

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center

0039651 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 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	150	Skilled (SNF)	150	54,750	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	150	TOTALS	150	54,750	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	8,488		2,524	11,012	8
9	SNF/PED					9
10	ICF	28,612	238		28,850	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	37,100	238	2,524	39,862	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 72.81%

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)
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 06/01/1994

J. Was the facility purchased or leased after January 1, 1978?
YES Date 06/01/1994 NO

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 27 and days of care provided 2,524

Medicare Intermediary Mutual of Omaha

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

STATE OF ILLINOIS

Page 3

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Cen # 0039651 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
1	A. General Services										
1	Dietary	190,863	11,278	3,652	205,793		205,793		205,793		1
2	Food Purchase		174,671		174,671		174,671	(7,835)	166,836		2
3	Housekeeping	111,066	60,566		171,632		171,632	280	171,912		3
4	Laundry	101,488	20,553		122,041		122,041		122,041		4
5	Heat and Other Utilities			115,554	115,554		115,554	1,993	117,547		5
6	Maintenance	50,345	48,151	10,969	109,465		109,465	621	110,086		6
7	Other (specify):*										7
8	TOTAL General Services	453,762	315,219	130,175	899,156		899,156	(4,941)	894,215		8
	B. Health Care and Programs										
9	Medical Director			3,750	3,750		3,750		3,750		9
10	Nursing and Medical Records	1,236,742	21,636	4,800	1,263,178		1,263,178	2,431	1,265,609		10
10a	Therapy			333,921	333,921		333,921		333,921		10a
11	Activities	45,323	1,930		47,253		47,253		47,253		11
12	Social Services	39,675			39,675		39,675		39,675		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	1,321,740	23,566	342,471	1,687,777		1,687,777	2,431	1,690,208		16
	C. General Administration										
17	Administrative	62,845		243,250	306,095		306,095	(132,929)	173,166		17
18	Directors Fees										18
19	Professional Services			59,427	59,427		59,427	(14,603)	44,824		19
20	Dues, Fees, Subscriptions & Promotion			4,604	4,604		4,604	410	5,014		20
21	Clerical & General Office Expense	115,322		24,220	139,542		139,542	67,474	207,016		21
22	Employee Benefits & Payroll Tax			277,296	277,296		277,296	2,848	280,144		22
23	Inservice Training & Education										23
24	Travel and Semina			145	145		145	37	182		24
25	Other Admin. Staff Transportatior			4,631	4,631		4,631	324	4,955		25
26	Insurance-Prop.Liab.Malpractice			22,334	22,334		22,334	11,822	34,156		26
27	Other (specify):* Mgmt alloc. of benefits							14,920	14,920		27
28	TOTAL General Administration	178,167		635,907	814,074		814,074	(49,697)	764,377		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	1,953,669	338,785	1,108,553	3,401,007		3,401,007	(52,207)	3,348,800		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.

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			36,165	36,165		36,165	248,866	285,031			30
31	Amortization of Pre-Op. & Org											31
32	Interest			73,452	73,452		73,452	323,251	396,703			32
33	Real Estate Taxes							210,218	210,218			33
34	Rent-Facility & Grounds			720,000	720,000		720,000	(720,000)				34
35	Rent-Equipment & Vehicle:			1,320	1,320		1,320	1,168	2,488			35
36	Other (specify): ³ Mortgage Insurance							29,533	29,533			36
37	TOTAL Ownership			830,937	830,937		830,937	93,036	923,973			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportatior											38
39	Ancillary Service Center:			46,507	46,507		46,507		46,507			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shop:											41
42	Provider Participation Fee			82,125	82,125		82,125		82,125			42
43	Other (specify): ³ Nonallowable Costs			15,910	15,910		15,910	(15,910)				43
44	TOTAL Special Cost Centers		46,507	98,035	144,542		144,542	(15,910)	128,632			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	1,953,669	385,292	2,037,525	4,376,486		4,376,486	24,919	4,401,405			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 Virgil Calvert Nursing & Rehabilitation Center

0039651

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 Program				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Room				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patient				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(15,065)	30		9
10	Interest and Other Investment Income	(73,452)	32		10
11	Discounts, Allowances, Rebates & Refund				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(255)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transaction				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 Retainer				22
23	Malpractice Insurance for Individual				23
24	Bad Debt	(4,910)	43		24
25	Fund Raising, Advertising and Promotions	(41)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employee				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Schedule 5A	(33,188)	Var		29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (126,911)		\$	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)	151,830		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ 151,830		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B)	\$ 24,919		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 Shop		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

Virgil Calvert Nursing & Rehabilitation Center

Provider #: 0039651

01/01/2005 to 12/31/2005

Schedule 5A

VI. Adjustment Detail

Line 29 - Other

<u>Non-allowable expenses</u>	<u>Amount</u>	<u>Reference</u>
Disallow Part A Lab	(6,059)	43
Disallow Part A X-ray	(4,710)	43
Finance Charge	65	43
Offset Misc. Income	(1,178)	21
Out of Period Legal Fees	(21,306)	19
Total	<u>(33,188)</u>	

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
See Attached Schedule 6A		See Attached Schedule 6B		See attached Schedule 6B		

