

		FOR OHF USE				

LL1

2004
STATE OF ILLINOIS
DEPARTMENT OF PUBLIC AID
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2004)

IMPORTANT NOTICE
 THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

<p>I. IDPH Facility ID Number: <u>0012765</u></p> <p>Facility Name: <u>Pinecrest Manor</u></p> <p>Address: <u>414 S. Wesley Avenue</u> <u>Mount Morris</u> <u>61054</u> Number City Zip Code</p> <p>County: <u>Ogle</u></p> <p>Telephone Number: <u>(815) 734-4103</u> Fax # <u>(815) 734-7131</u></p> <p>IDPA ID Number: <u>362181961001</u></p> <p>Date of Initial License for Current Owners: <u>06/27/63</u></p> <p>Type of Ownership:</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> VOLUNTARY, NON-PROFIT</td> <td><input type="checkbox"/> PROPRIETARY</td> <td><input type="checkbox"/> GOVERNMENTAL</td> </tr> <tr> <td><input checked="" type="checkbox"/> Charitable Corp.</td> <td><input type="checkbox"/> Individual</td> <td><input type="checkbox"/> State</td> </tr> <tr> <td><input type="checkbox"/> Trust</td> <td><input type="checkbox"/> Partnership</td> <td><input type="checkbox"/> County</td> </tr> <tr> <td>IRS Exemption Code <u>501(c)(3)</u></td> <td><input type="checkbox"/> Corporation</td> <td><input type="checkbox"/> Other _____</td> </tr> <tr> <td></td> <td><input type="checkbox"/> "Sub-S" Corp.</td> <td>_____</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Limited Liability Co.</td> <td>_____</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Trust</td> <td></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Other _____</td> <td></td> </tr> </table> <p>In the event there are further questions about this report, please contact: Name: <u>Christine A. Hanover</u> Telephone Number: <u>(312) 634-4581</u> Please send copies of desk review and audit adjustments to address on this page</p>	<input checked="" type="checkbox"/> VOLUNTARY, NON-PROFIT	<input type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL	<input checked="" type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State	<input type="checkbox"/> Trust	<input type="checkbox"/> Partnership	<input type="checkbox"/> County	IRS Exemption Code <u>501(c)(3)</u>	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other _____		<input type="checkbox"/> "Sub-S" Corp.	_____		<input type="checkbox"/> Limited Liability Co.	_____		<input type="checkbox"/> Trust			<input type="checkbox"/> Other _____		<p>II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER</p> <p>I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>7/01/03</u> to <u>6/30/04</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.</p> <p>Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.</p> <table border="1"> <tr> <td data-bbox="1155 673 1291 820">Officer or Administrator of Provider</td> <td data-bbox="1291 673 1950 738">(Signed) _____ (Date) _____</td> </tr> <tr> <td data-bbox="1155 738 1291 820"></td> <td data-bbox="1291 738 1950 803">(Type or Print Name) _____ (Title) _____</td> </tr> <tr> <td data-bbox="1155 820 1291 1031">Paid Preparer</td> <td data-bbox="1291 820 1950 885">(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____</td> </tr> <tr> <td data-bbox="1155 885 1291 1031"></td> <td data-bbox="1291 885 1950 933">(Print Name and Title) _____</td> </tr> <tr> <td data-bbox="1155 933 1291 1031"></td> <td data-bbox="1291 933 1950 998">(Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLP</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u></td> </tr> <tr> <td data-bbox="1155 998 1291 1031"></td> <td data-bbox="1291 998 1950 1031">(Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u></td> </tr> </table> <p align="right">MAIL TO: OFFICE OF HEALTH FINANCE ILLINOIS DEPARTMENT OF PUBLIC AID 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630</p>	Officer or Administrator of Provider	(Signed) _____ (Date) _____		(Type or Print Name) _____ (Title) _____	Paid Preparer	(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____		(Print Name and Title) _____		(Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLP</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u>		(Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u>
<input checked="" type="checkbox"/> VOLUNTARY, NON-PROFIT	<input type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL																																			
<input checked="" type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State																																			
<input type="checkbox"/> Trust	<input type="checkbox"/> Partnership	<input type="checkbox"/> County																																			
IRS Exemption Code <u>501(c)(3)</u>	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other _____																																			
	<input type="checkbox"/> "Sub-S" Corp.	_____																																			
	<input type="checkbox"/> Limited Liability Co.	_____																																			
	<input type="checkbox"/> Trust																																				
	<input type="checkbox"/> Other _____																																				
Officer or Administrator of Provider	(Signed) _____ (Date) _____																																				
	(Type or Print Name) _____ (Title) _____																																				
Paid Preparer	(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____																																				
	(Print Name and Title) _____																																				
	(Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLP</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u>																																				
	(Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u>																																				

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pinecrest Manor

0012765 Report Period Beginning: 7/01/03 Ending: 6/30/04

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds N/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	49	Skilled (SNF)	49	17,934	1
2		Skilled Pediatric (SNF/PED)			2
3	94	Intermediate (ICF)	94	34,404	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	143	TOTALS	143	52,338	7

B. Census-For the entire report period.

	1 Level of Care	3 Patient Days by Level of Care and Primary Source of Payment				5
		2 Public Aid Recipient		4 Other	Total	
		Private Pay				
8	SNF	7,683	5,712	3,062	16,457	8
9	SNF/PED					9
10	ICF	17,413	14,865		32,278	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	25,096	20,577	3,062	48,735	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 93.12%

D. How many bed-hold days during this year were paid by Public Aid? None (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy) None

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
 YES NO Non-allowable costs have been eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
 YES NO

I. On what date did you start providing long term care at this location?
 Date started 06/27/63

J. Was the facility purchased or leased after January 1, 1978?
 YES Date _____ NO

K. Was the facility certified for Medicare during the reporting year?
 YES NO If YES, enter number of beds certified 49 and days of care provided 3,062

Medicare Intermediary AdminaStar Federal

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

Is your fiscal year identical to your tax year? YES NO

Tax Year: 6/30/04 Fiscal Year: 06/30/04

* All facilities other than governmental must report on the accrual basis.

