Future Healthcare of America
Form 10-Q
November 08, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

FORM 10-Q

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

For the quarterly period ended September 30, 2013

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

For the transition period from

to

Commission File No. 000-54917

FUTURE HEALTHCARE OF AMERICA

(Exact name of registrant as specified in its charter)

WYOMING	45-5547692
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

5001 Baum Boulevard, Suite 770

Pittsburgh, Pennsylvania 15213

(Address of Principal Executive Offices)

Registrant's Telephone Number: (412) 621-0902

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 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. (1) Yes [X] 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 [X] 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 definition of large accelerated filer , accelerated filer and smaller reporting compan in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ]	Accelerated filer [ ]
Non-accelerated filer [ ]	Smaller reporting company [X]

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

As of November 4, 2013, there were 10,163,249 shares of common stock, par value $0.001, of the registrant issued and outstanding.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements. The Unaudited Consolidated Financial Statements of Future Healthcare of America, a Wyoming corporation (the Company, FHA, we, our, us and words of similar import) were prepared by manager and commence on the following page, together with related notes. In the opinion of management, the Unaudited Consolidated Financial Statements fairly present the financial condition of the Company.

Future Healthcare of America

Index to Unaudited Financial Statements

	Page
Unaudited Consolidated Balance Sheets	3
Unaudited Consolidated Statements of Operations	4
Unaudited Consolidated Statements of Cash Flows	5
Notes to Unaudited Consolidated Financial Statements	7

FUTURE HEALTHCARE OF AMERICA

UNAUDITED CONSOLIDATED BALANCE SHEETS

	September 30, 2013	December 31, 2012
CURRENT ASSETS:		
Cash	1,289,271	208,458
Accounts receivable	523,209 [1]	576,116 [1]
Prepaid expenses	54,931	71,925
Deferred tax asset, current	7,318	7,318
Total current assets	1,874,729	863,817
PROPERTY AND EQUIPMENT, net	222	615
GOODWILL	79,809	79,809
DEFERRED TAX ASSET, NET	424,264	424,264
Total assets	2,379,024	1,368,505
CURRENT LIABILITIES:		
Accounts payable	93,835	64,503
Accrued expenses	140,980	155,569
Deferred revenue	-	1,949
Derivative Liability	776,847	-
Total current liabilities	1,011,662	222,021
CONVERTIBLE NOTE PAYABLE, net of discount	97,024	-
Total liabilities	1,108,686	222,021
STOCKHOLDERS' EQUITY		
Common stock	10,163 [2]	10,063 [3]
Additional paid-in capital	1,220,123	1,205,223
Retained earnings (deficit)	40,052	(68,802)
Total stockholders' equity	1,270,338	1,146,484
Total liabilities and stockholders' equity	2,379,024	1,368,505

[1] net of $20,200 allowance

[2] $.001 par value, 200,000,000 shares authorized, 10,163,249 shares issued and outstanding.

[3] $.001 par value, 200,000,000 shares authorized, 10,063,249 shares issued and outstanding.

The accompanying notes are an integral part of these financial statements.

FUTURE HEALTHCARE OF AMERICA

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	July 1 to Sept. 30, 2013	July 1 to Sept. 30, 2012	Jan. 1 to Sept. 30, 2013	Jan. 1 to Sept. 30, 2012
REVENUE				
Total Revenue	1,102,016	1,056,038	3,397,815	3,231,286
COST OF SERVICES				
Total Cost of Services	783,165	745,822	2,361,007	2,173,458
Gross Profit	318,851	310,216	1,036,808	1,057,828
OPERATING EXPENSES				
Selling expenses	20,696	18,574	58,437	59,461
General and administrative	106,422	73,540	320,831	233,574
Salaries, wages and related expenses	225,928	341,852	545,042	614,762
Professional and consulting fees	73,560	3,859	137,523	11,726
Total Operating Expenses	426,606	437,825	1,061,833	919,523
INCOME (LOSS) FROM OPERATIONS	(107,755)	(127,609)	(25,025)	138,305
OTHER INCOME (EXPENSE):				
Interest income	29	53	74	192
Gain on derivative instruments	175,407	-	175,407	-
Interest expense	(43,991)	-	(43,991)	-
Other income (expense)	1	1,000	2,388	1,892
Total Other Income (Expense)	131,446	1,053	133,878	2,084
INCOME (LOSS) BEFORE INCOME TAXES	23,691	(126,556)	108,853	140,389
CURRENT INCOME TAX EXPENSE (BENEFIT)	-	-	-	-
DEFERRED INCOME TAX EXPENSE (BENEFIT)	-	-	-	-
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS	23,691	(126,556)	108,853	140,389
BASIC INCOME PER COMMON SHARE	0.002	(0.01)	0.01	0.01
BASIC WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	10,163,249	10,063,249	10,110,502	10,063,249
DILUTED INCOME PER COMMON SHARE -	0.002	(0.01)	0.01	0.01
DILUTED WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	10,163,249	10,063,249	10,110,502	10,063,249

