

SECURITIES AND EXCHANGE COMMISSION

FORM 11-K

Annual report of employee stock purchase, savings and similar plans

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CERNER CORP /MO/

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(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the fiscal year ended December 31, 1994

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from _____ to _____

Commission file number 0-15386

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

Cerner Corporation Foundations Retirement Plan

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Cerner Corporation
2800 Rockcreek Parkway, Suite 601
Kansas City, Missouri 64117

Financial Statements of the Cerner Corporation Associate 401K Retirement Plan and Trust.

Independent Auditors' Report

Statement of Net Assets Available for Participants - December 31, 1994 and December 31, 1993

Statement of Changes in Net Assets Available for Participants - Years Ended December 31, 1994 and December 31, 1993

Notes to Financial Statements

The following financial statement, schedules and independent auditors' report on financial statement schedules of the Cerner Corporation Associate 401K Retirement Plan and Trust for the two-year period ended December 31, 1994:

Schedule I - Schedule of Assets Held for Investment Purposes
Schedule II - Schedule of Reportable Transactions

Consent of Independent Auditors

CERNER CORPORATION FOUNDATIONS RETIREMENT PLAN

Financial Statements and Schedules

December 31, 1994 and 1993

(With Independent Auditors' Report Thereon)

KPMG Peat Marwick LLP
1000 Walnut, Suite 1600
P.O. Box 13127
Kansas City, MO 64199

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Cerner Corporation:

We have audited the accompanying statements of net assets

available for participants of the Cerner Corporation Foundations Retirement Plan as of December 31, 1994 and 1993 and the related statements of changes in net assets available for participants for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for participants of the Cerner Corporation Foundations Retirement Plan as of December 31, 1994 and 1993 and the changes in net assets available for participants for the years then ended, in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary schedules of assets held for investment purposes and reportable transactions are presented for purposes of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The fund information in the statements of net assets available for participants and the statements of changes in net assets available for participants is presented for purposes of additional analysis rather than to present the net assets available for participants and changes in net assets available for participants of each fund. The supplemental schedules and fund information have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/KPMG Peat Marwick LLP

May 26, 1995

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CERNER CORPORATION
FOUNDATIONS RETIREMENT PLAN

Statement of Net Assets Available for Participants

December 31, 1994

	Fund A	Fund B	Fund C	Fund D	Fund E	Fund F	Loans	Total
	-----	-----	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Investments at fair value:								
Common stock of Cerner Corporation, 465,328 shares (cost \$5,386,712)	\$ 20,537,010	-	-	-	-	-	-	20,537,010
Twentieth Century Ultra Investors, 61,004.17 shares (cost \$1,225,295)	-	1,217,033	-	-	-	-	-	1,217,033
Twentieth Century Growth Investors, 51,003.23 shares (cost \$1,122,353)	-	-	955,800	-	-	-	-	955,800
Twentieth Century Select Investors, 17,791.46 shares (cost \$683,551)	-	-	-	588,897	-	-	-	588,897
Twentieth Century Balanced Investors, 29,646.96 shares (cost \$463,210)	-	-	-	-	452,709	-	-	452,709
Capital Preservation Trust, at cost which approximates								

fair value	-	-	-	-	-	791,660	-	791,660
Loans to participants, at cost which approximates fair value	-	-	-	-	-	-	112,486	112,486
Total investments	20,537,010	1,217,033	955,800	588,897	452,709	791,660	112,486	24,655,595
Cash	44,138	-	-	-	-	-	-	44,138
Contributions receivable:								
Associates	50,416	24,062	17,187	10,312	6,875	5,729	930	115,511
Employer	22,557	-	-	-	-	-	-	22,557
Net assets available for participants	\$ 20,654,121	1,241,095	972,987	599,209	459,584	797,389	113,416	24,837,801

See accompanying notes to financial statements.