STATE OF ILLINOIS

Facility Name & ID Number Pinecrest Manor # 0012765 Report Period Beginning: 7/01/03 Ending: 6/30/04

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclassification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
A. General Services											
1	Dietary	381,337	29,244	2,841	413,422		413,422	(65,465)	347,957		1
2	Food Purchase		453,667		453,667		453,667	(105,624)	348,043		2
3	Housekeeping	192,373	41,775	1,224	235,372		235,372	(31,818)	203,554		3
4	Laundry	102,001	17,397		119,398		119,398	(3,573)	115,825		4
5	Heat and Other Utilities			192,582	192,582		192,582		192,582		5
6	Maintenance	170,484	12,452	118,400	301,336		301,336	(55,035)	246,301		6
7	Other (specify):*										7
8	TOTAL General Services	846,195	554,535	315,047	1,715,777		1,715,777	(261,515)	1,454,262		8
B. Health Care and Programs											
9	Medical Director			6,930	6,930		6,930		6,930		9
10	Nursing and Medical Records	2,678,806	63,251	318,434	3,060,491		3,060,491	(18,498)	3,041,993		10
10a	Therapy			285,775	285,775		285,775		285,775		10a
11	Activities	127,581	14,534	3,043	145,158		145,158	(1,610)	143,548		11
12	Social Services	79,997		422	80,419		80,419		80,419		12
13	Nurse Aide Training			526	526		526		526		13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	2,886,384	77,785	615,130	3,579,299		3,579,299	(20,108)	3,559,191		16
C. General Administration											
17	Administrative	80,460			80,460		80,460		80,460		17
18	Directors Fees										18
19	Professional Services			59,548	59,548		59,548	(8,763)	50,785		19
20	Dues, Fees, Subscriptions & Promotions			22,524	22,524		22,524	(4,037)	18,487		20
21	Clerical & General Office Expenses	204,989	55,714	49,892	310,595		310,595	(92,726)	217,869		21
22	Employee Benefits & Payroll Taxes			848,854	848,854		848,854	(50,693)	798,161		22
23	Inservice Training & Education			1,589	1,589		1,589		1,589		23
24	Travel and Seminar			10,035	10,035		10,035		10,035		24
25	Other Admin. Staff Transportation										25
26	Insurance-Prop.Liab.Malpractice			115,494	115,494		115,494		115,494		26
27	Other (specify):*										27
28	TOTAL General Administration	285,449	55,714	1,107,936	1,449,099		1,449,099	(156,219)	1,292,880		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	4,018,028	688,034	2,038,113	6,744,175		6,744,175	(437,842)	6,306,333		29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number

Pinecrest Manor

#0012765

Report Period Beginning:

7/01/03

Ending:

6/30/04

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			336,000	336,000		336,000	39,133	375,133			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			172,043	172,043		172,043	(18,324)	153,719			32
33	Real Estate Taxes											33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles											35
36	Other (specify):*											36
37	TOTAL Ownership			508,043	508,043		508,043	20,809	528,852			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		95,780		95,780		95,780		95,780			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			78,508	78,508		78,508		78,508			42
43	Other (specify):* Nonallowable Costs	71,766	669	25,346	97,781		97,781	(97,781)				43
44	TOTAL Special Cost Centers	71,766	96,449	103,854	272,069		272,069	(97,781)	174,288			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	4,089,794	784,483	2,650,010	7,524,287		7,524,287	(514,814)	7,009,473			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

**See schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pinecrest Manor

0012765

Report Period Beginning: 7/01/03

Ending: 6/30/04

VI. ADJUSTMENT DETAIL

A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7.

In column 2 below, reference the line on which the particular cost was included. (See instructions.)

		1	2	3	
	NON-ALLOWABLE EXPENSES	Amount	Refer- ence	OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(16,880)	2		4
5	Telephone, TV & Radio in Resident Rooms	(591)	21		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	39,133	30		9
10	Interest and Other Investment Income	(18,324)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax				13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt				24
25	Fund Raising, Advertising and Promotional	(1,747)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	Nurse Aide Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Schedule 5A	(120,423)	various		29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (118,832)		\$	30

OHF USE ONLY						
48		49	50	51	52	

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1	2	
		Amount	Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(395,982)	various	34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (395,982)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (514,814)		37

*These costs are only allowable if they are necessary to meet minimum licensing standards. Attach a schedule detailing the items included on these lines.

C. Are the following expenses included in Sections A to D of pages 3 and 4? If so, they should be reclassified into Section E. Please reference the line on which they appear before reclassification. (See instructions.)

		1	2	3	4	
		Yes	No	Amount	Reference	
38	Medically Necessary Transport.		x	\$		38
39						39
40	Gift and Coffee Shops		x			40
41	Barber and Beauty Shops		x			41
42	Laboratory and Radiology		x			42
43	Prescription Drugs		x			43
44	Exceptional Care Program		x			44
45	Other-Attach Schedule		x			45
46	Other-Attach Schedule		x			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

SEE ACCOUNTANTS' COMPILATION REPORT

Pinecrest Manor
Provider #: 0012765
7/01/03 to 6/30/04

Schedule 5A

VI. Adjustment Detail
Line 29 - Other

<u>Non-allowable expenses</u>	<u>Amount</u>	<u>Reference</u>
Vending income offset	(10,264)	2
Nursing Services related party wages income offset	(306)	10
Housekeeping related party wages income offset	(160)	3
Laundry related party wages income offset	(32)	4
Non-allowable legal fees	(8,763)	19
Miscellaneous income offset	(827)	21
Nonallowable travel and seminar	(495)	43
Developmental wages	(71,766)	43
Other developmental costs	(10,773)	43
Nonallowable trustee expense	(556)	43
Nonallowable advertising	(4,037)	20
Nonallowable cable tv	(12,444)	43
Total	(120,423)	

SEE ACCOUNTANTS' COMPILATION REPORT

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Brethren Home	100%			Pinecrest Village	Mt. Morris, IL	Retirement
						Community
				Pinecrest	Mt. Morris, IL	Fund Raising
				Foundation		Foundation

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. YES NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
1	V	1 Dietary salary	\$ 65,465	Pinecrest Village	**	\$	\$ (65,465)	1
2	V	2 Food	78,480	Pinecrest Village	**		(78,480)	2
3	V	3 Housekeeping salary	31,658	Pinecrest Village	**		(31,658)	3
4	V	4 Laundry salary	3,541	Pinecrest Village	**		(3,541)	4
5	V	6 Plant salary	55,035	Pinecrest Village	**		(55,035)	5
6	V	10 Nursing salary	18,192	Pinecrest Village	**		(18,192)	6
7	V	11 Activities salary	1,610	Pinecrest Village	**		(1,610)	7
8	V	21 Other administrative salary	91,308	Pinecrest Village	**		(91,308)	8
9	V	22 Employee benefits and payroll taxes	50,693	Pinecrest Village	**		(50,693)	9
10	V							10
11	V							11
12	V			**Pinecrest Manor and Pinecrest Village share a common Board of Directors				12
13	V							13
14	Total		\$ 395,982			\$	\$ * (395,982)	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