The accompanying notes are an integral part of these financial statements.

FUTURE HEALTHCARE OF AMERICA
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

	September 30, 2013	September 30, 2012
Cash Flows from Operating Activities		
Net income	$ 108,853	$ 140,389
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	393	2,668
Stock issued to employee	15,000	-
Accretion on discount	39,278	-
Gain on derivative instruments	(175,407)	-
Change in assets and liabilities:		
Accounts receivable	57,824	(120,157)
Prepaid expenses	16,994	(12,145)
Accounts payable	29,333	(11,937)
Accrued expense	(14,588)	241,029
Deferred revenue	(6,867)	614
Net Cash Provided by Operating Activities	70,813	240,461
Cash Flows from Investing Activities:		
Purchase of property & equipment	-	-
Net Cash Used in Investing Activities	-	-
Cash Flows from Financing Activities:		
Payments (to)/from FAB Universal	-	(369,905)
Issuance of convertible note payable	1,010,000	-
Net Cash Provided/ (Used) by Financing Activities	1,010,000	(369,905)
Net Increase (Decrease) in Cash	1,080,813	(129,444)
Cash at Beginning of Period	208,458	535,144
Cash at End of Period	$ 1,289,271	$ 405,700
Supplemental Disclosures of Cash Flow Information		
Cash paid during the periods for:		
Interest	-	-
Income taxes	-	-

The accompanying notes are an integral part of these financial statements.

FUTURE HEALTHCARE OF AMERICA
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

Supplemental Disclosures of Non-Cash Investing and Financing

Activities:

	For the Nine Months Ended September 30,	
NON-CASH EXPENDITURES	2013	2012
Amortization of discount on note payable	39,278	-
Depreciation expense	393	2,668
Interest expense to be paid with stock	4,713	-
Change in FMV of derivative liability	(175,407)	-
Expenditures paid with issuance of stock	15,000	-
Total non-cash expenditures	(116,023)	2,668

The accompanying notes are an integral part of these financial statements.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization On June 22, 2012, FAB Universal (FAB) formed Future Healthcare of America (FHA), a wholly owned subsidiary. On October 1, 2012, FHA operations were spun-off in a 1 for 1 dividend to the shareholders of record of FAB on September 5, 2012, the record date. Interim Healthcare of Wyoming, Inc. ("Interim"), a Wyoming corporation, a wholly owned subsidiary of Future Healthcare of America, was organized on September 30, 1991. Interim operates primarily in the home healthcare and healthcare staffing services in Wyoming and Montana. On April 3, 2007, Interim purchased the operations of Professional Personnel, Inc., d.b.a., Professional Nursing Personnel Pool.

Spin-Off The common shares outstanding, common stock and additional paid in capital have been restated in the September 30, 2012 financial statements to reflect the 10,063,249 common shares, issued by Future Healthcare of America to shareholders of record of FAB Universal on September 5, 2012 to effectively spin-off the operations.

Accounting Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Management made assumptions and estimates for determining reserve for accounts receivable, obsolete inventory and in determining the impairment of definite life intangible assets and goodwill. Actual results could differ from those estimated by management.

Reclassification The financial statements for the period ended prior to September 30, 2013 have been reclassified to conform to the headings and classifications used in the September 30, 2013 financial statements.

