

Facility Name & ID Number Alden of Waterford# 0042036 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

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 _____

	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	<u>99</u>	Skilled (SNF)	<u>99</u>	<u>36,135</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>99</u>	TOTALS	<u>99</u>	<u>36,135</u>	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF	<u>1,554</u>	<u>6,166</u>	<u>11,327</u>	<u>19,047</u>	8
9	SNF/PED					9
10	ICF	<u>131</u>	<u>5,111</u>		<u>5,242</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>1,685</u>	<u>11,277</u>	<u>11,327</u>	<u>24,289</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 67.22%

D. How many bed-hold days during this year were paid by the Department?

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)

noneF. Does the facility maintain a daily midnight census? yesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES NO

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 12/29/2001

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 99 and days of care provided 11,327Medicare Intermediary Administar Federal, Inc

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH* Is your fiscal year identical to your tax year? YES NO Tax Year: 12/31/05 Fiscal Year: 12/31/05

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

Facility Name & ID Number Alden of Waterford # 0042036 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

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

	Operating Expenses	Costs 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
	A. General Services										
1	Dietary	339,028	34,927	9,600	383,555	511	384,066	(5,126)	378,940		1
2	Food Purchase		189,284		189,284	(15,171)	174,113	12,617	186,730		2
3	Housekeeping	134,610	22,743		157,353	670	158,023		158,023		3
4	Laundry	23,095	14,516	8,664	46,275	81	46,356		46,356		4
5	Heat and Other Utilities			255,162	255,162		255,162	(7,699)	247,463		5
6	Maintenance	49,727		215,515	265,242	(7)	265,235	4,673	269,908		6
7	Other (specify):* Security/Relatd party salary			624	624		624	23,623	24,247		7
8	TOTAL General Services	546,460	261,470	489,565	1,297,495	(13,916)	1,283,579	28,088	1,311,667		8
	B. Health Care and Programs										
9	Medical Director			78,900	78,900		78,900		78,900		9
10	Nursing and Medical Records	1,673,235	160,831	115,219	1,949,285	(54,681)	1,894,604	858	1,895,462		10
10a	Therapy	89,755	(5)		89,750		89,750		89,750		10a
11	Activities	81,290	1,944	8,844	92,078	102	92,180		92,180		11
12	Social Services	42,018			42,018		42,018		42,018		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Relatd party salary							12,287	12,287		15
16	TOTAL Health Care and Programs	1,886,298	162,770	202,963	2,252,031	(54,579)	2,197,452	13,145	2,210,597		16
	C. General Administration										
17	Administrative	70,046			70,046		70,046		70,046		17
18	Directors Fees										18
19	Professional Services			417,181	417,181		417,181	(375,451)	41,730		19
20	Dues, Fees, Subscriptions & Promotions			58,421	58,421	(3,985)	54,436	(46,841)	7,595		20
21	Clerical & General Office Expenses	212,447	16,250	122,713	351,410	4,067	355,477	(15,963)	339,514		21
22	Employee Benefits & Payroll Taxes			409,484	409,484	10,410	419,894	(3,276)	416,618		22
23	Inservice Training & Education					44,634	44,634		44,634		23
24	Travel and Seminar			16,007	16,007		16,007	7,023	23,030		24
25	Other Admin. Staff Transportation										25
26	Insurance-Prop.Liab.Malpractice			109,410	109,410		109,410	9,382	118,792		26
27	Other (specify):* Bad debt/Relatd party salary			(7,948)	(7,948)		(7,948)	216,279	208,331		27
28	TOTAL General Administration	282,493	16,250	1,125,268	1,424,011	55,126	1,479,137	(208,847)	1,270,290		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	2,715,251	440,490	1,817,796	4,973,537	(13,369)	4,960,168	(167,614)	4,792,554		29

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

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 Alden of Waterford

#0042036

Report Period Beginning: 01/01/2005 Ending: 12/31/2005

12/31/2005

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			20,621	20,621		20,621	282,876	303,497			30
31	Amortization of Pre-Op. & Org.							679	679			31
32	Interest			21,319	21,319		21,319	657,488	678,807			32
33	Real Estate Taxes							72,332	72,332			33
34	Rent-Facility & Grounds			1,248,080	1,248,080		1,248,080	(1,248,080)				34
35	Rent-Equipment & Vehicles			25,505	25,505		25,505	11,987	37,492			35
36	Other (specify):* Mtge Ins							41,287	41,287			36
37	TOTAL Ownership			1,315,525	1,315,525		1,315,525	(181,431)	1,134,094			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers	140,571	833,956	1,242,681	2,217,208	13,369	2,230,577	(521,949)	1,708,628			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			54,203	54,203		54,203		54,203			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers	140,571	833,956	1,296,884	2,271,411	13,369	2,284,780	(521,949)	1,762,831			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	2,855,822	1,274,446	4,430,205	8,560,473		8,560,473	(870,994)	7,689,479			45

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

Facility Name & ID Number Alden of Waterford

0042036

Report Period Beginning:

01/01/2005

Ending:

12/31/2005

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	(60)	2		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(193,644)	30		9
10	Interest and Other Investment Income	(528)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(3,122)	2		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	(35,118)	21		17
18	Fines and Penalties	(21,319)	32		18
19	Entertainment	(7,386)	20		19
20	Contributions	(515)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(6,882)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	7,948	27		24
25	Fund Raising, Advertising and Promotional	(37,034)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising	(357)	20		28
29	Other-Attach Schedule				29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (298,017)		\$	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)	(191,987)	Various	34
35	Other- Attach Schedule	(380,990)	Pg 5A	35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (572,977)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (870,994)		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	\$ n/a		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