Facility Name & ID Number Pinecrest Manor # 0012765 Report Period Beginning: 7/01/03 Ending: 6/30/04

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference
						Hours	Percent	Description	Amount	
1									\$	1
2										2
3										3
4	See Listing of Board of Directors Attached.								None	4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13								TOTAL	\$	13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pinecrest Manor # 0012765 Report Period Beginning: 7/01/03 Ending: 6/30/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

Name of Related Organization _____
 Street Address _____
 City / State / Zip Code _____
 Phone Number () _____
 Fax Number () _____

B. Show the allocation of costs below. If necessary, please attach worksheets.

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1					\$	\$			1
2									2
3									3
4									4
5									5
6									6
7			N/A						7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pinecrest Manor # 0012765 Report Period Beginning: 7/01/03 Ending: 6/30/04

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

	1	2	3	4	5	6		7	8	9	10		
						Original	Balance						
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense		
		YES	NO										
	A. Directly Facility Related												
	Long-Term												
1	American National Bank		X	Bond Issue	Interest Only	6/17/00	\$ 5,200,000	\$ 4,640,000	6/27/27	LI +.0050	\$ 49,260	1	
2	American Credit Corporation		X	Phone System Lease	\$938.03	10/1/98	56,282		12/10/03	0.1050	81	2	
3												3	
4												4	
5												5	
	Working Capital												
6												6	
7												7	
8												8	
9	TOTAL Facility Related				\$938.03		\$ 5,256,282	\$ 4,640,000			\$ 49,341	9	
	B. Non-Facility Related*												
10											Amortization of bond issue costs	8,119	10
11											Amortization of LOC origination fees	14,341	11
12											Letter of credit fees	100,242	12
13											Interest income offset	(18,324)	13
14	TOTAL Non-Facility Related						\$	\$			\$ 104,378	14	
15	TOTALS (line 9+line14)						\$ 5,256,282	\$ 4,640,000			\$ 153,719	15	

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ None Line # N/A

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
(See instructions.) SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

Facility Name & ID Number **Pinecrest Manor**

0012765 Report Period Beginning: **7/01/03** Ending: **6/30/04**

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

<p>Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.</p>																							
1. Real Estate Tax accrual used on 2003 report.		\$	1																				
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		\$	2																				
3. Under or (over) accrual (line 2 minus line 1).		\$	3																				
4. Real Estate Tax accrual used for 2004 report. (Detail and explain your calculation of this accrual on the lines below.)		\$	4																				
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)		\$	5																				
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)		\$	6																				
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		\$	7																				
Real Estate Tax History:																							
Real Estate Tax Bill for Calendar Year:	<table border="1"> <tr><td>1999</td><td>8</td></tr> <tr><td>2000</td><td>9</td></tr> <tr><td>2001</td><td>10</td></tr> <tr><td>2002</td><td>11</td></tr> <tr><td>2003</td><td>N/A</td></tr> </table>	1999	8	2000	9	2001	10	2002	11	2003	N/A	<table border="1"> <tr><td colspan="2">FOR OHF USE ONLY</td></tr> <tr><td>13</td><td>FROM R. E. TAX STATEMENT FOR 2003 \$</td></tr> <tr><td>14</td><td>PLUS APPEAL COST FROM LINE 5 \$</td></tr> <tr><td>15</td><td>LESS REFUND FROM LINE 6 \$</td></tr> <tr><td>16</td><td>AMOUNT TO USE FOR RATE CALCULATION \$</td></tr> </table>	FOR OHF USE ONLY		13	FROM R. E. TAX STATEMENT FOR 2003 \$	14	PLUS APPEAL COST FROM LINE 5 \$	15	LESS REFUND FROM LINE 6 \$	16	AMOUNT TO USE FOR RATE CALCULATION \$	
1999	8																						
2000	9																						
2001	10																						
2002	11																						
2003	N/A																						
FOR OHF USE ONLY																							
13	FROM R. E. TAX STATEMENT FOR 2003 \$																						
14	PLUS APPEAL COST FROM LINE 5 \$																						
15	LESS REFUND FROM LINE 6 \$																						
16	AMOUNT TO USE FOR RATE CALCULATION \$																						

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates RE: 2003 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2003 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2003.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2003 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2004 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions,

2003 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Pinecrest Manor COUNTY Ogle

FACILITY IDPH LICENSE NUMBER 0012765

CONTACT PERSON REGARDING THIS REPORT Carol Davis

TELEPHONE (815) 734-4103 FAX #: (815) 734-7131

A. Summary of Real Estate Tax Cos

Enter the tax index number and real estate tax assessed for 2003 on the lines provided below. Enter only the portion of tl cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursir home property which is vacant, rented to other organizations, or used for purposes other than long term care must not l entered in Column D. Do not include cost for any period other than calendar year 200:

	(A)	(B)	(C)	(D)
	<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Tax Applicable to Nursing Home</u>
1.	<u>N/A</u>	<u></u>	\$ <u></u>	\$ <u></u>
2.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
3.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
4.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
5.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
6.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
7.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
8.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
9.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
10.	<u></u>	<u></u>	\$ <u></u>	\$ <u></u>
TOTALS			\$ <u>None</u>	\$ <u>None</u>

B. Real Estate Tax Cost Allocation:

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not direct used for nursing home services? YES NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing hom (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used

C. Tax Bills

Attach a copy of the original 2003 tax bills which were listed in Section A to this statement. Be sure to use the 200 tax bill which is normally paid during 2004

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pinecrest Manor# 0012765 Report Period Beginning:7/01/03 Ending:6/30/04**X. BUILDING AND GENERAL INFORMATION:**A. Square Feet: 79,970 B. General Construction Type: Exterior Brick Frame Wood Number of Stories 1C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? (a) Own the Equipment (b) Rent equipment from a Related Organization. (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's ground: (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable)