Cash and Cash Equivalents The Company considers all highly liquid investments with an original maturity date of three months or less when purchased to be cash equivalents. At September 30, 2013, the Company had $671,524 in excess of federally insured limits.

Accounts Receivable - Accounts receivable consist of trade receivables arising in the normal course of business. At September 30, 2013 and 2012, the Company has an allowance for doubtful accounts of $20,200, which reflects the Company's best estimate of probable losses inherent in the accounts receivable balance. The Company determines the allowance based on known troubled accounts, historical experience, and other currently available evidence. During the nine months ended September 30, 2013 and 2012, the Company adjusted the allowance for bad debt by $0 and $0,

respectfully.

Depreciation - Depreciation of property and equipment is provided on the straight-line method over the estimated useful lives.

Goodwill - Goodwill is evaluated for impairment annually in the fourth quarter of the Company s fiscal year, and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable. Triggering events that may indicate impairment include, but are not limited to, a significant adverse change in customer demand or business climate that could affect the value of goodwill or a significant decrease in expected cash flows. The company recorded an impairment charge of $1,109,852 on goodwill during the quarter ended December 31, 2012 as the estimated fair value of the reporting units was less than their estimated fair values.

Income /(Loss) Per Share - The Company computes income (loss) per share in accordance with Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 260 Earnings Per Share, which requires the Company to present basic earnings per share and diluted earnings per share when the effect is dilutive (see Note 8).

Leases - The Company accounts for leases in accordance with Financial FASB ASC Topic 840, ("Accounting for Leases"). Leases that meet one or more of the capital lease criteria of standard are recorded as a capital lease, all other leases are operating leases.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Income Taxes - The Company accounts for income taxes in accordance with FASB ASC Topic 740 Accounting for Income Taxes. This topic requires an asset and liability approach for accounting for income taxes (see Note 6).

Advertising Costs - Advertising costs are expensed as incurred and amounted to $34,999 and $38,120 for the nine months ending September 30, 2013 and 2012, respectively.

Fair Value of Financial Instruments - The Company accounts for fair value measurements for financial assets and financial liabilities in accordance with FASB ASC Topic 820. The authoritative guidance, which, among other things, defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or nonrecurring basis. Fair value is defined as the exit price, representing the amount that would either be received to sell an asset or be paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1. Observable inputs such as quoted prices in active markets for identical assets or liabilities;

Level 2. Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3. Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Unless otherwise disclosed, the fair value of the Company s financial instruments including cash, accounts receivable, prepaid expense, accounts payable and accrued expenses approximates their recorded values due to their short-term maturities.

Revenue Recognition - Revenue is generated from various payer s including Medicare, Medicaid, Insurance Companies, and various other entities and individuals. In accordance with FASB ASC Topic 605, Revenue is recognized when persuasive evidence of an arrangement exists, services have been provided, the price of services is fixed or determinable, and collection is reasonably assured. Payments received prior to services being provided are recorded as a liability (deferred revenue) until such services are performed. Revenue is recorded as net revenue where contractual adjustments and discounts are deducted from Gross Revenue to determine net revenue.

Recently Enacted Accounting Standards

Recent accounting pronouncements issued by the FASB did not or are not believed by management to have a material impact on the Company s present or future financial statements.

NOTE 2 - PROPERTY & EQUIPMENT

The following is a summary of property and equipment at:

		September 30,	December 31,
	Life	2013	2012
Furniture, fixtures and equipment	2-10 yrs	$ 36,384	$ 50,397
		36,384	50,397
Less: Accumulated depreciation		(36,162)	(49,782)
Property & equipment, net		$ 222	$ 615

Depreciation expense for the nine months ended September 30, 2013 and 2012 was $393 and $2,668, respectively.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3 - GOODWILL

Impairment - During 2012, the Company performed its annual test of impairment of goodwill. Based upon the results of the analysis, it was determined that the goodwill was impaired. The Company recorded an impairment charge of $1,109,852 as a result of impairment testing.