Alden of Waterford

ID# 0042036

Report Period Beginning: 01/01/2005

Ending: 12/31/2005

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	Sch. V Line
1	Late fees on utilities	\$ (8,962)	5	1
2	Late fees on telephone	(54)	21	2
3	Misc admin receipts (g/l 4977-100-000)-misc	(40)	21	3
4	Food rebate (g/l 4977-100-005)-misc	(342)	2	4
5	Wage service fee (g/l 4977-100-006)-misc	(12)	21	5
6	Record copies (g/l 4977-100-001)-misc	(289)	10	6
7	Marketing Manager (g/l 6701-100-009)	(22,340)	21	7
8	Mktg Mgr employee benefits deduction	(3,276)	22	8
9	IL Health Care Assoc dues (32.97%)	(1,802)	20	9
10	Back out vendor settlement cost for prior yr	(200)	21	10
11	Back out vendor settlement credit for prior yr	239	21	11
12	Back out bank fees charged LP	(136)	21	12
13	Back out LP mtge int in excess of CON asset limit	(324,460)	32	13
14	Back out LP MIP in excess of CON asset limit	(20,810)	36	14
15	To adj depreciation to equal pg 13's	2,314	30	15
16	Add back adj for prior yr Mayer Brown invoice	2,600	19	16
17	Back out refundable legal fees (Clausen Miller)	(3,039)	19	17
18	Back out refundable legal exp (Cantu & Advantage)	(381)	19	18
19				19
20				20
21				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				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(380,990)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Alden of Waterford

0042036

Report Period Beginning:

01/01/2005

Ending:

12/31/2005

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	(5,126)	0	0	0	0	0	0	0	(5,126)	1
2	Food Purchase	(3,524)	0	0	16,141	0	0	0	0	0	0	0	12,617	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	(8,962)	0	1,263	0	0	0	0	0	0	0	0	(7,699)	5
6	Maintenance	0	0	3,760	0	0	0	643	270	0	0	0	4,673	6
7	Other (specify):*	0	0	18,929	4,694	0	0	0	0	0	0	0	23,623	7
8	TOTAL General Services	(12,486)	0	23,952	15,709	0	0	643	270	0	0	0	28,088	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	(289)	0	0	3,834	(2,687)	0	0	0	0	0	0	858	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	12,287	0	0	0	0	0	0	0	0	12,287	15
16	TOTAL Health Care and Programs	(289)	0	12,287	3,834	(2,687)	0	0	0	0	0	0	13,145	16
	C. General Administration													
17	Administrative	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(7,702)	3,617	(371,366)	0	0	0	0	0	0	0	0	(375,451)	19
20	Fees, Subscriptions & Promotions	(47,094)	0	253	0	0	0	0	0	0	0	0	(46,841)	20
21	Clerical & General Office Expenses	(57,661)	397	13,265	14,269	13,767	0	0	0	0	0	0	(15,963)	21
22	Employee Benefits & Payroll Taxes	(3,276)	0	0	0	0	0	0	0	0	0	0	(3,276)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	7,023	0	0	0	0	0	0	0	0	7,023	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	9,277	105	0	0	0	0	0	0	0	0	9,382	26
27	Other (specify):*	7,948	0	171,828	21,116	15,387	0	0	0	0	0	0	216,279	27
28	TOTAL General Administration	(107,785)	13,291	(178,892)	35,385	29,154	0	0	0	0	0	0	(208,847)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(120,560)	13,291	(142,653)	54,928	26,467	0	643	270	0	0	0	(167,614)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Alden of Waterford

0042036

Report Period Beginning:

01/01/2005 Ending:

12/31/2005

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
30	Depreciation	(191,330)	464,310	8,035	0	1,861	0	0	0	0	0	0	282,876	30
31	Amortization of Pre-Op. & Org.	0	0	679	0	0	0	0	0	0	0	0	679	31
32	Interest	(346,307)	967,248	29,625	0	2,587	4,335	0	0	0	0	0	657,488	32
33	Real Estate Taxes	0	68,558	2,762	0	1,012	0	0	0	0	0	0	72,332	33
34	Rent-Facility & Grounds	0	(1,248,080)	0	0	0	0	0	0	0	0	0	(1,248,080)	34
35	Rent-Equipment & Vehicles	0	0	11,987	0	0	0	0	0	0	0	0	11,987	35
36	Other (specify):*	(20,810)	62,097	0	0	0	0	0	0	0	0	0	41,287	36
37	TOTAL Ownership	(558,447)	314,133	53,088	0	5,460	4,335	0	0	0	0	0	(181,431)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	(202,011)	(80,324)	(239,614)	0	0	0	0	0	(521,949)	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	0	0	0	(202,011)	(80,324)	(239,614)	0	0	0	0	0	(521,949)	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(679,007)	327,424	(89,565)	(147,083)	(48,397)	(235,279)	643	270	0	0	0	(870,994)	45

Facility Name & ID Number Alden of Waterford

0042036

Report Period Beginning: 01/01/2005 Ending: 12/31/2005

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
See Page 6L		See Page 6K		See Page 6K		

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	34 Rental income	\$ 1,248,080	Alden of Waterford Limited Partnership		\$	\$ (1,248,080)	1
2	V	32 Interest income-R/R	936	Alden of Waterford Limited Partnership			(936)	2
3	V	19 Accounting fees		Alden of Waterford Limited Partnership		3,617	3,617	3
4	V	21 Bank charges		Alden of Waterford Limited Partnership		136	136	4
5	V	21 Other administrative		Alden of Waterford Limited Partnership		261	261	5
6	V	33 Real estate taxes		Alden of Waterford Limited Partnership		68,558	68,558	6
7	V	26 Property & liability insurance		Alden of Waterford Limited Partnership		9,277	9,277	7
8	V	36 Mortgage insurance premium		Alden of Waterford Limited Partnership		62,097	62,097	8
9	V	32 Mortgage interest		Alden of Waterford Limited Partnership		968,184	968,184	9
10	V	30 Depreciation		Alden of Waterford Limited Partnership		464,310	464,310	10
11	V							11
12	V							12
13	V							13
14	Total		\$ 1,249,016			\$ 1,576,440	\$ * 327,424	14