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CERNER CORPORATION
FOUNDATIONS RETIREMENT PLAN

Statement of Net Assets Available for Participants

December 31, 1993

	Fund A	Fund B	Fund C	Fund D	Fund E	Fund F	Loans	Total
	-----	-----	-----	-----	-----	-----	-----	-----
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Investments at fair value:								
Common stock of Cerner Corporation, 433,186 shares (cost \$3,362,698)	\$ 18,843,591	-	-	-	-	-	-	18,843,591
Twentieth Century Ultra Investors, 29,593.79 shares (cost \$583,151)	-	633,011	-	-	-	-	-	633,011
Twentieth Century Growth Investors, 25,931.86 shares (cost \$604,383)	-	-	580,874	-	-	-	-	580,874
Twentieth Century Select Investors, 11,005.18 shares (cost \$457,279)	-	-	-	434,264	-	-	-	434,264
Twentieth Century Balanced Investors, 15,501.62 shares (cost \$241,454)	-	-	-	-	248,026	-	-	248,026
Capital Preservation Trust, at cost which approximates fair value	-	-	-	-	-	294,287	-	294,287
Loans to participants, at cost which approximates fair value	-	-	-	-	-	-	94,183	94,183
Total investments	\$ 18,843,591	633,011	580,874	434,264	248,026	294,287	94,183	21,128,236
Cash	74,529	865	-	-	-	-	-	75,394
Contributions receivable:								
Associates	41,381	18,391	13,794	9,196	4,598	4,598	-	91,958
Employer	18,300	-	-	-	-	-	-	18,300
Net assets available for participants	\$ 18,977,801	652,267	594,668	443,460	252,624	298,885	94,183	21,313,888

See accompanying notes to financial statements.

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CERNER CORPORATION
FOUNDATIONS RETIREMENT PLAN

Statement of Changes in Net Assets Available for Participants

Year ended December 31, 1994

	Fund A	Fund B	Fund C	Fund D	Fund E	Fund F	Loans	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Additions to net assets attributed to:								
Net appreciation (depreciation) in fair value of investments	\$ 707,133	(48,807)	(151,412)	(93,868)	(17,253)	-	-	395,793
Interest and dividends	15,671	37,867	140,317	50,927	17,950	19,236	6,968	288,936
Interfund transfers	(39,571)	(80,094)	(34,717)	(44,318)	(10,171)	214,024	(5,153)	-
Employer contributions (note 2)	370,448	-	-	-	-	-	-	370,448
Associates contributions (note 2)	1,377,335	752,781	489,147	328,781	220,518	554,976	-	3,723,538
Loan repayments	5,672	1,242	1,196	420	197	294	(9,021)	-
Total additions (deductions)	2,436,688	662,989	444,531	241,942	211,241	788,530	(7,206)	4,778,715
Deductions from net assets attributed to:								
Distributions to associates	(735,128)	(61,970)	(61,249)	(84,024)	(2,551)	(289,289)	(19,705)	(1,253,916)
Loans to participants	(25,240)	(12,191)	(4,963)	(2,169)	(1,730)	(737)	47,030	-
Participant loan expenses	-	-	-	-	-	-	(886)	(886)
Total (deductions) additions	(760,368)	(74,161)	(66,212)	(86,193)	(4,281)	(290,026)	26,439	(1,254,802)
Net increase	1,676,320	588,828	378,319	155,749	206,960	498,504	19,233	3,523,913
Net assets available for participants:								
Beginning of year	18,977,801	652,267	594,668	443,460	252,624	298,885	94,183	21,313,888
End of year	\$ 20,654,121	1,241,095	972,987	599,209	459,584	797,389	113,416	24,837,801

See accompanying notes to financial statements.