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: Adjustments for Related Organization Costs (7 minus 4)		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization			
1	V	19 Professional Services	\$	Virgil Calvert Property LLC	100.00%	\$ 4,000	\$ 4,000	1	
2	V	20 Licenses & Fees		Virgil Calvert Property LLC	100.00%	250	250	2	
3	V	26 Insurance - General		Virgil Calvert Property LLC	100.00%	10,650	10,650	3	
4	V	30 Depreciation		Virgil Calvert Property LLC	100.00%	259,961	259,961	4	
5	V	32 Interest		Virgil Calvert Property LLC	100.00%	395,242	395,242	5	
6	V	33 Real Estate Taxes		Virgil Calvert Property LLC	100.00%	206,633	206,633	6	
7	V	34 Rent - Facility & Grounds	720,000	Virgil Calvert Property LLC	100.00%		(720,000)	7	
8	V	36 Mortgage Insurance		Virgil Calvert Property LLC	100.00%	29,533	29,533	8	
9	V							9	
10	V							10	
11	V							11	
12	V							12	
13	V							13	
14	Total		\$ 720,000			\$ 906,269	\$ *	186,269	14

* Total must agree with the amount recorded on line 34 of Schedule V1

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	2 Food	\$	S.W. Management Co.	100.00%	\$ (25)	\$ (25)
16	V	3 Housekeeping		S.W. Management Co.	100.00%	280	280
17	V	5 Heat and Other Utilities		S.W. Management Co.	100.00%	1,993	1,993
18	V	6 Maintenance		S.W. Management Co.	100.00%	621	621
19	V	17 Administrative	183,250	S.W. Management Co.	100.00%	50,321	(132,929)
20	V	19 Professional Services		S.W. Management Co.	100.00%	2,801	2,801
21	V	20 Dues, Fees, Subs & Promotions		S.W. Management Co.	100.00%	62	62
22	V	21 Clerical & General Office Expense		S.W. Management Co.	100.00%	68,652	68,652
23	V	24 Travel and Seminar		S.W. Management Co.	100.00%	37	37
24	V	25 Other Admin. Staff Transport		S.W. Management Co.	100.00%	324	324
25	V	26 Insurance-Prop.Liab.Malpractice		S.W. Management Co.	100.00%	1,172	1,172
26	V	27 Mgmt. Allocation of Benefits		S.W. Management Co.	100.00%	14,920	14,920
27	V	30 Depreciation		S.W. Management Co.	100.00%	3,970	3,970
28	V	32 Interest		S.W. Management Co.	100.00%	1,461	1,461
29	V	33 Real Estate Taxes		S.W. Management Co.	100.00%	3,585	3,585
30	V	35 Rent - Equipment & Vehicles		S.W. Management Co.	100.00%	1,168	1,168
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 183,250			\$ 151,342	\$ * (31,908)

* Total must agree with the amount recorded on line 34 of Schedule V1

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Cente

0039651

Report Period Beginning: 01/01/2005

Ending: 12/31/2005

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	2 Food	\$ 14,614	S & E Medical Supply Co.	100.00%	\$ 9,652	\$ (4,962)
16	V	3 Housekeeping	2,126	S & E Medical Supply Co.	100.00%	2,126	
17	V	10 Medical Supplies	4,465	S & E Medical Supply Co.	100.00%	6,896	2,431
18	V						
19	V						
20	V						
21	V						
22	V						
23	V						
24	V						
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 21,205			\$ 18,674	\$ * (2,531)

* Total must agree with the amount recorded on line 34 of Schedule V1

SEE ACCOUNTANTS' COMPILATION REPORT

Virgil Calvert Nursing & Rehabilitation Center

Provider #: 0039651

12/31/2005

Schedule 6B

VII Related Parties - Page 6

Related Nursing Homes

City

In-State:

Cahokia Nursing and Rehab	Cahokia
Caseyville Nursing and Rehab	Caseyville
Franklin Grove Nursing Center	Franklin Grove
Kenwood Healthcare Center	Chicago
Oregon Healthcare Center	Oregon
Shabbona Healthcare Center	Shabbona
Tower Hill Healthcare Center	South Elgin
Virgil Calvert Nursing and Rehab	East St. Louis

Out-of-State:

St. Elizabeth Healthcare Center	Florissant, MO
Hillside Manor Healthcare and Rehab	St. Louis, MO

Other Related Business Entities

S.W. Management Co.	Skokie	Bookkeeping/Management Company
S&E Medical Supply Co.	Skokie	Medical Supplies
* SFO Associates	Skokie	Finance Company
** Unity Hospice	Skokie	Hospice Services

* This entity only relates to Shabbona Healthcare Center, Franklin Grove Nursing Center, and Oregon Healthcare Center.

** Pages 6 and 8 are not required for this entity since there was no payment from the nursing homes to the related entity.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Cen # 0039651 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	Sheldon Wolfe	President	Administrative	23.67	See Schedule 7A	3	7.00	Salary	\$ 50,321	L17,C7	1
2	Ronnie Klein	Shareholder	COO	5.50	See Schedule 7B	4	10.00	Salary & Fees	66,000	17,3 & 21,7	2
3	Moshe Herman	CFO	Administrative	0.67	See Schedule 7C	4.2	10.00	Salary	15,579	L21, C7	3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 131,900		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 Virgil Calvert Nursing & Rehabilitation Center # 0039651 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 SW Management Co.
 Street Address 7434 N. Skokie Blvd.
 City / State / Zip Code Skokie, IL 60077
 Phone Number (847) 982-2300
 Fax Number (847) 982-2304