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

VII. RELATED PARTIES (continued)

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)	
15	V	19 Professional fees	\$ 378,359	Alden Management Services, Inc		\$ 6,993	\$ (371,366)	15
16	V	21 Clerical and G & A		Alden Management Services, Inc		13,265	13,265	16
17	V	5 Utilities		Alden Management Services, Inc		1,263	1,263	17
18	V	6 Maintenance		Alden Management Services, Inc		3,760	3,760	18
19	V	24 Travel & seminar		Alden Management Services, Inc		7,023	7,023	19
20	V	26 Insurance		Alden Management Services, Inc		105	105	20
21	V	20 Dues/subscriptions/fees etc		Alden Management Services, Inc		253	253	21
22	V	30 Depreciation		Alden Management Services, Inc		8,035	8,035	22
23	V	31 Amortization		Alden Management Services, Inc		679	679	23
24	V	33 Real estate taxes		Alden Management Services, Inc		2,762	2,762	24
25	V	35 Rent-equipment/vehicles		Alden Management Services, Inc		11,987	11,987	25
26	V	32 Interest		Alden Management Services, Inc		29,625	29,625	26
27	V	7 Salaries-general serv		Alden Management Services, Inc		18,929	18,929	27
28	V	15 Salaries-health care		Alden Management Services, Inc		12,287	12,287	28
29	V	27 Salaries-general admin		Alden Management Services, Inc		171,828	171,828	29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 378,359			\$ 288,794	\$ * (89,565)	39

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

VII. RELATED PARTIES (continued)

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)	
15	V	1 Dietary consultant	\$ 9,600	Prism Health Care		\$ 4,474	\$ (5,126)	15
16	V	7 Dietary salaries		Prism Health Care		4,694	4,694	16
17	V	2 Tube feeding	10,179	Prism Health Care		26,320	16,141	17
18	V	10 Equipment rental-patient care	3,060	Prism Health Care		6,894	3,834	18
19	V	39 Ancillary supplies	319,151	Prism Health Care		79,235	(239,916)	19
20	V	39 Vent rental		Prism Health Care		37,905	37,905	20
21	V	27 G & A salaries		Prism Health Care		21,116	21,116	21
22	V	21 G & A expenses		Prism Health Care		14,269	14,269	22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 341,990			\$ 194,907	\$ * (147,083)	39

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

VII. RELATED PARTIES (continued)

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)	
15	V	39 Drugs	\$ 262,022	Forum Extended Care II		\$ 372,919	\$ 110,897	15
16	V	39 I.V.	223,905	Forum Extended Care II		32,707	(191,198)	16
17	V	39 Wound Vac	105	Forum Extended Care II		82	(23)	17
18	V	10 House Stock	5,334	Forum Extended Care II		4,731	(603)	18
19	V	10 Pharm Consult	16,239	Forum Extended Care II		14,155	(2,084)	19
20	V	27 Employ Vaccin	1,529	Forum Extended Care II		1,197	(332)	20
21	V	27 G & A Salaries		Forum Extended Care II		15,719	15,719	21
22	V	21 Gen'l & Admin		Forum Extended Care II		13,767	13,767	22
23	V	32 Interest		Forum Extended Care II		2,587	2,587	23
24	V	33 Real Estate Tax		Forum Extended Care II		1,012	1,012	24
25	V	30 Depreciation		Forum Extended Care II		1,861	1,861	25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 509,134			\$ 460,737	\$ * (48,397)	39

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

VII. RELATED PARTIES (continued)

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)	
15	V	39 Revenue-therapy	\$ 1,208,685	Community Pysical Therapy		\$	\$ (1,208,685)	15
16	V	39 Expense-therapy		Community Pysical Therapy		969,071	969,071	16
17	V	32 Interest		Community Pysical Therapy		4,335	4,335	17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 1,208,685			\$ 973,406	\$ * (235,279)	39

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

VII. RELATED PARTIES (continued)

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)	
15	V	6	Repairs & maintenance	\$ 27,396	Alden Bennett Construction		\$ 28,039	\$ 643	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$ 27,396			\$ 28,039	\$ *	643 39

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

VII. RELATED PARTIES (continued)

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)	
15	V	6	Grounds Maintenance	\$ 100,980	Alden Realty		\$ 101,250	\$ 270	15
16	V								16
17	V								17
18	V								18
19	V								19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$ 100,980			\$ 101,250	\$ * 270	39

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

STATE OF ILLINOIS

Facility Name & ID Number Alden of Waterford Rehab & Health Care Center

004-2036

Report Period Beginning 01/01/05

Ending: 12/31/05

RELATED NURSING HOMES	
Name	City
Note: ANC = Alden Nursing Center	
ANC Lakeland	Chicago
ANC Long Grove	Long Grove
ANC Heather	Harvey
ANC Lincoln Park	Chicago
ANC Northmoor	Chicago
ANC Town Manor	Chicago
ANC Terrace of McHenry	McHenry
ANC Morrow	Chicago
ANC Wentworth	Chicago
ANC Naperville	Naperville
ANC Valley Ridge	Bloomingtondale
ANC Village for Children & Young Adults	Bloomingtondale
ANC Orland Park	Orland Park
ANC Princeton	Chicago
Alden of Old Town East	Bloomingtondale
Alden of Old Town West	Bloomingtondale
Alden Trails	Bloomingtondale
Alden Northshore	Skokie
ANC Des Plaines	Des Plaines
ANC Des Plaines II	Des Plaines
ANC Alma Nelson	Rockford
ANC Park Stratmoor	Rockford
ANC Meadow Park	Rockford
ANC Poplar Creek	Hoffman Estates
ANC Governor's Park	Barrington
ANC Gardens of Rockford	Rockford