Goodwill - The following is a summary of goodwill:

	For the periods ended	
	September 30, 2013	December 31, 2012
Goodwill at beginning of period	$ 79,809	$ 1,189,661
Impairment	-	(1,109,852)
Goodwill at end of period	$ 79,809	$ 79,809

Goodwill consists of:	September 30, 2013	December 31, 2012
Interim Healthcare of Wyoming - Billings	$ 79,809	$ 79,809
Total Goodwill	$ 79,809	$ 79,809

NOTE 4 NOTE PAYABLE

On September 9, 2013, the Company closed a Subscription Agreement by which one institutional investor purchased a) a Variable Rate Senior Secured Convertible Note payable having a total principal amount of $1,010,000, convertible into common shares of the Company at $0.25 per share and maturing March 9, 2015; b) Warrants to purchase a total of 3,030,000 shares of common stock, at $0.50 per share, exercisable for four years, and c) a greenshoe to purchase a total of 2,000,000 shares of common stock at $0.25 per share, exercisable for one year from the closing date. The fair value of the beneficial conversion feature of the warrants and greenshoe totaled $952,254 and was recorded as a derivative liability until the registration statement becomes effective. The Company recorded a discount on the note for beneficial conversion feature of the note. The $952,254 discount on the beneficial conversion feature is being amortized as interest expense over the term of the note. As of September 30, 2013, the Company has amortized $39,278 of the discount, with the remaining $912,976 unamortized discount being offset against the outstanding balance of the note in the accompanying balance sheet. The derivative liability was adjusted

to fair market value at September 30, 2013, resulting in the recording of a gain totaling $175,407.

NOTE 5 - CAPITAL STOCK

Common Stock - The Company has authorized 200,000,000 shares of common stock, $0.001 par value. As of September 30, 2013, 10,163,249 shares were issued and outstanding.

Spin-Off The common shares outstanding, common stock and additional paid in capital have been restated in the September 30, 2012 financial statements to reflect the 10,063,249 common shares, issued by Future Health Care of America to shareholders of record of FAB Universal on September 5, 2012 to effectively spin-off the operations.

On May 24, 2013, the Company issued 100,000 common shares valued at $15,000 to employees for services rendered.

FUTURE HEALTHCARE OF AMERICA

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 - INCOME TAXES

The Company accounts for income taxes in accordance with FASB ASC Topic 740, Accounting for Income Taxes which requires the Company to provide a net deferred tax asset or liability equal to the expected future tax benefit or expense of temporary reporting differences between book and tax accounting and any available operating loss or tax credit carryforwards. At September 30, 2013 and December 31, 2012 the total of all deferred tax assets was $431,582 and $431,582, respectively, and the total of the deferred tax liabilities was $0 and $0, respectively. The amount of and ultimate realization of the benefits from the deferred tax assets for income tax purposes is dependent, in part, upon the tax laws in effect, the Company s future earnings, and other future events. The Company anticipates earnings in the near future and the realization of the benefit of the deferred tax assets.

We file U.S. federal, and U.S. states return, we are generally no longer subject to tax examinations for years prior to 2009 for U.S. federal and U.S. states tax returns.

NOTE 7 LEASES

Operating Lease - The Company leases office space in Casper, Wyoming for $4,892 a month through June 2018. The Company further leases space in Billings, Montana for of $1,447 a month through February 2014.

The future minimum lease payments for non-cancelable operating leases as of September 30, 2013 are as follows:

Twelve months ending September 30	Lease Payments
2014	65,942
2015	58,704

2016

58,704

2017

58,704

2018

44,028

Total Minimum Lease Payments

$

286,082

Lease expense charged to operations was $56,204 and $55,417 for the nine months ended September 30, 2013 and 2012, respectively.

NOTE 8 INCOME/(LOSS) PER SHARE

The following data shows the amounts used in computing income (loss) per share and the weighted average number of shares of common stock outstanding for the periods presented for the periods ended:

	For the Three Months September 30		For the Nine Months September 30	
	2013	2012	2013	2012
Income from continuing operations available to common stockholders (numerator)	$ 23,691	$ (126,556)	$ 108,853	$ 140,389
Income available to common stockholders (numerator)	23,691	(126,556)	108,853	140,389
Weighted average number of common shares outstanding during the period used in loss per share (denominator)	10,163,249	10,063,249	10,110,502	10,063,249

NOTE 9 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date and time of this report:

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Safe Harbor Statement.