Pinecrest Village - Retirement Community: Congregate living units - 48 units; 60,413 square feet
Independent living units - 9 units; 12,079 square feetF. Does this cost report reflect any organization or pre-operating costs which are being amortized? YES NO
If so, please complete the following:1. Total Amount Incurred: N/A 2. Number of Years Over Which it is Being Amortized: N/A3. Current Period Amortization: N/A 4. Dates Incurred: N/ANature of Costs: N/A

(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	<u>Resident Care</u>	<u>443,048</u>	<u>1889</u>	<u>\$ 20,626</u>	<u>1</u>
2					<u>2</u>
3	TOTALS	443,048		\$ 20,626	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pinecrest Manor# 0012765

Report Period Beginning:

7/01/03

Ending:

6/30/04**XI. OWNERSHIP COSTS (continued)****B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar**

1	2	3	4	5	6	7	8	9		
Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	116	1963	1963	\$ 1,248,321	\$	50	\$ 24,966	\$ 24,966	\$ 1,004,531	4
5		1964	1964	13,640		50	273	273	10,750	5
6		1965	1965	400		50	8	8	308	6
7		1963	1963	67,803		5-20			67,803	7
8		1987	1987	43,345		5-10			43,345	8
Improvement Type**										
9	Building Improvements		1965	5,475		38	144	144	5,400	9
10	Building Improvements		1969	3,231		15-45	58	58	2,626	10
11	Building Improvements		1971	9,871		5-42	203	203	7,947	11
12	Building Improvements		1972	4,539		10			4,539	12
13	Building Improvements		1973	567		5			567	13
14	Building Improvements		1974	130,481		5-50	2,401	2,401	81,266	14
15	Building Improvements		1975	17,918		10-15			17,918	15
16	Building Improvements		1976	22,483		5-38	505	505	22,046	16
17	Building Improvements		1977	12,308		10			12,308	17
18	Building Improvements		1978	1,354		5-10			1,354	18
19	Building Improvements		1979	10,885		7			10,885	19
20	Building Improvements		1980	6,121		5			6,121	20
21	Building Improvements		1981	8,640		10			8,640	21
22	Building Improvements		1982	54,612		5-10			54,612	22
23	Building Improvements		1983	65,748		5-10			65,748	23
24	Building Improvements		1984	74,218		5-10			74,218	24
25	Building Improvements		1985	28,402		5-10			28,402	25
26	Building Improvements		1986	53,789		5			53,789	26
27	Garage		1983	11,892		10			11,892	27
28	Brethren - House		1977	19,500		25			19,500	28
29	Brethren - Renovations		1980	40,698		25	1,628	1,628	38,403	29
30	Brethren - Insulation		1981	2,149		10			2,149	30
31	Brethren - Garage		1984	10,692		10			10,692	31
32	Brethren - Bath Remodel		1986	1,296		5			1,296	32
33	Brethren - Garage Improvement		1980	2,095		14			2,095	33
34	Energy Management		1985	3,180		10			3,180	34
35	Building (28 Beds)		1999	2,780,122	60,556	40	69,503	8,947	356,123	35
36	Carpeting		1989	805		10			805	36

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pinecrest Manor# 0012765

Report Period Beginning:

7/01/03

Ending:

6/30/04**XI. OWNERSHIP COSTS (continued)****B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar**

	1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
37	Canopy Extension	1987	\$ 6,935	\$	5-10	\$	\$	\$ 6,935		37
38	Entrance Way	1987	37,500	1,500	25	1,500		26,250		38
39	Building Improvements	1991	14,073		5-15			14,073		39
40	Building Improvements	1991	10,796	807	10-15	807		10,896		40
41	Capitalized Repairs	1991	1,652		10			1,652		41
42	Building Improvements	1992	5,649	474	10-20	474		5,924		42
43	Building Improvements	1992	3,071	154	10	154		3,225		43
44	Building Improvements	1992	1,380	92	15	92		1,058		44
45	Building Improvements	1993	3,049	151	10	151		3,200		45
46	Building Improvements	1993	28,880		5			28,880		46
47	Building Improvements	1994	4,485	224	20	224		2,352		47
48	Building Improvements	1994	621	41	15	41		431		48
49	Building Improvements	1994	14,328	955	15	955		10,984		49
50	Building Improvements	1994	14,178	945	15	945		9,923		50
51	Building Improvements	1995	630	42	15	42		399		51
52	Garage Improvements	1996	2,516		5			2,516		52
53	Blacktop Resurfacing	1996	4,902		5			4,902		53
54	Blacktop Resurfacing	1997	1,805		5			1,805		54
55	Patio doors	1997	1,285	128	10	128		960		55
56	Water softener	1997	12,260	1,226	10	1,226		9,195		56
57	Accordian door	1997	3,295	329	10	329		2,468		57
58	Roof repairs	1997	5,162	516	10	516		3,870		58
59	Furnace repairs	1997	2,358	236	10	236		1,770		59
60	Redecorating	1998	34,716	1,972	10	1,972		12,818		60
61	Countertop & wallcovering	1998	4,167	418	5	418		4,585		61
62	Door	1998	62	8	5	8		70		62
63	Paging system	1998	2,977	299	5	299		3,276		63
64	Wiring	1998	950	95	5	95		1,045		64
65	Asbestos Removal	1998	79,150	7,914	10	7,914		51,441		65
66	Redecorating	1999	43,753	4,375	10	4,375		24,063		66
67	Asbestos Removal	1999	17,255	1,726	10	1,726		9,493		67
68	Pipe insulation	1999	6,625	662	10	662		3,641		68
69	Landscaping	1999	8,310	831	10	831		4,570		69
70	TOTAL (lines 4 thru 69)		\$ 5,135,355	\$ 86,676		\$ 125,809	\$ 39,133	\$ 2,299,928		70

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete

Facility Name & ID Number Pinecrest Manor# 0012765

Report Period Beginning:

7/01/03

Ending:

6/30/04**XI. OWNERSHIP COSTS (continued)****B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar**