OTHER RELATED BUSINESS ENTITIES		
Name	City	Type of Business
The Forum Prof. Center	Chicago	Office rental
Prism Health Care	Chicago	Nursing supplies
Forum Extended Care II	Chicago	Pharmacy
Alden Management	Chicago	Management
Alden Estates of Evanston	Evanston	Assisted living
Community Physical Therapy	Wood Dale	Therapy provider
Courts of Waterford	Aurora	Alzheimers unit
Gardens of Waterford	Aurora	Assisted living

Alden of Waterford Rehab & Health Care Center

Page 6L

IDPH Facility ID Number

004-2036

Reporting Period Beginning

1/01/05

Reporting Period Ending

12/31/05

1	Floyd Schlossberg		28.63%
2	AMS		25.00%
3	Marcia Brin 1		0.50%
4	Marcia Brin 2		0.87%
5	Dan Sabin		1.00%
6	Ritchie D. Schullo		0.25%
7	Heather Bushong		0.25%
8	Sam & Joan Carl		1.00%
9	Susan Schwartz		1.00%
10	Malanie S. Mason		1.00%
11	Edward Schultz		1.00%
12	Gadi Z Cohen		1.00%
13	Naom Kerem		1.00%
14	Daniel Denise		0.50%
15	Michael D. Okun		1.00%
16	Hilda Dworiki	Class "B" Partner	2.00%
17	Josef Dembo	Class "B" Partner	3.00%
18	Edward & Paulian Osser	Class "B" Partner	3.00%
19	Rudy Trust	Class "B" Partner	10.00%
20	Max Fisch	Class "B" Partner	2.00%
21	Joan & Sam Carl	Class "B" Partner	3.00%
22	David Sezonov	Class "B" Partner	3.00%
23	Joe & Goldie Dembo	Class "B" Partner	1.00%
24	Edward & Paulian Osser	Class "B" Partner	1.00%
25	Joe & Goldie Dembo	Class "B" Partner	1.00%
26	Edward & Paulian Osser	Class "B" Partner	1.00%
27	Joan & Sam Carl	Class "B" Partner	3.00%
28	John Vercillo	Class "B" Partner	3.00%
			<u>100.00%</u>

Facility Name & ID Number Alden of Waterford # 0042036 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

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	Floyd Schlossberg a.	President	Chief Executive	28.63	136,537	0.848	2.12	salary	\$ 2,963	27-7	1
2	Lauren Magnusson b.	Nurse coordinator	nursing admin.	0.00	74,145	0.848	2.12	salary	1,609	15-7	2
3	Terry Magnusson c.	Maint. Supervisor	construct/mainten	0.00	50,406	0.848	2.12	salary	1,094	7-7	3
4	Joan Carl d.	Secretary	Vice-President	7.00	136,037	0.848	2.12	salary	2,963	27-7	4
5											5
6											6
7	a. Floyd Schlossberg is the President and sole stockholder of The Alden Group, Ltd.										7
8	b. Lauren Magnusson is the daughter of Floyd Schlossberg. Lauren is a nurse coordinator.										8
9	c. Terry Magnusson is the son-in-law of Floyd Schlossberg. Terry is in maintenance and construction.										9
10	d. Joan Carl is the Secretary of Alden Management Services and all nursing facilities. She has an equity interest in Town Manor, Princeton, Valley Ridge,										10
11	North Shore, Orland Park, and Waterford. She has an equity interest in the real estate of Alma Nelson, Park Strathmoor, and Meadow Park.										11
12											12
13								TOTAL	\$ 8,629		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

Facility Name & ID Number Alden of Waterford

0042036 Report Period Beginning: 01/01/2005 Ending: 2/31/2005

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 Alden Management Services, Inc
 Street Address 4200 W. Peterson Avenue
 City / State / Zip Code Chicago, IL 60646
 Phone Number (773) 286-3883
 Fax Number (773) 286-3743

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	See Page 8A (also on Page 6A)				\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									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

Facility Name & ID Number

Alden of Waterford

0042036

Report Period Beginning:

01/01/2005

Ending:

12/31/2005

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 Name of Lender	2 Related**		3 Purpose of Loan	4 Monthly Payment Required	5 Date of Note	6 Amount of Note		8 Maturity Date	9 Interest Rate (4 Digits)	10 Reporting Period Interest Expense	
		YES	NO				Original	Balance				
	A. Directly Facility Related											
	Long-Term											
1	Heartland Bank of IL		X	Mortgage	\$79,386.00	1/1/02	\$ 12,667,104	\$ 12,462,014	1/1/41	7.7500	\$ 968,184	1
2	Int related to fixed assets in											2
3	excess of CON limit		X	Mortgage							(324,460)	3
4												4
5												5
	Working Capital											
6	Related party-AMS	X		Working capital							29,625	6
7	Related party-FECHII	X		Working capital							2,587	7
8	Related party-CPT	X		Working capital							4,335	8
9	TOTAL Facility Related				\$79,386.00		\$ 12,667,104	\$ 12,462,014			\$ 680,271	9
	B. Non-Facility Related*											
10	Interest income on Corp		X	Patient interest income							(528)	10
11	Waterford LP revenue	X		Replacement Reserve int							(936)	11
12												12
13												13
14	TOTAL Non-Facility Related						\$	\$			(1,464)	14
15	TOTALS (line 9+line14)						\$ 12,667,104	\$ 12,462,014			\$ 678,807	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 41,287 Line # 36