Statements made in this Form 10-Q which are not purely historical are forward-looking statements with respect to the goals, plan objectives, intentions, expectations, financial condition, results of operations, future performance and business of the Company, including, without limitation, (i) our ability to gain a larger share of the home healthcare industry, our ability to continue to develop services acceptable to our industry, our ability to retain our business relationships, and our ability to raise capital and the growth of the home healthcare industry, and (ii) statements preceded by, followed by or that include the words "may", "would", "could", "should", "expects", "projects", "anticipates", "believes", "estimates", "plans", "intends", "targets", "tend" or similar expressions.

Forward-looking statements involve inherent risks and uncertainties, and important factors (many of which are beyond the Company's control) that could cause actual results to differ materially from those set forth in the forward-looking statements, including the following, in addition to those contained in the Company's reports on file with the Securities and Exchange Commission: general economic or industry conditions, nationally and/or in the communities in which the Company conducts business, changes in the interest rate environment, legislation or regulatory requirements, conditions of the securities markets, changes in the home healthcare industry, the development of services that may be superior to the services offered by the Company, competition, changes in the quality or composition of the Company's services, our ability to develop new services, our ability to raise capital, changes in accounting principles, policies or guidelines, financial or political instability, acts of war or terrorism, other economic, competitive, governmental, regulatory and technical factors affecting the Company s operations, services and prices.

Accordingly, results actually achieved may differ materially from expected results in these statements. Forward-looking statements speak only as of the date they are made. The Company does not undertake, and specifically disclaims, any obligation to update any forward-looking statements to reflect events or circumstances occurring after the date of such statements.

Business Highlights

Based in Casper, Wyoming, and Billings, Montana, FHA s wholly-owned subsidiary, Interim Healthcare of Wyoming, Inc., a Wyoming corporation (Interim), is an independent franchisee of Interim HealthCare that has been serving its community for 18 years and is part of the fast-growing home health segment of the healthcare industry, providing a wide range of visiting nurse services to the elderly, wounded and sick. It is one of the 300 independent home health agencies that comprise the Interim HealthCare network. Our business consists of providing healthcare services for those in need. We record all revenue and expenses and provide all services under one umbrella. Below is a description of our Home Healthcare and Staffing operations.

As the census (number of patients utilizing facilities) in the hospitals fluctuates, we are taking the necessary steps to position ourselves for the ups and downs of the census for these facilities. Our home healthcare service continued to be strong and provided a consistent stream of revenue during the third quarter of 2013. During the first nine months of 2013, we saw the benefit of our positioning over the past three years. We experienced a slight increase of our revenue in the third quarter as a result of the continued fluctuation of utilization of our Staffing services in Billings, Montana as well as continued growth in our home healthcare business in both Casper, Wyoming and Billings. Our home healthcare services continued to be strong and provided a consistent stream of revenue in the third quarter of 2013.

During the third quarter of 2013, FHA experienced a 4% increase in revenue over the third quarter of 2012. This was driven by an increase in our Billings and Casper locations offset by a decreased in our staffing services in our Billings location.

Throughout 2013, we have been approaching our healthcare business with some optimism. As for our operation in Billings and its focus on the medical staffing industry, we do not anticipate an increase in the demand for our medical staffing services during the remainder of 2013. As such, we will continue to evaluate opportunities to expand the realm of services we offer. Promotional activities are being managed as the offices experience

fluctuations in the day-to-day operations and as we embark on new business opportunities. We do anticipate an increase for our home healthcare services during the remainder of 2013.

Our home healthcare business continues to be a substantial revenue generator for our Company as our country's population ages and new methods of patient data capture become critical components for delivering high quality, affordable healthcare services in a patient's home. Although this has been a gradual process, we continue to build a solid business that will offer a complimentary package of new technology and traditional services.

