\$8,116 - paid in full
EPLI	National Union Fire Insurance Co. of Pittsburgh	10-1-00 to 10-1-02	\$159,139 financed monthly - current on payments
Directors & Officers	National Union Fire Insurance Co. of Pittsburgh	10-1-00 to 10-1-02	\$560,000 - paid in full
Commercial Umbrella Liability	Steadfast Insurance Company	7-31-00 to 7-31-01	\$123,820 financed month - current on payment
Workers Compensation	Legion Insurance Company	3-29-01 to 12-31-01	\$8,084 - paid in full

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