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

** 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 Alden of Waterford# 0042036 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

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

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2004 report.		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.	\$	31,374	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.)			\$	49,232	2
3. Under or (over) accrual (line 2 minus line 1).			\$	17,858	3
4. Real Estate Tax accrual used for 2005 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	50,700	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.			\$	68,558	7
Real Estate Tax History:					
Real Estate Tax Bill for Calendar Year:		2000		8	
		2001	64,543	9	
		2002	62,733	10	
		2003	50,212	11	
		2004	30,127	12	
Accrual based on 3% increase.					
Bill reflects total cost. In this case, bill is split between two entities (shared bill). \$82,054.14 x 60 % = \$49,232.48					
FOR OHF USE ONLY					
13	FROM R. E. TAX STATEMENT FOR 2004	\$			13
14	PLUS APPEAL COST FROM LINE 5	\$			14
15	LESS REFUND FROM LINE 6	\$			15
16	AMOUNT TO USE FOR RATE CALCULATION	\$			16

NOTES:

- Please indicate a negative number by use of brackets (). Deduct any overaccrual of taxes from prior year.
- 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.

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates RE: 2004 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 2004 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2004.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2004 real estate tax bill to the Department of Public Aid, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2005 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,

2004 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Alden of Waterford COUNTY Kane

FACILITY IDPH LICENSE NUMBER 0042036

CONTACT PERSON REGARDING THIS REPORT Steven M. Kroll

TELEPHONE (773) 286-3883 FAX #: (773) 286-3743

A. Summary of Real Estate Tax Cos

Enter the tax index number and real estate tax assessed for 2004 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2004.

(A)	(B)	(C)	(D)
Tax Index Number	Property Description	Total Tax	Tax Applicable to Nursing Home
1. 15-36-202-005*	Nursing Home Facility	\$ 82,054.14	\$ 49,232.48
2. See	Related Party-AMS	\$ 130,007.00	\$ 2,762.00
3. Attached	Related Party-FECII	\$ 15,792.00	\$ 1,012.00
4.		\$	\$
5.		\$	\$
6. * Only 60% is applicable to		\$	\$
7. the provider.		\$	\$
8.		\$	\$
9.		\$	\$
10.		\$	\$
TOTALS		\$ 227,853.14	\$ 53,006.48

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 X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home (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 2004 tax bills which were listed in Section A to this statement. Be sure to use the 2004 tax bill which is normally paid during 2005

Facility Name & ID Number Alden of Waterford

0042036 Report Period Beginning:

01/01/2005 Ending:

12/31/2005

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 59,206 B. General Construction Type: Exterior Brick Frame Steel Number of Stories 3

C. 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 grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

F. 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: _____ 2. Number of Years Over Which it is Being Amortized: _____
3. Current Period Amortization: _____ 4. Dates Incurred: _____

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

XI. OWNERSHIP COSTS:

	1	2	3	4	
A. Land.	Use	Square Feet	Year Acquired	Cost	
1	<u>Nursing Facility</u>	<u>152,896</u>	<u>1994</u>	<u>\$ 662,733</u>	1
2					2
3	TOTALS	152,896		\$ 662,733	3

Facility Name & ID Number Alden of Waterford

0042036

Report Period Beginning:

01/01/2005 Ending: 12/31/2005

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	99			2001	\$ 11,880,012	\$ 297,000	40	\$ 171,168	\$ (125,832)	\$ 906,763	4
5	Adjustment to correct to CON costs (net=6,846,713)				(5,033,299)						5
6											6
7											7
8	Related party - Forum			1978	14,541		25			14,541	8
	Improvement Type**										
9		storm/sewer-ltd p/s		2001	218,336	8,733	25	8,733		37,844	9
10		concrete/curbs/gutters-ltd p/s		2001	21,491	1,433	15	1,433		6,209	10
11		concrete walks-ltd p/s		2001	46,391	3,093	15	3,093		13,403	11
12		asphalt paving-ltd p/s		2001	40,929	4,093	10	4,093		17,736	12
13		street lighting-ltd p/s		2001	129,677	8,645	15	8,645		37,462	13
14		wrought iron fencing-ltd p/s		2001	60,821	2,433	25	2,433		10,543	14
15		piers-ltd p/s		2001	64,296	4,286	15	4,286		18,573	15
16		exterior signs-ltd p/s		2001	20,853	1,738	12	1,738		7,531	16
17		brick pavers-ltd p/s		2001	5,213	521	10	521		2,258	17
18		waterfalls-ltd p/s		2001	53,870	2,693	20	2,693		11,670	18
19		gate house-ltd p/s		2001	26,066	1,738	15	1,738		7,531	19
20		retaining walls-ltd p/s		2001	19,115	956	20	956		4,142	20
21		external roads-ltd p/s		2001	261,213	26,121	10	26,121		113,191	21
22											22
23		storm/sewer-ltd p/s		2003	16,853	674	25	674		2,022	23
24		concrete/curbs/gutters-ltd p/s		2003	1,659	111	15	111		333	24
25		concrete walks-ltd p/s		2003	3,581	239	15	239		717	25
26		asphalt paving-ltd p/s		2003	3,159	316	10	316		948	26
27		street lighting-ltd p/s		2003	10,009	667	15	667		2,001	27
28		wrought iron fencing-ltd p/s		2003	4,695	188	25	188		564	28
29		piers-ltd p/s		2003	4,963	331	15	331		993	29
30		exterior signs-ltd p/s		2003	1,610	134	12	134		402	30
31		brick pavers-ltd p/s		2003	402	40	10	40		120	31
32		waterfalls-ltd p/s		2003	4,158	208	20	208		624	32
33		gate house-ltd p/s		2003	2,012	134	15	134		402	33
34		retaining walls-ltd p/s		2003	1,475	74	20	74		222	34
35		external roads-ltd p/s		2003	20,163	2,016	10	2,016		6,048	35
36											36