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 5,135,355	\$ 86,676		\$ 125,809	\$ 39,133	\$ 2,299,928	1
2	Signs	1999	10,583	2,117	5	2,117		11,643	2
3	Roof	1999	55,935	3,729	15	3,729		20,521	3
4	Windows	1999	20,688	1,379	15	1,379		7,585	4
5	HVAC Improvement	1999	2,000	133	15	133		732	5
6	Fixed Equipment	1999	80,501	16,100	5	16,100		88,550	6
7	Wing 4 addition and modernization	1999	858,673	21,467	40	21,467		112,749	7
8	Kitchen modernization	1999	602,543	15,064	40	15,064		79,785	8
9	Heating & cooling renovation	1999	1,486,082	37,152	40	37,152		195,124	9
10	Fresh air unit	1999	329,276	8,232	40	8,232		43,236	10
11	Emergency/supplemental electricity	1999	219,518	5,488	40	5,488		28,824	11
12	Security system	1999	11,190	280	40	280		1,780	12
13	Retention pond	1999	25,282	632	40	632		3,323	13
14	Sidewalks and outdoor lighting	1999	31,556	789	40	789		4,144	14
15	Additional modernization	2000	42,948	2,147	20	2,147		9,662	15
16	Flooring	2000	22,767	4,553	5	4,553		20,489	16
17	Windows	2000	10,325	516	20	516		2,322	17
18	Firewall	2000	39,232	1,962	20	1,962		8,829	18
19	Security system	2000	191	19	10	19		86	19
20	Remodeling	2000	14,848	2,970	5	2,970		13,365	20
21	Landscaping	2000	645	64	10	64		578	21
22	Additional asbestos removal	2000	1,200	120	10	120		540	22
23	Roofing	2000	2,884	288	10	288		1,296	23
24	Security system & fire alarm system	2000	3,631	363	10	363		1,634	24
25	Additional kitchen modernization	2000	2,756	137	20	137		617	25
26	Timeclock & security system	2000	3,283	328	10	328		1,476	26
27	Security and Entrance Doors	2000	24,520	2,452	10	2,452		8,582	27
28	Firewall	2000	3,436	342	10	342		1,197	28
29	Additional kitchen modernization	2000	10,361	1,036	10	1,036		3,626	29
30	HVAC	2001	2,664	266	10	266		931	30
31	Roofing	2001	36,573	2,438	15	2,438		6,095	31
32	Planning for modernization of rehabilitation rooms	2002	1,850	92	20	92		230	32
33	Memorial Project	2002	4,542	227	10	227		454	33
34	TOTAL (lines 1 thru 33)		\$ 9,097,838	\$ 219,558		\$ 258,691	\$ 39,133	\$ 2,979,933	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete

Facility Name & ID Number Pinecrest Manor

0012765

Report Period Beginning:

7/01/03

Ending:

6/30/04

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 9,097,838	\$ 219,558		\$ 258,691	\$ 39,133	\$ 2,979,933	1
2	New Roof	2002	90,352	3,012	15	3,012		6,024	2
3	Courtyard Pavillion	2003	16,255	1,084	15	1,084		1,626	3
4	Solarium	2003	184,761	4,619	40	4,619		6,929	4
5	Wing 7 Renovations	2003	57,851	1,446	40	1,446		2,169	5
6									6
7	Landscaping - Courtyard	2003	56,011	934	30	934		934	7
8	Electrical - Courtyard	2003	27,003	450	30	450		450	8
9	Plumbing - Courtyard	2003	5,446	91	30	91		91	9
10	Remodeling of Solarium Courtyard	2003	76,689	1,278	30	1,278		1,278	10
11	Survey - Courtyard	2003	2,296	38	30	38		38	11
12	Registers - Solarium	2003	3,375	338	5	338		338	12
13	Cabinetry - Wing 7	2003	741	9	40	9		9	13
14	Water lines - Main bldg	2003	1,919	96	10	96		96	14
15	Dietary drain flushing system	2003	726	36	10	36		36	15
16	Communications system - Wing 4	2003	3,729	186	10	186		186	16
17	Kitchen modernization - Wing 7	2003	414	5	40	5		5	17
18	Wallcovering	2003	5,980	299	10	299		299	18
19	Code Alert installation	2004	3,799	380	5	380		380	19
20	Fire alarm renovation and upgrade	2004	17,161	1,716	5	1,716		1,716	20
21	Time clock upgrade	2004	325	33	5	33		33	21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 9,652,671	\$ 235,608		\$ 274,741	\$ 39,133	\$ 3,002,570	34

SEE ACCOUNTANTS' COMPILATION REPORT

**Improvement type must be detailed in order for the cost report to be considered complete

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 1,138,140	\$ 89,560	\$ 89,560	\$	5-10 years	\$ 961,826	71
72	Current Year Purchases	69,370	4,918	4,918		5-10 years	4,918	72
73	Fully Depreciated Assets	318,067					318,067	73
74								74
75	TOTALS	\$ 1,525,577	\$ 94,478	\$ 94,478	\$		\$ 1,284,811	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Long Term Care	94 Chevy Truck	1994	\$ 14,556	\$ 1,456	\$ 1,456	\$	10	\$ 13,832	76
77	Long Term Care	94 Dodge Van - Wheelchair	1994	22,946	2,295	2,295		10	21,802	77
78	Long Term Care	94 Dodge Van	1994	7,355	364	364		10	7,355	78
79	Long Term Care	97 Safari Van	1997	17,994	1,799	1,799		10	13,493	79
80	TOTALS			\$ 62,851	\$ 5,914	\$ 5,914	\$		\$ 56,482	80

E. Summary of Care-Related Assets

	1	2	
	Reference	Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 11,261,725	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 336,000	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 375,133	83 **
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 39,133	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 4,343,863	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86	94 - Buick - 1994	\$ 14,025	\$ 1,406	\$ 13,326	86
87					87
88					88
89					89
90					90
91	TOTALS	\$ 14,025	\$ 1,406	\$ 13,326	91

G. Construction-in-Progress

	Description	Cost	
92	N/A		92
93			93
94			94
95		\$	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A
 2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
 If NO, see instructions. YES NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6								6
7	TOTAL				\$			7

10. Effective dates of current rental agreement:
 Beginning _____
 Ending _____

11. Rent to be paid in future years under the current rental agreement:

	Fiscal Year Ending	Annual Rent
12.	<u>/2005</u>	\$ _____
13.	<u>/2006</u>	\$ _____
14.	<u>/2007</u>	\$ _____

8. List separately any amortization of lease expense included on page 4, line 34.
 This amount was calculated by dividing the total amount to be amortized by the length of the lease N/A N/A

9. Option to Buy: YES NO Terms: N/A *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? YES NO
 16. Rental Amount for movable equipment: \$ _____ Description: N/A

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18			<u>N/A</u>		18
19					19
20					20
21	TOTAL		\$	\$	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

XIII. EXPENSES RELATING TO NURSE AIDE TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

<p>1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. <u>CLASSROOM PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input checked="" type="checkbox"/></p> <p>HOURS PER AIDE <u>40</u></p>	<p>3. <u>CLINICAL PORTION:</u></p> <p>IN-HOUSE PROGRAM <input checked="" type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER AIDE <u>80</u></p>
---	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

	Facility				
	1	2	3	4	
	Drop-outs	Completed	Contract	Total	
1	Community College Tuition	\$	\$ 526	\$	\$ 526
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	Nurse Aide Competency Tests				
9	TOTALS	\$	\$ 526	\$	\$ 526
10	SUM OF line 9, col. 1 and 2 (e)	\$	526		

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
- (c) For in-house training programs only. Do not include fringe benefits.
- (d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training aides from other facilities.