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	2	Food	Bed Days Available	570,112	10	\$ (257)	54,750	\$ (25)	1	
2	3	Housekeeping	Bed Days Available	570,112	10	2,912	54,750	280	2	
3	5	Heat and Other Utilities	Bed Days Available	570,112	10	20,748	54,750	1,993	3	
4	6	Maintenance	Bed Days Available	570,112	10	6,462	54,750	621	4	
5	19	Professional Services	Bed Days Available	570,112	10	29,160	54,750	2,801	5	
6	20	Dues, Fees, Subs & Promotions	Bed Days Available	570,112	10	640	54,750	62	6	
7	21	Clerical & General Office Exp	Bed Days Available	570,112	10	652,396	606,507	54,750	62,652	7
8	24	Travel and Seminar	Bed Days Available	570,112	10	384	54,750	37	8	
9	25	Other Admin. Staff Transport	Bed Days Available	570,112	10	3,378	54,750	324	9	
10	26	Insurance-Prop., Liab. & Malp.	Bed Days Available	570,112	10	12,203	54,750	1,172	10	
11	27	Mgmt. Allocation of Benefits	Bed Days Available	570,112	10	155,361	54,750	14,920	11	
12	32	Interest	Bed Days Available	570,112	10	15,217	54,750	1,461	12	
13	33	Real Estate Taxes	Bed Days Available	570,112	10	37,335	54,750	3,585	13	
14	35	Rent - Equipment & Vehicles	Bed Days Available	570,112	10	12,167	54,750	1,168	14	
15									15	
16	17	Administrative	Avg. Hours Worked	44	10	738,036	738,036	3	50,321	16
17	21	Clerical & General Office Exp	Avg. Hours Worked	40	7	60,000	60,000	4	6,000	17
18									18	
19	30	Depreciation	Direct Cost						3,970	19
20									20	
21									21	
22									22	
23									23	
24									24	
25	TOTALS					\$ 1,746,142	\$ 1,404,543	\$ 151,342	25	

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center # 0039651 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 S & E Medical Supply Co.
 Street Address 3100 Commercial Avenue
 City / State / Zip Code Northbrook, IL 60062
 Phone Number (847) 982-9300
 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	2	Food	Direct Cost		\$	\$		9,652	1
2	3	Housekeeping	Direct Cost					2,126	2
3	10	Medical Supplies	Direct Cost					6,896	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				\$	\$		18,674	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Cent # 0039651 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	2		3	4	5	6		8	9	10
		Related**					Amount of Note				
	Name of Lender	YES	NO	Purpose of Loan	Monthly Payment Required	Date of Note	Original	Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
	A. Directly Facility Related										
	Long-Term										
1	Heartland Bank		X	Mortgage	\$23,524.00	11/27/01	\$ 6,359,200	\$ 6,144,313	12/01/2036	0.0635	\$ 391,276
2											
3											
4											
5											
	Working Capital										
6	N/P-Stockholder	X		Working Capital				852,532	Demand	Variable	35,266
7	Intercompany Loan	X		Working Capital				449,584	Demand	0.0600	38,186
8											
9	TOTAL Facility Related				\$23,524.00		\$ 6,359,200	\$ 7,446,429			\$ 464,728
	B. Non-Facility Related*										
10									Interest income offset		(704)
11									Amortization of mortgage costs		4,670
12									SW Management Allocation - mortgage		1,461
13									Non-related interest		(73,452)
14	TOTAL Non-Facility Related						\$	\$			\$ (68,025)
15	TOTALS (line 9+line14)						\$ 6,359,200	\$ 7,446,429			\$ 396,703

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 29,533 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.) 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.)

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, please call the Bureau of Health Finance at (217) 782-1630.

2004 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Virgil Calvert Nursing & Rehabilitation Center COUNTY St. Clair

FACILITY IDPH LICENSE NUMBER 0039651

CONTACT PERSON REGARDING THIS REPORT Sheldon Wolfe

TELEPHONE (847) 982-2300 FAX #: (847) 982-2304

A. Summary of Real Estate Tax Cost

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)
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Tax Applicable to Nursing Home</u>
1. <u>02-21-0-209-023</u>	<u>Long-term care property</u>	\$ <u>182,632.00</u>	\$ <u>182,632.00</u>
2. <u>10-28-412-049-0000</u>	<u>SW Management Allocation</u>	\$ <u>38,709.00</u>	\$ <u>3,585.00</u>
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>221,341.00</u>	\$ <u>186,217.00</u>

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly 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.

SEE ACCOUNTANTS' COMPILATION REPORT

Virgil Calvert Nursing & Rehabilitation Center
 Provider #: 0039651
 1/1/2005 to 12/31/2005