Home Healthcare

Through trained health care professionals, FHA provides home care services including senior care and pediatric nursing; and physical, occupational and speech therapy. FHA offices deliver quality home care and treat each patient with genuine compassion, kindness and respect. FHA provides health care professionals at all skill levels, including registered nurses, therapists, LPN's and certified home health aides. FHA derives is revenue from multiple payer sources. These include Medicare, Medicaid, Insurance, Medicaid LTW, and Private Payers. Because our officers are located in areas that do not contain a large population base (less than 200,000 residents), we continually explore opportunities to increase our revenue with our current payer sources and expand through new sources of revenue. The healthcare team is utilized across all payer sources, including staffing services. Our customer base comes from referrals from hospitals, rehab facilities, nursing homes, assisted living facilities and previous patients.

In additional to our professional team, we employ a management team at each facility to handle the day to day direction of the office. This is provided by our Administrators. We also have a Director of Nursing in each location. This person is responsible for the day to day oversight of the service providers and ensuring the certified professionals obtain the necessary training to maintain their certificates as well as the training necessary to be in compliance with all regulating organizations.

Staffing

FHA offices provide nurses, nurse aides and management services to hospitals, prisons, schools, corporations and other health care facilities. FHA s success is based on our ability to recruit the best health care professionals and the responsiveness of our local managers to fill the needs of our clients in a timely manner. Additionally, we work with our clients should they decide they would like to hire our service professional on a full time basis. Another key to our success is the personal relationship that our management and sales team build with each of our existing and new clients. As noted previously, in order to reduce turnover of our service team by providing as many hours as possible, similar to the hours of a full-time employee, we utilize the same service team members across all payer sources.

As each of our businesses is located in smaller based population areas of the country, the competition is significantly heightened and the relationships maintained with our clients become very critical to the continued success of our operations.

As we provide diversified services and accept payments from multiple payer sources, we are not heavily dependent on a few clients in order for our business to be successful.

Results of Operations

Nine Months Ended September 30, 2013 and 2012.

During the first nine months of 2013, FHA recorded revenues of $3,397,815, a 5% increase over revenues of $3,231,286 for the same period in 2012. The increase for 2013 reflects an increase in revenue driven by the increased growth in our healthcare business in Casper, Wyoming and Billings, Montana offset by a decrease in use of our staffing services in Billings.

In 2012, cost of services totaled $2,361,007, a 9% increase as compared to $2,173,458 in 2012. This is a reflection of the costs associated with the increase in revenue as well as a shift to increased usage of our unskilled services,

which drives lower margins. FHA posted a gross profit of $1,036,808 during 2013, versus a gross profit of $1,057,828 for 2012, a decrease of 2%.

FHA recorded total operating expenses of $1,061,833 during 2013, a 15% increase as compared to operating expenses of $919,523 in the same period of 2012. General and administrative expenses totaled $320,831 in 2013 versus $233,574 in 2012, an increase of 37%, due to an increase in our D&O insurance and supplies. Salaries, wages and related expenses decreased to $545,042 in 2013 from $614,762 in 2012, a decrease of 11% due to recording of bonuses for the spin-off of FHA in 2012. Selling expenses in 2013 were $58,437 versus $59,461 in 2012. Professional and consulting fees in 2013 were $137,523 versus $11,726 in 2012 due to increased legal and accounting fees. Legal fees increase due primarily to the work completed on the convertible note payable

FHA s net income available to common shareholders was $108,853 for the nine months ended September 30, 2013. This represents a $31,536 decrease, or 22%, from our net income of $140,389 in the nine months ended September 30, 2012.

Three Months Ended September 30, 2013 and 2012.

During the three months ended September 30, 2013, FHA recorded revenues of $1,102,016, a 4% increase over revenues of $1,056,038 for the same period in 2012. The increase for 2013 reflects an increase in revenue driven by the increased growth in our healthcare business in Casper, Wyoming and Billings, Montana offset by a slowing of business for our staffing services in Billings as facilities hired nursing students to cover their summer staffing needs.

For the quarter ended September 30, 2013, cost of services totaled $783,165, a 5% increase as compared to $745,822 in 2012. This is a reflection of the costs associated with the increase in revenue. FHA posted a gross profit of $318,851 during the quarter, versus a gross profit of $310,216 for 2012, an increase of 3%.