\$ N/A

D. NUMBER OF AIDES TRAINED

COMPLETED	
1. From this facility	1
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	1

- (e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.
 - (f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.
- SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

	Service	1 Schedule V Line & Column Reference	2		3		4		5		6 Supplies (Actual or Allocated)	7 Total Units (Column 2 + 4)	8 Total Cost (Col. 3 + 5 + 6)	
			Staff		Outside Practitioner (other than consultant)		Units	Cost						
			Units of Service	Cost	Units	Cost								
1	Licensed Occupational Therapist	L10A, C3	hrs	\$	1,888	\$	105,394	\$			1,888	\$	105,394	1
2	Licensed Speech and Language Development Therapist	L10A, C3	hrs		54		3,014				54		3,014	2
3	Licensed Recreational Therapist		hrs											3
4	Licensed Physical Therapist	L10A, C3	hrs		3,179		177,367				3,179		177,367	4
5	Physician Care		visits											5
6	Dental Care		visits											6
7	Work Related Program		hrs											7
8	Habilitation		hrs											8
9	Pharmacy	L39, C2	# of prescripts							95,780			95,780	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs											10
11	Academic Education		hrs											11
12	Exceptional Care Program													12
13	Other (specify):													13
14	TOTAL			\$	5,121	\$	285,775	\$	95,780		5,121	\$	381,555	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 17

Facility Name & ID Number Pinecrest Manor

0012765

Report Period Beginning: 7/01/03

Ending:

6/30/04

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 6/30/04

(last day of reporting year)

This report must be completed even if financial statements are attached.

		1	2	
		Operating	After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 76,887	\$ 76,887	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 39,775)	503,925	503,925	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	86,636	86,636	6
7	Other Prepaid Expenses	58,991	58,991	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See attached Schedule 17A	7,273	7,273	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 733,712	\$ 733,712	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable	272,177	272,177	11
12	Long-Term Investments			12
13	Land	20,626	20,626	13
14	Buildings, at Historical Cost	9,117,415	9,652,671	14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	1,957,733	1,588,428	16
17	Accumulated Depreciation (book methods)	(4,162,056)	(4,343,863)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See attached Schedule 17A	210,615	210,615	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 7,416,510	\$ 7,400,654	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 8,150,222	\$ 8,134,366	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 202,817	\$ 202,817	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	130,000	130,000	29
30	Accrued Salaries Payable	338,435	338,435	30
31	Accrued Taxes Payable (excluding real estate taxes)	30,974	30,974	31
32	Accrued Real Estate Taxes(Sch.IX-B)			32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See attached Schedule 17A	2,375,673	2,375,673	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 3,077,899	\$ 3,077,899	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable			40
41	Bonds Payable	4,510,000	4,510,000	41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 4,510,000	\$ 4,510,000	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 7,587,899	\$ 7,587,899	46
47	TOTAL EQUITY(page 18, line 24)	\$ 562,323	\$ 546,467	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 8,150,222	\$ 8,134,366	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Pinecrest Manor
Provider # 0012765
6/30/2004

Schedule 17A

	<u>Operating</u>	<u>After Consolidation</u>
Schedule XV - Line 9 Other Current Assets		
Benefits Bank Account	2,201	2,201
Employee A/R	(90)	(90)
Benefits Bank	<u>5,162</u>	<u>5,162</u>
	<u>7,273</u>	<u>7,273</u>
Schedule XV - Line 23 Other Assets		
Unamortized Bond Costs	183,726	183,726
Unamortized Line of Credit Fees	<u>26,889</u>	<u>26,889</u>
	<u>210,615</u>	<u>210,615</u>
Schedule XV - Line 36 Other Current Liabilities		
Due to Related Party	310,311	310,311
Bank Overdraft	2,033,592	2,033,592
Restricted Funds Account	6,223	6,223
Founders Escrow	5,500	5,500
Other	<u>20,047</u>	<u>20,047</u>
	<u>2,375,673</u>	<u>2,375,673</u>

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 794,659	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 794,659	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(506,614)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (506,614)	17
	B. Transfers (Itemize):		
18	Interfund Transfer	274,278	18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$ 274,278	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ 562,323	24 *

Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 6,955,453	1
2	Discounts and Allowances for all Levels	(1,789,652)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 5,165,801	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	486,801	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 486,801	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals	16,880	14
15	Telephone, Television and Radio	591	15
16	Rental of Facility Space	768,600	16
17	Sale of Drugs	76,771	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	3,660	19
20	Radiology and X-Ray	350	20
21	Other Medical Services	61,811	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 928,663	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	18,324	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 18,324	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>See Attached 19A</u>	418,084	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 418,084	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 7,017,673	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,715,777	31
32	Health Care	3,579,299	32
33	General Administration	1,449,099	33
B. Capital Expense			
34	Ownership	508,043	34
C. Ancillary Expense			
35	Special Cost Centers	193,561	35
36	Provider Participation Fee	78,508	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 7,524,287	40
41	Income before Income Taxes (line 30 minus line 40)**	(506,614)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (506,614)	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? Yes If not, please attach a reconciliation.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

**** Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Pinecrest Manor
Provider # 0012765
6/30/2004

Schedule 19A

Schedule XVII - Line 28 Other Revenue

Pinecrest Village Management Fee	395,982
Pinecrest Village Meals	9,736
Pinecrest Village Transportation	147
Maintenance Services	75
Service Supplies	808
Vending Machine Income	10,264
Miscellaneous Income	827
Alzheimer Assessments	100
Gain on Disposal of Assets	145
Total	<u>418,084</u>