Schedule 10A

Allocation of Real Estate Tax Bill
 S.W. Management Co.
 Page 10, Line 2

Facility Name/ Real Estate Tax #	Basis of Allocation	Available Patient Days	% Allocated	Amount Allocated
10-28-412-049-0000				\$ 38,709
% Applicable to Long Term Care:	Home Office/Management Fee			<u>96.45%</u>
				<u>\$ 37,335</u>
Cahokia Nursing and Rehab	Available Patient Days	54,750	9.60%	3,585
Caseyville Nursing and Rehab	Available Patient Days	54,750	9.60%	3,585
Franklin Grove Nursing Center	Available Patient Days	44,165	7.75%	2,892
Hillside Manor Healthcare and Rehab	Available Patient Days	44,512	7.81%	2,915
Kenwood Healthcare Center	Available Patient Days	116,070	20.36%	7,601
Oregon Healthcare Center	Available Patient Days	37,960	6.66%	2,486
Shabbona Healthcare Center	Available Patient Days	33,215	5.83%	2,175
St. Elizabeth Healthcare Center	Available Patient Days	54,750	9.60%	3,585
Tower Hill Healthcare Center	Available Patient Days	75,190	13.19%	4,924
Virgil Calvert Nursing and Rehab	Available Patient Days	54,750	9.60%	3,585
		<u>570,112</u>	<u>100.00%</u>	<u>\$ 37,335</u>

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center

0039651 Report Period Beginning:

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

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: _____ B. General Construction Type: Exterior _____ Frame _____ Number of Stories _____

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

None

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:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Resident Care		2001	\$ 400,000	1
2					2
3	TOTALS			\$ 400,000	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Cente

0039651

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	150	2001		\$ 4,801,297	\$	15-40	\$ 132,029	\$ 132,029	\$ 539,118	4
5										5
6	Mgmt. Co.	1995		41,567		39	1,188	1,188	12,654	6
7										7
8										8
Improvement Type**										
9	Various		1994	30,236	1,183	20	1,512	329	16,921	9
10	Various		1995	25,180	459	20	1,259	800	13,678	10
11	Various		1996	5,688	244	20	284	40	2,746	11
12	Various		1997	4,115	106	20	206	100	1,785	12
13	Various		1998	4,092		20	205	205	1,808	13
14	Various		1999	27,640		20	1,430	1,430	9,078	14
15	Concrete Work		2000	3,181	82	20	159	77	875	15
16	Concrete Work		2000	5,030	129	20	252	123	1,384	16
17	Concrete Work		2000	5,195	133	20	260	127	1,430	17
18	Exhaust Fan		2000	3,820		20	191	191	1,305	18
19	Water Heater		2000	5,300		20	265	265	1,767	19
20	Carpeting		2000	5,400		20	270	270	1,710	20
21	Mechanical Room Volv		2000	1,315		20	66	66	330	21
22	Check Valve		2000	877		20	44	44	220	22
23	Plumbing		2000	1,024		20	51	51	255	23
24	100 Gal. Waterheater		2001	4,642		20	232	232	2,231	24
25	Steamer		2001	2,545		20	127	127	1,222	25
26	Concentrator		2001	2,703		7	386	386	1,801	26
27	Air Conditioner		2001	1,895		20	95	95	911	27
28	Fire Protection		2001	6,752		20	338	338	3,246	28
29	Air Conditioner		2001	8,313		20	416	416	3,996	29
30	Sprinkler Heads		2001	3,273		20	164	164	1,574	30
31	Blinds		2001	1,212		20	61	61	584	31
32	Sprinkler System Rep		2001	1,827		20	91	91	395	32
33	Heating Systems Repr		2001	1,269		20	63	63	258	33
34	Dining Room Wall		2002	11,663	209	10	1,166	957	4,276	34
35	Dining Room Wall		2002	8,020	144	10	802	658	2,941	35
36	Air Conditioners		2002	1,659		7	237	237	849	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 Virgil Calvert Nursing & Rehabilitation Cente

0039651

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	Air Conditioners	2002	\$ 2,185	\$	7	\$ 312	\$ 312	\$	1,118	37
38	Front Door	2003	9,860	253	20	493	240		1,479	38
39	Roof	2003	72,800	1,867	20	3,640	1,773		10,313	39
40	Gutters And Soffits	2003	24,221	621	20	1,211	590		3,229	40
41	Nursing Station	2003	2,901		20	145	145		399	41
42	Nursing Station	2003	13,285		20	664	664		1,826	42
43	Nursing Station	2003	12,188		20	609	609		1,472	43
44	Fire Sprinkler System	2003	2,075		20	104	104		269	44
45	Fire Suppression System	2003	2,030		20	102	102		254	45
46	100 GL Water Heater	2003	3,085		20	154	154		462	46
47	Resident Room Casework/counters	2003	7,259		20	363	363		968	47
48	Pipe/Driv system	2004	2,472	90	20	124	34		186	48
49	Air Compressor	2004	2,766	66	20	138	72		207	49
50	Condensing unit and evaporator	2004	2,230	90	20	112	22		168	50
51	Concrete removal/new pipe	2004	6,111	248	20	306	58		459	51
52	A/C unit in Laundry System	2004	3,329	121	20	166	45		249	52
53	Sprinkler System	2004	2,056	75	20	103	28		154	53
54	Duct Heater	2005	1,381	40	20	35	(5)		35	54
55	Freezer Door	2005	2,100	60	20	53	(8)		53	55
56	Wallpaper	2005	14,510	2,902	20	363	(2,539)		363	56
57	Water Heaters	2005	5,724		20	143	143		143	57
58	Security System	2005	25,534	426	20	638	212		638	58
59	Compressor	2005	1,090	18	20	27	9		27	59
60	Water Heater	2005	1,490	25	20	37	12		37	60
61	Painting & Wallcovering	2005	38,792	7,758	20	970	(6,788)		970	61
62	Carpet	2005	3,164	633	20	79	(554)		79	62
63	Vinyl floor	2005	6,327	1,265	20	158	(1,107)		158	63
64	Doors	2005	1,925	15	20	48	33		48	64
65	Asphalt-parking lot	2005	8,500	425	20	213	(213)		213	65
66	Custom built duct heater	2005	1,704	3	20	43	40		43	66
67										67
68										68
69										69
70	TOTAL (lines 4 thru 69)		\$ 5,309,824	\$ 19,690		\$ 155,399	\$ 135,709	\$	657,364	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

