

Acadia Healthcare Company, Inc.  
Form 10-Q  
November 14, 2011  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

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

For the quarterly period ended September 30, 2011

or

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

For the transition period from            to

Commission File Number: 001-35331

**ACADIA HEALTHCARE COMPANY, INC.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**45-2492228**  
(I.R.S. Employer  
Identification No.)

**830 Crescent Centre Drive, Suite 610**

**Franklin, Tennessee 37067**

**(615) 861-6000**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of November 11, 2011, there were 22,524,783 shares of the registrant's common stock outstanding.

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**QUARTERLY REPORT ON FORM 10-Q**

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**Table of Contents****PART I FINANCIAL INFORMATION****Item 1. Financial Statements****Acadia Healthcare Company, Inc.****Condensed Consolidated Balance Sheets**

	(Unaudited) September 30, 2011	December 31, 2010
	(In thousands, except share and per share amounts)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,254	\$ 8,614
Accounts receivable, net of allowance for doubtful accounts of \$1,789 and \$1,144, respectively	25,469	5,469
Other current assets	9,634	2,841
<b>Total current assets</b>	<b>36,357</b>	<b>16,924</b>
Property and equipment, net	57,783	18,752
Goodwill	147,081	9,157
Intangible assets, net	18,887	544
Other assets	9,501	18
<b>Total assets</b>	<b>\$ 269,609</b>	<b>\$ 45,395</b>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Current portion of long-term debt	\$ 6,750	\$ 9,984
Accounts payable	10,984	2,787
Accrued salaries and benefits	12,276	3,272
Other accrued liabilities	6,394	2,016
<b>Total current liabilities</b>	<b>36,404</b>	<b>18,059</b>
Long-term debt	131,375	
Other liabilities	24,844	2,229
<b>Total liabilities</b>	<b>192,623</b>	<b>20,288</b>
Equity:		
Member s equity		25,107
Common stock, \$0.01 par value; 100,000,000 shares authorized; 17,633,116 issued and outstanding as of September 30, 2011	176	
Additional paid-in capital	105,481	
Accumulated deficit	(28,671)	
<b>Total equity</b>	<b>76,986</b>	<b>25,107</b>
<b>Total liabilities and equity</b>	<b>\$ 269,609</b>	<b>\$ 45,395</b>

See accompanying notes.



**Table of Contents****Acadia Healthcare Company, Inc.****Condensed Consolidated Statements of Operations****(Unaudited)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
	(In thousands, except share and per share amounts)			
Revenue	\$ 63,058	\$ 15,872	\$ 146,019	\$ 48,344
Salaries, wages and benefits (including equity-based compensation expense of \$19,843 for the nine months ended September 30, 2011)	39,752	9,458	110,750	28,980
Professional fees	2,352	265	5,111	1,151
Supplies	3,406	1,015	7,665	2,851
Rents and leases	1,663	325	3,725	961
Other operating expenses	5,018	1,736	12,954	4,980
Provision for doubtful accounts	662	617	1,664	1,803
Depreciation and amortization	913	248	3,114	728
Interest expense, net	1,928	191	4,143	549
Sponsor management fees	545	105	1,135	105
Transaction-related expenses	2,233	91	10,594	104
Total expenses	58,472	14,051	160,855	42,212
Income (loss) from continuing operations before income taxes	4,586	1,821	(14,836)	6,132
Provision for income taxes	864	172	3,382	459
Income (loss) from continuing operations	3,722	1,649	(18,218)	5,673
(Loss) income from discontinued operations, net of income taxes	(599)	(83)	(765)	13
Net income (loss)	\$ 3,123	\$ 1,566	\$ (18,983)	\$ 5,686
Basic earnings per share:				
Income (loss) from continuing operations	\$ 0.21	\$ 0.09	\$ (1.03)	\$ 0.32
(Loss) income from discontinued operations	\$ (0.03)	\$	\$ (0.05)	\$
Net income (loss)	\$ 0.18	\$ 0.09	\$ (1.08)	\$ 0.32
Diluted earnings per share:				
Income (loss) from continuing operations	\$ 0.21	\$ 0.09	\$ (1.03)	\$ 0.32
(Loss) income from discontinued operations	\$ (0.03)	\$	\$ (0.05)	\$
Net income (loss)	\$ 0.18	\$ 0.09	\$ (1.08)	\$ 0.32
Shares outstanding:				
Basic	17,633,116	17,633,116	17,633,116	17,633,116
Diluted	17,633,116	17,633,116	17,633,116	17,633,116

See accompanying notes.



**Table of Contents****Acadia Healthcare Company, Inc.****Condensed Consolidated Statement of Equity (Unaudited)****Nine months ended September 30, 2011**

	<b>Member s equity</b>	<b>Common stock Shares</b>	<b>Amount</b>	<b>Additional paid-in capital</b>	<b>Accumulated deficit</b>	<b>Total</b>
	<b>(In thousands, except share amounts)</b>					
Balance at January 1, 2011	\$ 25,107		\$	\$	\$	\$ 25,107
Distributions	(375)					(375)
Reclassification of management liability awards to equity awards	365					365
Contribution from Holdings	51,029					51,029
Conversion from limited liability company to corporation	(76,126)	17,633,116	176	85,638	(9,688)	
Equity-based compensation expense				19,843		19,843
Net loss					(18,983)	(18,983)
Balance at September 30, 2011	\$	17,633,116	\$ 176	\$ 105,481	\$ (28,671)	\$ 76,986

See accompanying notes.

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**Acadia Healthcare Company, Inc.**

**Condensed Consolidated Statements of Cash Flows**

**(Unaudited)**

**Nine Months  
Ended  
September 30,**