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

See Page 12A, Line 70 for total

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

Facility Name & ID Number Alden of Waterford

0042036

Report Period Beginning:

01/01/2005 Ending: 12/31/2005

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	Mech. Projects- intsaill exhaust,gas line, electric to steamer-corp	2002	\$ 4,254	\$ 213	20	\$ 213	\$	\$ 851	37
38	Wtrfd Inv-Montgomery Rd expansion	2005	9,558						38
39	Long elevator- correct elevator problem-corp	2001	882	88	10	88		360	39
40	Affcus- repair fire alarm-corp	2002	1,552	310	5	310		1,242	40
41	GT Mech- chiller repair-corp	2002	1,924	385	5	385		1,539	41
42	ISS replace nurses station	2003	1,956	391	5	391		1,109	42
43	CSI Coker-filter system (boiler)	2004	1,723	86	20	86		165	43
44	ABC-medical gas repair	2004	2,291	229	10	229		439	44
45	CSI Coker-filter system (boiler)	2004	2,050	103	20	103		188	45
46	ABC-sod yards/parkway/etc	2004	9,189	919	10	919		1,532	46
47	ISS/Chicago Sound-power supply call light	2004	2,084	139	15	139		185	47
48	Central States-Adapters/valve caps	2005	1,243	76	15	76		76	48
49	ABC [Stripe-It-Right] - Sealcoat, crackfill & stripe asphalt	2005	3,079	128	10	128		128	49
50	Cybor Fire Protection - Sprinkler head replacement	2005	2,900	81	15	81		81	50
51	ABC [ISS/Chicago Sound]-8 Jeron provider 680 vent alarms	2005	3,381	75	15	75		75	51
52	GT Mechanical - Compressor & chiller circuit	2005	8,600	96	15	96		96	52
53	ABC - Replace ceiling tiles	2005	952		12				53
54	ABC - Emergency outlets vent	2005	6,551		20				54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 7,968,431	\$ 371,934		\$ 246,102	\$ (125,832)	\$ 1,232,859	70

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

Facility Name & ID Number Alden of Waterford

0042036

Report Period Beginning:

01/01/2005 Ending: 12/31/2005

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 12C, Carried Forward		\$ 7,968,431	\$ 371,934		\$ 246,102	\$ (125,832)	\$ 1,232,859	1
2									2
3	Related Party-Forum Prof Center Building:								3
4	Leasehold Improvement-Remodeling	1980	11,034		15			11,034	4
5	Leasehold Improvement-Remodeling	1980	17,284		20			17,284	5
6	Leasehold Improvement-Tenant Improvement	1987	893		13			893	6
7	Leasehold Improvement-AMS Remodel	1988	14,339		10			14,339	7
8	Leasehold Improvement-Roof	1994	3,203	200	16	200		2,204	8
9	Leasehold Improvement-Build.Improv.	1996	1,129	71	16	71		702	9
10	Leasehold Improvement-Asphalting	2000	88		3			88	10
11	Leasehold Improvement-DAI	2001	154	15	10	15		64	11
12	Leasehold Improvement-Bathrooms	2002	667	76	7	76		242	12
13	Leasehold Improvement-Suite Renovation	2003	1,638	164	10	164		491	13
14	Leasehold Improvement-Plumbing, Construct, Concrete, Doors, etc	2004	1,801	329	7	329		465	14
15	Leasehold Improvement-Add-on Improvement, fixture base	1980	71		23			71	15
16	Leasehold Improvement-Add-on Improvement, lighting base	2001	123	25	5	25		117	16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26	Related Party-AMS:								26
27	Leasehold Improvement-Remodeling	1993	5,938		7			5,938	27
28	Leasehold Improvement-Remodeling	2002	4,861	694	7	694		1,997	28
29	Leasehold Improvement-Remodeling	2003	5,085	726	7	726		2,072	29
30	FYI... This line goes to TM Only ----->								30
31									31
32									32
33	Forum Extended Care, LLC-building/building improv	1999	12,928	306	30	306		2,139	33
34	TOTAL (lines 1 thru 33)		\$ 8,049,667	\$ 374,541		\$ 248,709	\$ (125,832)	\$ 1,292,999	34

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

Facility Name & ID Number Alden of Waterford # 0042036 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

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	\$ 534,238	\$ 112,481	\$ 44,669	\$ (67,812)	various	\$ 161,789	71
72	Current Year Purchases	29,167	1,588	1,588		various	1,588	72
73	Fully Depreciated Assets	58,934	999	999		various	58,934	73
74								74
75	TOTALS	\$ 622,339	\$ 115,068	\$ 47,256	\$ (67,812)		\$ 222,311	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	Passenger bus	2001 Ford Eldorado	2001	\$ 50,888	\$ 7,421	\$ 7,421		4	\$ 50,888	76
77	Related party-AMS	Various: Bus/Autos	1998-2004	4,706	111	111		3	4,638	77
78										78
79										79
80	TOTALS			\$ 55,594	\$ 7,532	\$ 7,532			\$ 55,526	80

E. Summary of Care-Related Assets

		1 Reference	2 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)	\$ 9,390,333	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 497,141	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 303,497	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ (193,644)	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 1,570,836	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	n/a	\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92		\$	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.

Facility Name & ID Number Alden of Waterford # 0042036 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: Related party - cost is eliminated

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

**

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 _____.