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 Forwar	\$ 5,309,824	\$ 19,690		\$ 155,399	\$ 135,709	\$ 657,364		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	SW Management Allocation - leasehold improvement	1995	4,435	20	222	222	2,675		18
19	SW Management Allocation - leasehold improvement	1996	775	20	39	39	370		19
20	SW Management Allocation - leasehold improvement	1997	1,115	20	56	56	612		20
21	SW Management Allocation - leasehold improvement	1998	768	20	38	38	298		21
22	SW Management Allocation - leasehold improvement	1999	2,132	20	107	107	649		22
23	SW Management Allocation - leasehold improvement	2005	4,410	20	110	110	110		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)	\$ 5,323,459	\$ 19,690		\$ 155,971	\$ 136,281	\$ 662,078		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 instruction

	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	\$ 964,763	\$ 15,808	\$ 126,683	\$ 110,875	10	\$ 594,559	71
72	Current Year Purchases	3,336	667	167	(500)	10	167	72
73	Fully Depreciated Assets							73
74	SW Management Allocation	11,220		1,097	1,097	10	10,241	74
75	TOTALS	\$ 979,319	\$ 16,475	\$ 127,947	\$ 111,472		\$ 604,967	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	SW Management Allocation	Cadillac	2004	\$ 5,566	\$	\$ 1,113	\$ 1,113	5	\$ 1,670	76
77										77
78										78
79										79
80	TOTALS			\$ 5,566	\$	\$ 1,113	\$ 1,113		\$ 1,670	80

E. Summary of Care-Related Asset

	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)	\$ 6,708,344	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 36,165	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 285,031	83 **
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 248,866	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 1,268,715	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-Progres

	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 1

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>/2006</u>	\$ _____
13.	<u>/2007</u>	\$ _____
14.	<u>/2008</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 _____.

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: \$ 1,320 Description: Copier
 (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>SW Management Allocation</u>			<u>1,168</u>	18
19					19
20					20
21	TOTAL		\$	\$ <u>1,168</u>	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 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>It is the policy of this facility to only hire certified nurses aides 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. 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			Total
		1	2	3	
		Drop-outs	Completed	Contract	
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wage (c)				
6	Transportation				
7	Contractual Payment:				
8	CNA Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefit;
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefit;
- (c) For in-house training programs only. Do not include fringe benefit;
- (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

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	

- (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.

SEE ACCOUNTANTS' COMPILATION REPORT

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	L10A, C3	hrs	\$	7,499	\$ 139,714	\$	7,499	\$ 139,714	1
2	Licensed Speech and Language Development Therapist	L10A, C3	hrs		2,504	75,174		2,504	75,174	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L10A, C3	hrs		6,197	113,522		6,197	113,522	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				46,507		46,507	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			\$	16,200	\$ 328,410	\$ 46,507	16,200	\$ 374,917	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

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	\$	60,770	1
2	Cash-Patient Deposits	21,405	21,405	2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>None</u>)	1,187,275	1,187,275	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	29,867	64,421	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>See Schedule 17A</u>	(167,753)	118,602	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,070,794	\$ 1,452,473	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		400,000	13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost	318,363	5,323,459	15
16	Equipment, at Historical Cost	324,974	984,885	16
17	Accumulated Depreciation (book methods)	(353,192)	(1,268,715)	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 (sp. <u>See Schedule 17A</u>)		144,372	22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 290,145	\$ 5,584,001	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,360,939	\$ 7,036,474	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 125,199	\$ 96,272	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	26,214	26,214	28
29	Short-Term Notes Payable	1,302,116	1,302,116	29
30	Accrued Salaries Payable	101,139	101,139	30
31	Accrued Taxes Payable (excluding real estate taxes)	12,557	12,557	31
32	Accrued Real Estate Taxes(Sch.IX-B)		192,000	32
33	Accrued Interest Payable		106,424	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>See Schedule 17A</u>	78,012	78,012	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 1,645,237	\$ 1,914,734	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable		6,144,313	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)	\$	\$ 6,144,313	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 1,645,237	\$ 8,059,047	46
47	TOTAL EQUITY(page 18, line 24)	\$ (284,298)	\$ (1,022,573)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 1,360,939	\$ 7,036,474	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Virgil Calvert Nursing & Rehabilitation Center
Provider #: 0039651
12/31/05

Schedule 17A

XV. BALANCE SHEET -

<u>Other Current Assets (specify):</u>	<u>After Operating Consolidation</u>	
Due from state	2,031	2,031
Employee Payroll Advance	300	300
Reimbursement Due	87	87
Other - escrow	0	132,883
Due/from Virgil Property LLC	<u>(170,171)</u>	<u>(16,699)</u>
Total Line 9 - Other Current Assets (specify):	<u>(167,753)</u>	<u>118,602</u>

<u>Other Long-Term Assets (specify):</u>	<u>After Operating Consolidation</u>	
Mortgage Costs	0	163,434
Accumulated Amortization	<u>0</u>	<u>(19,062)</u>
Total Line 22 - Other Long-Term Assets (specify):	<u>0</u>	<u>144,372</u>