See Accountants' Compilation Report

Facility Name & ID Number Pinecrest Manor

0012765

Report Period Beginning: 7/01/03

Ending:

6/30/04

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	1,978	2,197	\$ 52,161	\$ 23.74	1
2	Assistant Director of Nursing	1,685	1,871	44,434	23.75	2
3	Registered Nurses	14,680	16,096	359,804	22.35	3
4	Licensed Practical Nurses	31,354	34,402	623,837	18.13	4
5	Nurse Aides & Orderlies	124,226	134,649	1,432,338	10.64	5
6	Nurse Aide Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	3,855	4,336	45,568	10.51	8
9	Activity Director					9
10	Activity Assistants	9,385	10,350	94,500	9.13	10
11	Social Service Workers	4,451	5,310	79,997	15.07	11
12	Dietician	227	227	5,002	22.04	12
13	Food Service Supervisor	1,870	2,062	30,622	14.85	13
14	Head Cook	795	938	8,666	9.24	14
15	Cook Helpers/Assistants	8,566	9,782	79,827	8.16	15
16	Dishwashers	35,303	38,243	257,220	6.73	16
17	Maintenance Workers	10,140	11,472	170,484	14.86	17
18	Housekeepers	25,484	27,890	192,373	6.90	18
19	Laundry	10,937	12,235	102,001	8.34	19
20	Administrator	1,856	2,080	80,460	38.68	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	11,803	13,285	199,757	15.04	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	1,874	2,127	27,968	13.15	31
32	Other Health C ₂ (See attached)	5,289	5,987	92,696	15.48	32
33	Other(specify) (See attached)	5,716	6,518	110,079	16.89	33
34	TOTAL (lines 1 - 33)	311,474	342,057	\$ 4,089,794 *	\$ 11.96	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference		
35	Dietary Consultant	\$		35	
36	Medical Director	Monthly	6,930	L9, C3	36
37	Medical Records Consultant	10	299	L10, C3	37
38	Nurse Consultant	Monthly	32,325	L10, C3	38
39	Pharmacist Consultant	Monthly	2,390	L10, C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	52	3,043	L11, C3	44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	62	\$ 44,987		49

C. CONTRACT NURSES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference		
50	Registered Nurses	153	\$ 6,247	L10,C3	50
51	Licensed Practical Nurses	3,690	138,015	L10,C3	51
52	Nurse Aides	4,999	91,354	L10,C3	52
53	TOTAL (lines 50 - 52)	8,842	\$ 235,616		53

SEE ACCOUNTANTS' COMPILATION REPORT

**Pinecrest Manor
Staffing & Salary Costs
07/01/03 - 06/30/04**

Schedule 20A

	Hours Worked	Hours Paid	Salary or Wages	Ave. Hrly. Wages
<u>Other Health Care Wages - Line 32:</u>				
Care Plan/MDS RN	1,761	2,017	40,337	20.00
Scheduler	1,550	1,858	22,419	12.07
Neighborhood Coordinator	1,978	2,112	29,940	14.18
TOTAL	5,289	5,987	92,696	15.48
<u>Other Wages - Line 33</u>				
Development Coordinator	3,578	4,084	71,766	17.57
Chauffeur	605	654	5,232	8.00
Chaplain	1,533	1,780	33,081	18.58
TOTAL	5,716	6,518	110,079	16.89

Pinecrest Manor

Provider #: 0012765

7/01/03 to 6/30/04

Schedule 21A

XIX. SUPPORT SCHEDULE

C. Professional Services

Total (agree to Schedule V, line 19, column 3)	59,548
Out of period legal fees	(8,450)
Out of period consulting fees	(313)
Total (agree to Schedule V, line 19, column 8)	<u><u>50,785</u></u>

SEE ACCOUNTANTS' COMPILATION REPORT

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
 (See instructions.)

1	2	3	4	5										
				6										
1	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	Amount of Expense Amortized Per Year									
					FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	
2			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	
3														
4														
5							N/A							
6														
7														
8														
9														
10														
11														
12														
13														
14														
15														
16														
17														
18														
19														
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$	

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Pinecrest Manor# 0012765Report Period Beginning: 7/01/03Ending: 6/30/04**XX. GENERAL INFORMATION:**

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. Life Services Network of Illinois - \$7782
- (3) Did the nursing home make political contributions or payments to a political organization? No If YES, have these costs been properly adjusted out of the cost report? N/A
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 7.5 Years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 28,614 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. \$ 78,508
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions
- (15) Indicate the cost of employee meals that has been reclassified to employee benefit: on Schedule V. \$ N/A Has any meal income been offset against related costs? Yes Indicate the amount. \$ 16,880
- (16) Travel and Transportation
- a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
- b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A
- c. What percent of all travel expense relates to transportation of nurses and patients? None
- d. Have vehicle usage logs been maintained? Adequate records have been maintained.
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? Yes
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
- g. Does the facility transport residents to and from day training? No**
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? Yes
Firm Name: Altschuler, Melvoin and Glasser LLP The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? Yes If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees.