FHA recorded total operating expenses of $426,606 during the third quarter of 2013, a 3% decrease as compared to operating expenses of $437,825 in the same period of 2012. General and administrative expenses totaled $106,422 in 2013 versus $73,540 in 2012, an increase of 45%, due to an increase in our D&O insurance. Salaries, wages and related expenses decreased to $225,928 in the third quarter of 2013 from $341,852 in 2012, a decrease of $115,924 driven by the recording of bonuses for the spin-off of FHA in 2012. Selling expenses in the third quarter of 2013 were $20,696 versus $18,574 in 2012, driven by an increased spending for advertising. Consulting fees increase to $73,560 during the third quarter of 2013 versus $3,859 during the same period in 2012. The increase was due to legal fees associated with the issuance of the note payable and an increase in investor relation services.

FHA s net income available to common shareholders was $23,691 for the third quarter of 2013. This represents a $150,247 increase from our net loss of $126,556 in 2012.

Liquidity and Capital Resources.

Cash on hand was $1,289,271 at September 30, 2013, an increase of $1,080,813 from the $208,458 on hand at December 31, 2012. Net cash provided by operations for the nine months ended September 30, 2013, was $70,813, a decrease of $169,648 over the $240,461 cash provided by operations for the nine months ended September 30, 2012. The decrease in accounts receivable (from $576,116 to $523,209) is a result of the increased collection efforts during the third quarter of 2013. The decrease in accrued expenses, from $155,569 to $140,980,was driven by a wage accrual at the end of 2012, which was not required as of September 30, 2013.

During the first nine months of 2013, net cash provided by financing activities increased to $1,010,000, from net cash used by financing activities of $369,905 for the same period in 2012. In 2013 we received of $1,010,000 cash from the issuance of a convertible note payable, less the payment of offering costs of $0.

Overall, FHA cash balance increase $1,080,813 from December 31, 2012 to September 30, 2013.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not required for smaller reporting companies.

Item 4. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures

Our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")), which we refer to as disclosure controls, are controls and procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Exchange Act, such as this report, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. There are inherent limitations to the effectiveness of any control system. A control system, no matter how well conceived and operated, can provide only reasonable assurance that its objectives are met. No evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our company have been detected.

As of September 30, 2013, an evaluation was carried out under the supervision and with the participation of our management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls. Based upon that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that, as of such date, the design and operation of these disclosure controls were effective to accomplish their objectives at the reasonable assurance level.

(b) Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act), occurred during the fiscal quarter ended September 30, 2013 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

Future Healthcare of America is involved in routine legal and administrative proceedings and claims of various types. We have no material pending legal or administrative proceedings, other than ordinary routine litigation incidental to

our business, to which we or any of our subsidiaries are a party or of which any property is the subject. While any proceeding or claim contains an element of uncertainty, management does not expect that any such proceeding or claim will have a material adverse effect on our results of operations or financial position.

Item 1A. Risk Factors.

Not required for smaller reporting companies.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None; not applicable

Item 3. Defaults Upon Senior Securities.

None; not applicable.

Item 4. Mine Safety Disclosures.

None; not applicable.

Item 5. Other Information.

(a)

None; not applicable.

(b) During the quarterly period ended September 30, 2013, there were no changes to the procedures by which shareholders may recommend nominees to the Company s board of directors.

Item 6. Exhibits .

Exhibit No.	Description
31.1	302 Certification of Christopher J. Spencer
31.2	302 Certification of John Busshaus
32	906 Certification.

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.

FUTURE HEALTHCARE OF AMERICA

Date: 11/8/13 *By: /s/ Christopher J. Spencer*
Christopher J. Spencer
Chief Executive Officer and President and Director

Date: 11/8/13 */s/ John Busshaus*
John Busshaus
Chief Financial Officer

Date: 11/8/13 */s/ Denis Yevstifeyev*
Denis Yevstifeyev
Director

Date: 11/8/13 */s/ Douglas Polinsky*
Douglas Polinsky
Director

Date: 11/8/13

/s/ J. Gregory Smith
J. Gregory Smith
Director