<u>Other Current Liabilities (specify):</u>	<u>After Operating Consolidation</u>	
Insurance Premiums Payable	1,271	1,271
Acc. Retirement (From P/R)	300	300
Due to Public Aid	4,187	4,187
Other Accrued expenses	<u>72,254</u>	<u>72,254</u>
Total Line 36 - Other Current Liabilities (specify):	<u>78,012</u>	<u>78,012</u>

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (370,561)	1
2	Restatements (describe):		2
3			3
4	Prior period adjustment	5,634	4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (364,927)	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	80,629	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)	\$ 80,629	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)	\$ (284,298)	24 *

Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Center # 0039651 Report Period Beginning: 01/01/2005

Ending: 12/31/2005

VII. 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 expenses.

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 4,186,668	1
2	Discounts and Allowances for all Level		2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 4,186,668	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	240,677	6
7	Oxygen	28,592	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 269,269	8
C. Other Operating Revenue			
9	Payments for Educator		9
10	Other Government Grants		10
11	CNA Training Reimbursement		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs		17
18	Sale of Supplies to Non-Patient		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services		21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income**	1,178	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 1,178	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28			28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 4,457,115	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	899,156	31
32	Health Care	1,687,777	32
33	General Administration	814,074	33
B. Capital Expense			
34	Ownership	830,937	34
C. Ancillary Expense			
35	Special Cost Centers	62,417	35
36	Provider Participation Fee	82,125	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 4,376,486	40
41	Income before Income Taxes (line 30 minus line 40)**	80,629	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 80,629	43

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.
This entity is a cash basis taxpayer.

*** 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.

Facility Name & ID Number Virgil Calvert Nursing & Rehabilitation Cente

0039651

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	1,964	2,360	\$ 65,686	\$ 27.83	1
2	Assistant Director of Nursing					2
3	Registered Nurses	6,625	6,977	167,775	24.05	3
4	Licensed Practical Nurses	16,091	17,109	327,249	19.13	4
5	CNAs & Orderlies	64,420	68,338	614,750	9.00	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	3,992	4,665	61,282	13.14	8
9	Activity Director					9
10	Activity Assistants	5,376	5,733	45,323	7.91	10
11	Social Service Worker	2,861	3,091	39,675	12.84	11
12	Dietician					12
13	Food Service Supervisor	1,832	2,095	29,160	13.92	13
14	Head Cook					14
15	Cook Helpers/Assistants	18,214	19,420	161,703	8.33	15
16	Dishwashers					16
17	Maintenance Worker	3,638	4,008	50,345	12.56	17
18	Housekeepers	12,593	13,727	111,066	8.09	18
19	Laundry	11,426	12,165	101,488	8.34	19
20	Administrator	1,936	2,080	62,845	30.21	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	7,615	8,345	115,322	13.82	24
25	Vocational Instructor					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					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	158,583	170,113	\$ 1,953,669 *	\$ 11.48	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	78	\$ 3,652	L1, C3	35
36	Medical Director	78	3,750	L9, C3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	78	4,800	L10, C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant	78	5,511	L10A, C3	41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	312	\$ 17,713		49

C. CONTRACT NURSES

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

SEE ACCOUNTANTS' COMPILATION REPORT

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
Kathleen Crawford	Administrator	0	\$ 62,845	Workers' Compensation Insurance	\$ 39,489	IDPH License Fee	\$ 995	
				Unemployment Compensation Insurance	46,408	Advertising: Employee Recruitment		
				FICA Taxes	149,456	Health Care Worker Background Check		
				Employee Health Insurance	40,503	(Indicate # of checks performed 250)	2,979	
				Employee Meals	2,848	Licenses	828	
				Illinois Municipal Retirement Fund (IMRF)*		Permits	150	
				Disability	1,440			
TOTAL (agree to Schedule V, line 17, col. 1)								
(List each licensed administrator separately.)			\$ 62,845					
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
Description			Amount	Description	Line #	Amount	Description	Amount
SW Management Fee			\$ 60,000				Out-of-State Travel	\$
Ronnie Klein - Administrative			60,000	N/A				
SW Management - Home office			123,250				In-State Travel	
TOTAL (agree to Schedule V, line 17, col. 3)			\$ 243,250					
(Attach a copy of any management service agreement)							Seminar Expense	145
C. Professional Services				TOTAL (agree to Schedule V, line 22, col.8)			TOTAL (agree to Sch. V, line 20, col. 8)	
Vendor/Payee	Type	Amount				\$ 280,144		
Burroughs, Helper, Broom	Legal	\$ 43,048						
Winston & Strawn	Legal	195						
American Express	Accounting	14,541						
Personal Planners	Unemployment Consultant	1,545						
Notary Public Assoc.	Legal	98						
TOTAL (agree to Schedule V, line 19, column 3)								
(If total legal fees exceed \$2500 attach copy of invoices.)			\$ 59,427					