SEE ACCOUNTANTS' COMPILATION REPORT

	Salaries	Supplies	Other	Total	Reclass- ifications	Reclassified Total	Adjusted Adjustments	Adjusted Total
1. Dietary	381,337	29,244	2,841	413,422	0	413,422	-65,465	347,957
2. Food Purchase	0	453,667	0	453,667	0	453,667	-105,624	348,043
3. Housekeeping	192,373	41,775	1,224	235,372	0	235,372	-31,818	203,554
4. Laundry	102,001	17,397	0	119,398	0	119,398	-3,573	115,825
5. Heat and Other Utilities	0	0	192,582	192,582	0	192,582	0	192,582
6. Maintenance	170,484	12,452	118,400	301,336	0	301,336	-55,035	246,301
7. Other (specify)*	0	0	0	0	0	0	0	0
8. Total General Services	846,195	554,535	315,047	1,715,777	0	1,715,777	-261,515	1,454,262
9. Medical Director	0	0	6,930	6,930	0	6,930	0	6,930
10. Nursing & Medical Records	2,678,806	63,251	318,434	3,060,491	0	3,060,491	-18,498	3,041,993
10a. Therapy	0	0	285,775	285,775	0	285,775	0	285,775
11. Activities	127,581	14,534	3,043	145,158	0	145,158	-1,610	143,548
12. Social Services	79,997	0	422	80,419	0	80,419	0	80,419
13. Nurse Aide Training	0	0	526	526	0	526	0	526
14. Program Transportation	0	0	0	0	0	0	0	0
15. Other (specify)*	0	0	0	0	0	0	0	0
16. Total Health Care & Programs	2,886,384	77,785	615,130	3,579,299	0	3,579,299	-20,108	3,559,191
17. Administrative	80,460	0	0	80,460	0	80,460	0	80,460
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	59,548	59,548	0	59,548	-8,763	50,785
20. Fees, Subscriptions & Promotion	0	0	22,524	22,524	0	22,524	-4,037	18,487
21. Clerical & General Office	204,989	55,714	49,892	310,595	0	310,595	-92,726	217,869
22. Employee Benefits & Payroll	0	0	848,854	848,854	0	848,854	-50,693	798,161
23. Inservice Training & Education	0	0	1,589	1,589	0	1,589	0	1,589
24. Travel and Seminar	0	0	10,035	10,035	0	10,035	0	10,035
25. Other Admin. Staff Trans	0	0	0	0	0	0	0	0
26. Insurance-Prop.Liab.Malpractice	0	0	115,494	115,494	0	115,494	0	115,494
27. Other (specify)*	0	0	0	0	0	0	0	0
28. Total General Adminis	285,449	55,714	1,107,936	1,449,099	0	1,449,099	-156,219	1,292,880
29. Total General Administrative	4,018,028	688,034	2,038,113	6,744,175	0	6,744,175	-437,842	6,306,333
30. Depreciation	0	0	336,000	336,000	0	336,000	39,133	375,133
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	172,043	172,043	0	172,043	-18,324	153,719
33. Real Estate	0	0	0	0	0	0	0	0
34. Rent - Facility & Grounds	0	0	0	0	0	0	0	0
35. Rent - Equipment & Vehicles	0	0	0	0	0	0	0	0
36. Other (specify):*	0	0	0	0	0	0	0	0
37. Total Ownership	0	0	508,043	508,043	0	508,043	20,809	528,852
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	95,780	0	95,780	0	95,780	0	95,780
40. Barber and Beauty Shop	0	0	0	0	0	0	0	0
41. Coffee and Gift Shops	0	0	0	0	0	0	0	0
42. Provider Participation	0	0	78,508	78,508	0	78,508	0	78,508
43. Other (specify):*	71,766	669	25,346	97,781	0	97,781	-97,781	0
44. Total Special Cost Ce	71,766	96,449	103,854	272,069	0	272,069	-97,781	174,288
45. Grand Total	4,089,794	784,483	2,650,010	7,524,287	0	7,524,287	-514,814	7,009,473

	After	
	Operating	Consolidation
General Service Cost Center		
1. Cash on hand and in banks	76,887	76,887
2. Cash - Patient Deposits	0	0
3. Accounts & Notes Recievable	503,925	503,925
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	86,636	86,636
7. Other Prepaid Expenses	58,991	58,991
8. Accounts Receivable-Owner/Related Party	0	0
9. Other (specify):	7,273	7,273
10. Total current assets	733,712	733,712
LONG TERM ASSETS		
11. Long-Term Notes Receivable	272,177	272,177
12. Long-Term Investments	0	0
13. Land	20,626	20,626
14. Buildings, at Historical Cost	9,117,415	9,652,671
15. Leasehold Improvements, Historical Cost	0	0
16. Equipment, at Historical Cost	1,957,733	1,588,428
17. Accumulated Depreciation (book methods)	-4,162,056	-4,343,863
18. Deferred Charges	0	0
19. Organization & Pre-Operating Costs	0	0
20. Accum Amort - Org/Pre-Op Costs	0	0
21. Restricted Funds	0	0
22. Other Long-Term Assets (specify):	0	0
23. other (specify):	210,615	210,615
24. Total Long-Term Assets	7,416,510	7,400,654
25. Total Assets	8,150,222	8,134,366
CURRENT LIABILITIES		
26. Accounts Payable	202,817	202,817
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	0	0
29. Short-Term Notes Payable	130,000	130,000
30. Accrued Salaries Payable	338,435	338,435
31. Accrued Taxes Payable	30,974	30,974
32. Accrued Real Estate Taxes	0	0
33. Accrued Interest Payable	0	0
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	2,375,673	2,375,673
37. Other Current Liabilities (specify):	0	0
38. Total Current Liabilities	3,077,899	3,077,899
LONG TERM LIABILITES		
39. Long-Term Notes Payable	0	0
40. Mortgage Payable	0	0
41. Bonds Payable	4,510,000	4,510,000
42. Deferred Compensation	0	0
43. Other Long-Term Liabilities (specify):	0	0
44. Other Long-Term Liabilities (specify):	0	0
45. Total Long-Term Liabilities	4,510,000	4,510,000
46. Total Liabilities	7,587,899	7,587,899
47. Total Equity	562,323	546,467
48. Total Liabilities and Equity	8,150,222	8,134,366

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	6,955,453
2. Discounts and Allowances for all Levels	-1,789,652
Subtotal - Inpatient Care	5,165,801
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	486,801
7. Oxygen	0
Subtotal - Ancillary Revenue	486,801
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	0
12. Gift and Coffee Shop	0
13. Barber and Beauty Care	0
14. Non-Patient Meals	16,880
15. Telephone, Television, and Radio	591
16. Rental of Facility Space	768,600
17. Sale of Drugs	76,771
18. Sale of Supplies to Non-Patients	0
19. Laboratory	3,660
20. Radiology and X-Ray	350
21. Other Medical Services	61,811
22. Laundry	0
Subtotal - Other Operating Revenue	928,663
24. Contributions	0
25. Interest and Other Investments Income	18,324
Subtotal - Non-Operating Revenue	18,324
27. Other Revenue (specify):	0
28. Other Revenue (specify):	418,084
Subtotal - Other Revenue	418,084
30. Total Revenue	7,017,673
31. General Services	1,715,777
32. Health Care	3,579,299
33. General Administration	1,449,099
34. Ownership	508,043
35. Special Cost Centers	193,561
35. Provider Participation Fee	78,508
37. Other	0
40. Total Expenses	7,524,287
41. Income Before Income Taxes	-506,614
42. Income Taxes	0
43. Net Income or Loss for the Year	-506,614

Page

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23