9. Option to Buy: YES NO Terms: _____*

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: \$ 13,535

Description: Copy machine lease

(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	<u>Transport non-patients</u>		\$ <u>997.50</u>	\$ <u>11,970</u>	17
18	<u>Related party - AMS</u>		<u>998.92</u>	<u>11,987</u>	18
19					19
20					20
21	TOTAL		\$ <u>1,996.42</u>	\$ <u>23,957</u>	21

10. Effective dates of current rental agreement:

Beginning 5/1/2001

Ending 4/30/2011

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

Fiscal Year Ending Annual Rent

12. /2006 \$ varies

13. /2007 \$ varies

14. /2008 \$ varies

* 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.

Facility Name & ID Number Alden of Waterford # 0042036 Report Period Beginning: 01/01/2005 Ending: 12/31/2005

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

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

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? <input type="checkbox"/> YES <input checked="" 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><u>Skilled nurses are on-site</u></p>	<p>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
---	--	---

B. EXPENSES

ALLOCATION OF COSTS (d)

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

C. CONTRACTUAL INCOME

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

\$

D. NUMBER OF CNAs TRAINED

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

- (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 CNA 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 CNAs.

- (e) The total amount of Drop-out and Completed Costs for your own CNAs 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 CNAs.

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

	Service	1 Schedule V Line & Column Reference	2 Staff		4 Outside Practitioner (other than consultant)		6 Supplies (Actual or Allocated)	7 Total Units (Column 2 + 4)	8 Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	5					
					Units	Cost				
1	Licensed Occupational Therapist	39-3	hrs	\$		\$ 400,896	\$		\$ 400,896	1
2	Licensed Speech and Language Development Therapist	39-3	hrs			83,589			83,589	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39-3	hrs			404,960			404,960	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	See Pg 16A	# of prescripts				372,918		372,918	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program	See Pg 16A		140,571			28,773		169,344	12
13	Other (specify):	See Pg 16A				(239,614)	516,535		276,921	13
14	TOTAL			\$ 140,571		\$ 649,831	\$ 918,226		\$ 1,708,628	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 CNAs, who help with the above activities should not be listed on this schedule.

XIV. Special Services (Direct Cost)

Page 16
Col 5: PT,OT, & ST
Col 6: Supplies

Service Description	Col. 1: Ref. No.	To Pg 16: Col. No.	
1. OT	39-3	To Col 5	400,895.53
2. ST	39-3	To Col 5	83,588.91
3.			
4. PT	39-3	To Col 5	404,960.40
5.			
6.			
7.			
8.			
Pharmacy Supplies per GL			262,022.41
Manual Input from Related Party- Forum Drugs			110,896.00 see Pg 6C
9. Total to line 9 Pharmacy	See Pg 16A	To Col 6	372,918.41
10.			
11.			
12. Exceptional Care-Salaries:	See pg 16A	To Col. 3	140,570.51
12. Exceptional Care-Supplies:	See pg 16A	To Col. 6	28,772.94
Total Exceptional Care (Line 12, Col 8)			169,343.45
13. Other:	See Pg 16A		
13. Col 5: Manual Input: Related Party - CPT		To Col 5	(239,614.00) See Pg 6D
Other			896,397.57
Manual Input: Related Party - Pyramid - Supplies			(239,916.00) See Pg 6B
Manual Input: Related Party - Pyramid - Vent Rental			37,905.00 See Pg 6B
Manual Input: Related Party FECII - I.V.			(191,198.00) See Pg 6C
Manual Input: Related Party FECII - Wound Vac			(23.00) See Pg 6C
Oxygen, from reclass worksheet			13,369.00
13. Col 6: Supplies Total		To Col 6	516,534.57
13. Total Line 13, Column 8			276,920.57
14. Total			1,708,627.27

Facility Name & ID Number Alden of Waterford

0042036

Report Period Beginning: 01/01/2005

Ending:

12/31/2005

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2005 (last day of reporting year)

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

		1 Operating	2 After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance 225,000)	1,776,973	1,776,973	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments		420,943	5
6	Prepaid Insurance		12,490	6
7	Other Prepaid Expenses	5,049	5,049	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Due from 3rd parties	123,794	123,794	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,905,816	\$ 2,339,249	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		662,733	13
14	Buildings, at Historical Cost		11,880,012	14
15	Leasehold Improvements, at Historical Cost	64,168	1,107,254	15
16	Equipment, at Historical Cost	150,942	1,659,155	16
17	Accumulated Depreciation (book methods)	(86,729)	(2,093,253)	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):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 128,381	\$ 13,215,901	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 2,034,197	\$ 15,555,150	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 3,917,617	\$ 3,937,283	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	92,655	92,655	28
29	Short-Term Notes Payable	900,000	900,000	29
30	Accrued Salaries Payable	263,968	263,968	30
31	Accrued Taxes Payable (excluding real estate taxes)	53,940	53,940	31
32	Accrued Real Estate Taxes(Sch.IX-B)		50,700	32
33	Accrued Interest Payable		80,484	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	Accr'd exp/ins/sales tax	178,039	178,039	36
37	Due to affiliates & 3rd parties	2,707,581	3,184,342	37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 8,113,800	\$ 8,741,411	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable		12,462,014	40
41	Bonds Payable			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)	\$	\$ 12,462,014	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 8,113,800	\$ 21,203,425	46
47	TOTAL EQUITY (page 18, line 24)	\$ (6,079,603)	\$ (5,648,275)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 2,034,197	\$ 15,555,150	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (5,116,301)	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (5,116,301)	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	(963,302)	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)	\$ (963,302)	17
B. Transfers (Itemize):			
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (6,079,603)	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Alden of Waterford