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

**See instructions.

Virgil Calvert Nursing & Rehabilitation Center
Provider #: 0039651
12/31/2005

Schedule 21A

XIX. SUPPORT SCHEDULE

C. Professional Services

Total (agree to Schedule V, line 19, column 3)	59,427
Out of period legal expenses	(21,306)
Reclass to Dues & Subscriptions	(98)
Allocated from Virgil Calvert Property LLC:	
Accounting - Reznick Group, .P.C.	4,000
Allocated from SW Management:	
Legal - Stone, McGuire & Benjamin	1,448
Accounting - AM&G/Amex/Frost, Rutttenberg & Rothblatt	1,353
Total (agree to Schedule V, line 19, column 8)	<u>44,824</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 Improvement Type	2 Month & Year Improvement Was Made	3 Total Cost	4 Useful Life	8 Amount of Expense Amortized Per Year								
					5 FY2002	6 FY2003	7 FY2004	9 FY2005	10 FY2006	11 FY2007	12 FY2008	13 FY2009	13 FY2010
1			\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
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 Virgil Calvert Nursing & Rehabilitation Center# 0039651Report Period Beginning: 01/01/2005 Ending: 12/31/2005**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 No
If YES, give association name and amount N/A
- (3) Did the nursing home make political contributions or payments to a political action 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? 10 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expenses and the location of this expense on Sch. V. 11 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 _____
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 82,125
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 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 if 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 function
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 2,848 Has any meal income been offset against related costs? N/A Indicate the amount \$ N/A
- (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 program during this reporting period. \$ N/A
c. What percent of all travel expense relates to transportation of nurses and patients? 0
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? No
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. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm No
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A 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