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CERNER CORPORATION
FOUNDATIONS RETIREMENT PLAN

Statement of Changes in Net Assets Available for Participants

Year ended December 31, 1993

	Fund A	Fund B	Fund C	Fund D	Fund E	Fund F	Money market fund	Loans	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Additions to net assets attributed to:									
Net appreciation (depreciation) in fair value of investments	\$ 6,882,059	69,851	(22,563)	(22,534)	8,865	-	-	-	6,915,678
Interest and dividends	1,281	16,580	61,483	44,787	4,965	21,219	8,870	1,587	160,772
Interfund transfers	198,376	321,571	313,889	218,396	129,786	279,011	(1,459,993)	(1,036)	-
Employer contributions (note 2)	278,822	-	-	-	-	-	-	-	278,822
Associates contributions (note 2)	973,165	260,261	264,220	216,918	127,139	104,672	301,975	-	2,248,350
Loan repayments	1,129	301	334	74	66	-	-	(1,904)	-
Total additions (deductions)	8,334,832	668,564	617,363	457,641	270,821	404,902	(1,149,148)	(1,353)	9,603,622
Deductions from net assets attributed to:									
Distributions to associates	(778,012)	(10,608)	(12,878)	(10,407)	(16,693)	(106,017)	(13,569)	-	(948,184)
Loans to participants	(75,303)	(5,689)	(9,817)	(3,774)	(1,504)	-	-	96,087	-
Participant loan expenses	-	-	-	-	-	-	-	(551)	(551)
Total (deductions) additions	(853,315)	(16,297)	(22,695)	(14,181)	(18,197)	(106,017)	(13,569)	95,536	(948,735)
Net increase (decrease)	7,481,517	652,267	594,668	443,460	252,624	298,885	(1,162,717)	94,183	8,654,887

Net assets available for participants:										
Beginning of year	11,496,284	-	-	-	-	-	1,162,717	-	12,659,001	
End of year	\$18,977,801	652,267	594,668	443,460	252,624	298,885	-	94,183	21,313,888	

See accompanying notes to financial statements.

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CERNER CORPORATION
FOUNDATIONS RETIREMENT PLAN

Notes to Financial Statements

December 31, 1994 and 1993

(1) Summary of Significant Accounting Policies

General

- - - - -

The following brief description of the Cerner Corporation Foundations Retirement Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan Agreement for more complete information. The Plan was adopted by the Board of Directors of Cerner Corporation (the Company or Employer) effective November 1, 1987. The Plan is administered by a third-party administrator. All full-time associates of the Company are eligible for participation in the Plan after attaining age eighteen.

Basis of Presentation

- - - - -

The accompanying financial statements have been prepared on the accrual basis in conformity with generally accepted accounting principles and present the Plan's net assets available for participants and changes in those net assets.

Expenses

- - - - -

All costs and expenses incurred in administering the Plan are paid by the Company. Expenses related to issuance of loans to participants are charged to the participant obtaining the loan.

Investments

- - - - -

The Plan's investments and earnings thereon are held in a bank trust account. The fair values of investments are based principally on quotations from national securities exchanges.

Loans to Participants

- - - - -

At the discretion of the Company, loans may be made to participants in an amount up to 50% of the participant's self directed funds balance. The loan period may not exceed ten years and the interest rate is prime plus 1%.

(2) Contributions

Participating associates may elect to make pretax contributions from 1% to 15% of their compensation to the Plan, subject to annual limits imposed by the Internal Revenue Service. Participants may direct contributions into six different investment funds. These funds include Fund A (limited to investments in the common stock of the Company), Fund B (Twentieth Century Ultra Investors), Fund C (Twentieth Century Growth Investors), Fund D (Twentieth Century Select Investors), Fund E (Twentieth Century Balanced Investors) and Fund F (Capital Preservation Trust which primarily invests in short term investments and guaranteed insurance contracts). The Company will make matching contributions in an amount equal to 20% of the participant's annual contribution not to exceed the lesser of 2% of the participant's compensation or \$600 per participant. All Company contributions are directed to Fund A.