0042036

Report Period Beginning: 01/01/2005

Ending: 12/31/2005

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	\$ 7,413,653	1
2	Discounts and Allowances for all Levels	()	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 7,413,653	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	138,760	6
7	Oxygen	17,644	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 156,404	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop	80	12
13	Barber and Beauty Care	2,204	13
14	Non-Patient Meals	60	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	14,773	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	(34,081)	19
20	Radiology and X-Ray		20
21	Other Medical Services	40,877	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 23,913	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	528	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 528	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>Various - See Page 19A</u>	2,673	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 2,673	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 7,597,171	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,297,495	31
32	Health Care	2,252,031	32
33	General Administration	1,424,011	33
B. Capital Expense			
34	Ownership	1,315,525	34
C. Ancillary Expense			
35	Special Cost Centers	2,217,208	35
36	Provider Participation Fee	54,203	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 8,560,473	40
41	Income before Income Taxes (line 30 minus line 40)**	(963,302)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (963,302)	43

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? not yet done 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.

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

Facility Name Alden Nursing Center-Waterford
 IDPH Facility ID Number 004-2036
 Period Beginning 1/1/2005
 Period End 12/31/2005

Page 19A

<u>Misc Income (G/L 4977)</u>		<u>Ref Line</u>
Misc (g/l 4977-100-000)	40.02	21
Food rebate (g/l 4977-100-005)	341.77	2
Wage service fee (g/l 4977-100-006)	12.00	21
Record copies (g/l 4977-100-001)	<u>288.50</u>	10
Total G/L 4977	682.29	
Meals-private only (g/l 4640-100-000)	53.00	
Recovery of bad debts-private only (g/l 4981-100-000)	272.33	
Write off a/p related to prior yr (gl 4983-100-000)	<u>1,665.05</u>	
Total of Page 19, Line 28	<u><u>2,672.67</u></u>	

Facility Name & ID Number Alden of Waterford

0042036

Report Period Beginning:

01/01/2005

Ending:

12/31/2005

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	1,688	1,728	\$ 61,507	\$ 35.59	1
2	Assistant Director of Nursing					2
3	Registered Nurses	20,954	22,421	696,049	31.04	3
4	Licensed Practical Nurses	13,520	14,300	340,287	23.80	4
5	CNAs & Orderlies	44,472	46,828	613,545	13.10	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	1,746	1,933	27,108	14.02	8
9	Activity Director	1,880	2,000	37,756	18.88	9
10	Activity Assistants	8,792	9,036	100,121	11.08	10
11	Social Service Workers	1,790	1,839	42,018	22.85	11
12	Dietician					12
13	Food Service Supervisor	137	182	4,538	24.93	13
14	Head Cook	4,069	4,260	70,320	16.51	14
15	Cook Helpers/Assistants	27,484	28,791	264,170	9.18	15
16	Dishwashers					16
17	Maintenance Workers	2,360	2,360	49,727	21.07	17
18	Housekeepers	15,312	15,880	134,610	8.48	18
19	Laundry	2,532	2,707	23,095	8.53	19
20	Administrator	1,360	1,360	70,046	51.50	20
21	Assistant Administrator					21
22	Other Administrative	5,211	5,330	159,277	29.88	22
23	Office Manager	1,632	1,640	22,936	13.99	23
24	Clerical	3,698	3,722	30,233	8.12	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	1,456	1,520	45,832	30.15	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify) Clinical SS	1,880	1,992	62,647	31.45	33
34	TOTAL (lines 1 - 33)	161,973	169,829	\$ 2,855,822 *	\$ 16.82	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	monthly	\$ 9,600	1-3	35
36	Medical Director	monthly	84,600	10-3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	monthly	2,376	10-3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	25	1,463	11-3	44
45	Social Service Consultant	7	424	11-3	45
46	Other(specify)				46
47	Alzheimer's Consultant	19	1,045	11-3	47
48					48
49	TOTAL (lines 35 - 48)	51	\$ 99,508		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses		\$ n/a		50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)		\$		53

Facility Name & ID Number Alden of Waterford

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? yes
- (2) Are there any dues to nursing home associations included on the cost report? yes
If YES, give association name and amount. IL Health Care Assoc \$5,465
- (3) Did the nursing home make political contributions or payments to a political action organization? yes If YES, have these costs been properly adjusted out of the cost report? yes
- (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? _____
- (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? 10 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 10,822 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. _____
- (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.

- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 54,203
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, 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 benefits on Schedule V. \$ 15,171 Has any meal income been offset against related costs? yes Indicate the amount. \$ 60
- (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. \$ _____
- c. What percent of all travel expense relates to transportation of nurses and patients? 0
- d. Have vehicle usage logs been maintained? yes
- 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? yes
- 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. \$ _____
- (17) Has an audit been performed by an independent certified public accounting firm? no
Firm Name: _____ The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? _____ If no, please explain. Audit not required
- (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.

IDPH Facility ID Number 004-2036
 Reporting Period Beginning 1/01/05
 Reporting Period Ending 12/31/05

Reclassifications - Pgs 3 and 4

From Line	To Line	Amount	Description
2		(15,171)	Employee Meal
	22	15,171	Employee Meal
22		(4,761)	Uniforms
	1	511	Uniforms
	3	670	Uniforms
	4	81	Uniforms
	6	(7)	Uniforms
	10	3,322	Uniforms
	11	102	Uniforms
	21	82	Uniforms
10		(13,369)	Oxygen
	39	13,369	Oxygen
10		(44,634)	Med consult-Dart
	23	44,634	Med consult-Dart
20		(848)	Resident criminal background cks
	21	848	Resident criminal background cks
20		(2,400)	eHealth Data Solutions
	21	2,400	eHealth Data Solutions
20		(737)	Extended Care Info Network
	21	737	Extended Care Info Network
		<u>0</u>	Net must be 0