(3) Distributions

Upon normal retirement, retirement for permanent disability or death, a participant is entitled to the full value of the assets attributable to his or her contributions and Company contributions made on his or her behalf. Upon termination for any other reason, a participant is entitled to 100% of his or her contributions and the vested portion of Company contributions. Company contributions vest 20% after three years of service and 20% for each additional year of service until a participant is 100% vested upon completing seven years of service. Forfeitures of nonvested contributions are allocated to all Plan participants as of the Plan year-end on a pro-rata basis according to individual participant annual earnings.

Participants receive distributions from Fund A in shares of the Company's common stock except that cash is distributed for fractional shares. Participants may also elect to receive cash for distributions with a value less than \$1,000. During the years ended December 31, 1994 and 1993, 17,109 shares and 29,423 shares of the Company's common stock, respectively, were distributed to withdrawing participants. Participants receive distributions from all other funds in cash.

(4) Tax Status

The Plan received a favorable determination letter dated August 21, 1989 from the Internal Revenue Service confirming the tax-exempt status of the Plan under Section 401(a) of the Internal Revenue Code.

The Company is not aware of any activity or transactions that may adversely affect the qualified status of the Plan.

Schedule 1

CERNER CORPORATION
FOUNDATIONS RETIREMENT PLAN

Item 27A - Schedule of Assets Held for Investment Purposes

December 31, 1994

<TABLE>

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Asset	Description	Cost	Fair value
-----	-----	----	-----
<S>	<C>	<C>	<C>
Cerner Corporation	465,328 shares of common stock	\$5,386,712	20,537,010
Twentieth Century	Ultra Investors Mutual Fund, 61,004.17 shares	1,225,295	1,217,033
Twentieth Century	Growth Investors Mutual Fund, 51,003.23 shares	1,122,353	955,800
Twentieth Century	Select Investors Mutual Fund, 17,791.46 shares	683,551	588,897
Twentieth Century	Balanced Investors Mutual Fund, 29,646.96 shares	463,210	452,709
Bankers Trust Capital Preservation Trust	791,660 units of participation in a pooled fund	791,660	791,660
Loans to participants	Loans to participants (bearing interest from 7% to 10%)	112,486	112,486
		-----	-----
		\$9,785,267	24,655,595
		-----	-----

See accompanying independent auditors' report.

</TABLE>

Schedule 2

CERNER CORPORATION
FOUNDATIONS RETIREMENT PLAN

Schedule of Reportable Transactions

<TABLE>
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	Number of transactions	Purchase price	Selling price	Cost of asset	Fair value of asset	Net gain (loss)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Cerner Corporation common stock (65,912 shares)	Various	\$ 2,325,310	-	2,325,310	2,325,310	-

</TABLE>

In addition, the Plan distributed 17,109 shares of Cerner Corporation common stock with a cost of \$50,165 to withdrawing participants and sold 16,661 shares of Cerner Corporation common stock with a cost of \$151,131 during the year ended December 31, 1994.

Transactions involving Cerner Corporation common stock are party-in-interest transactions.

NOTES:

A reportable transaction is defined by the Department of Labor as:

- * A single transaction in excess of 5% of the fair value of Plan assets.
- * A series of transactions with or in conjunction with the same person, involving property other than securities, which amounts in the aggregate to more than 5% of the fair value of the Plan assets.
- * A series of transactions with respect to securities of the same issue which amounts in the aggregate to more than 5% of the fair value of the total Plan assets.
- * Any transaction with or in conjunction with a person if a prior or subsequent single transaction has occurred with respect to securities with or in conjunction with the same person in an amount in excess of 5% of the fair value of Plan assets.

A reportable transaction is identified by comparing the fair value of the transaction at the transaction date with the fair value of the Plan assets at the beginning of the year ended December 31, 1994.

See accompanying independent auditors' report.

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Cerner Corporation Foundations Retirement Plan

(Name of Plan)

Date: July 12, 1995 /s/Maureen M. Evans

Maureen M. Evans

Title: Administrator

/s/John M. Reedy /s/Clifford W. Illig

John M. Reedy Clifford W. Illig

Title: Administrator

Title: Administrator