RECONCILIATION REPORT

12:14 PM 5/16/2006

ITEM	Value 1	Cond.	Value 2	Difference	RESULTS	COMPARE CEL	SUB-SCHED.	LINE NO.	COL. NO.	WITH CELL	SUB-SCHED.	LINE NO.	COL. NO.
Adjustment Detail	24,919	equal to	24,919	0	O.K.	Pg5 Z22	B.	37	1	Pg4 K29	N/A	45	7
Interest Expense	396,703	equal to	396,703	0	O.K.	Pg9 P34	A.	15	10	Pg4 L13	N/A	32	8
Real Estate Tax Expenses	210,218	equal to	210,218	0	O.K.	Pg10 W24	B.	5	N/A	Pg4 L14	N/A	33	8
Amortization exp. Pre-opening & org.	0	equal to	0	0	O.K.	Pg11 I33	E.	3	N/A	Pg4 L12	N/A	31	8
Ownership Costs-Depreciation	285,031	equal to	285,031	0	FAILED	Pg13 Y28	E.	49	2	Pg4 L11	N/A	30	8
Rental Costs A	0	equal to	0	0	O.K.	Pg14 L20+N22	A.	7 + 8	4+N/A	Pg4 L15	N/A	34	8
Rental Costs B	2,488	equal to	2,488	0	O.K.	Pg14 J30+N40	B.+ C.	16+21	N/A+4	Pg4 L16	N/A	35	8
Nurse Aid Training Prog.	0	equal to	0	0	O.K.	Pg15 L36	B.	10	1	Pg3 L23	N/A	13	8
Special Serv. - Staff Wages	0	equal to	0	0	O.K.	Pg16 N32	N/A	14	3	Pg4 E22	N/A	39	1
Therapy Services	333,921	equal to	333,921	0	O.K.	Pg16 Z12+Z14.	N/A/B	1-4;40-43	8:2	Pg3 H20	N/A	10a	4
Special Serv. - Supplies	46,507	equal to	46,507	0	O.K.	Pg16 V32	N/A	14	6	Pg4 F22 + Pg 3	N/A	39.10a	2
Income Stat. General Serv.	899,156	equal to	899,156	0	O.K.	Pg19 P11	N/A	31	2	Pg3 H16	N/A	8	4
Income Stat. Health Care	1,687,777	equal to	1,687,777	0	O.K.	Pg19 P12	N/A	32	2	Pg3 H26	N/A	16	4
Income Stat. Administration	814,074	equal to	814,074	0	O.K.	Pg19 P13	N/A	33	2	Pg3 H39	N/A	28	4
Income Stat. Ownership	830,937	equal to	830,937	0	O.K.	Pg19 P15	N/A	34	2	Pg4 H18	N/A	37	4
Income Stat. Special Cost Ctr	62,417	equal to	62,417	0	O.K.	Pg19 P17	N/A	35	2	Pg4 H21..H24+i	N/A	38to41+43	4
Income Stat. Prov. Partic.	82,125	equal to	82,125	0	O.K.	Pg19 P18	N/A	36	2	Pg4 H25	N/A	42	4
Staff- Nursing	1,236,742	equal to	1,236,742	0	O.K.	Pg20 K11..K15+	A.	1-5.24.25.27-30	3	Pg3 E19	N/A	10	1
Staff- Nurse aide Training	0	< or = to	0	0	O.K.	Pg20 K16	A.	6	3	Pg3 E23	N/A	13	1
Staff-Licensed Therapist	0	equal to	0	0	O.K.	Pg20 K17	A.	7	3	Pg4 E22	N/A	39	1
Staff- Activities	45,323	equal to	45,323	0	O.K.	Pg20 K19+K20	A.	9-10	3	Pg3 E21	N/A	11	1
Staff- Social Serv. Workers	39,675	equal to	39,675	0	O.K.	Pg20 K21	A.	11	3	Pg3 E22	N/A	12	1
Staff- Dietary	190,863	equal to	190,863	0	O.K.	Pg20 K22..K26	A.	16-Dec	3	Pg3 E9	N/A	1	1
Staff- Maintenance	50,345	equal to	50,345	0	O.K.	Pg20 K27	A.	17	3	Pg3 E14	N/A	6	1
Staff- Housekeeping	111,066	equal to	111,066	0	O.K.	Pg20 K28	A.	18	3	Pg3 E11	N/A	3	1
Staff- Laundry	101,488	equal to	101,488	0	O.K.	Pg20 K29	A.	19	3	Pg3 E12	N/A	4	1
Staff- Administrative	62,845	equal to	62,845	0	O.K.	Pg20 K30..K32	A.	20-22	3	Pg3 E28	N/A	17	1
Staff- Clerical	115,322	equal to	115,322	0	O.K.	Pg20 K33..K34	A.	23+24	3	Pg3 E32	N/A	21	1
Staff- Medical Director	0	equal to	0	0	O.K.	Pg20 K37	A.	27	3	Pg3 E18	N/A	9	1
Total Salaries And Wages	1,953,669	equal to	1,953,669	0	O.K.	Pg20 K44	A.	34	3	Pg4 E29	N/A	45	1
Dietary Consultant	3,652	< or = to	3,652	0	O.K.	Pg20 X12	B.	35	2	Pg3 G9	N/A	1	3
Medical Director	3,750	< or = to	3,750	0	O.K.	Pg20 X13	B.	36	2	Pg3 G18	N/A	9	3
Consultants & contractors	4,800	< or = to	4,800	0	O.K.	Pg20 X14..X16+	B. & C.	17to39 and 50to6	2	Pg3 G19	N/A	10	3
Activity Consultant	0	< or = to	0	0	O.K.	Pg20 X21	B.	44	2	Pg3 G21	N/A	11	3
Social Service Consultant	0	< or = to	0	0	O.K.	Pg20 X22	B.	45	2	Pg3 G22	N/A	12	3
Supp. Sched. - Admin. Salar.	62,845	equal to	62,845	0	O.K.	Pg21 I16	A.	N/A	N/A	Pg3 E28	N/A	17	1
Supp. Sched. - Admin. Other	243,250	equal to	243,250	0	O.K.	Pg21 I24	B.	N/A	N/A	Pg3 G28	N/A	17	3
Supp. Sched. - Prof. Serv.	59,427	equal to	59,427	0	O.K.	Pg21 I41	C.	N/A	N/A	Pg3 G30	N/A	19	3
Supp. Sched. - Benefit/Taxes	280,144	equal to	280,144	0	O.K.	Pg21 P22	D.	N/A	N/A	Pg3 L33	N/A	22	8
Supp. Sched. - Sched of dues...	5,014	equal to	5,014	0	O.K.	Pg21 V22	F.	N/A	N/A	Pg3 L31	N/A	20	8
Supp. Sched. - Sched. of trav	182	equal to	182	0	O.K.	Pg21 V41	G.	N/A	N/A	Pg3 L35	N/A	24	8
Gen. Info - Particip. Fees	82,125	equal to	82,125	0	O.K.	Pg23 I38	N/A	11	N/A	Pg4 G25	N/A	42	3
Gen. Info - Employee Meals	2,848	< or = to	2,848	0	O.K.	Pg23 S16	N/A	16	N/A	Pg3 K33	N/A	2 & 22	7
Gen. Info - Employee Meals	2,848	equal to	2,848	0	O.K.	Pg23 S16	N/A	16	N/A	Pg21 P12	D.	N/A	N/A
Nurse aide training	0	equal to	0	0	O.K.	Pg15 U29..U31	B.	3, 4 & 5	4	Pg3 E23	N/A	13	1
Days of medicare provided	2,524	equal to	2,524	0	O.K.	Pg2 AB29	K.	N/A	N/A	Pg2 J30	B.	8	4
Adjustment for related org. costs	151,830	equal to	151,830	0	O.K.	Pg5 Z18	B.	34	1	Pg6 to Pg 6l Y4	B.	14	8
Total loan balance	7,446,429	equal to	7,446,429	0	O.K.	Pg9 L34	A.	15	7	Pg17 V13+V27.	N/A	29+39-41	2
Real estate tax accrual	192,000	equal to	192,000	0	O.K.	Pg10 W15	B.	4	N/A	Pg17 V17	N/A	32	2
Land	400,000	equal to	400,000	0	O.K.	Pg11 T43	A.	3	4	Pg17 K25	N/A	13	2
Building cost	5,323,459	equal to	5,323,459	0	O.K.	Pg12 to 12l L43	B.	36	4	Pg17 K26+K27	N/A	14 & 15	2
Equipment and vehicle cost	984,885	equal to	984,885	0	O.K.	Pg13 O22+L13	C.& D.	41 + 46	1 + 4	Pg17 K28	N/A	16	2
Accumulated depr.	1,268,715	equal to	1,268,715	0	FAILED	Pg13 Y30	E.	51	2	Pg17 K29	N/A	17	2
End of year equity	-284,298	equal to	-284,298	0	O.K.	Pg18 I33	N/A	24	1	Pg17 S39	N/A	47	1
Net income (loss)	80,629	equal to	80,629	0	O.K.	Pg18 I15	N/A	7	1	Pg19 P30	N/A	43	2
Unamortized deferred maint. cost	0	equal to	0	0	O.K.	Pg22 F31-J31..1	H.	20	3	Pg17 K30	N/A	18	2
Balance Sheet	1,360,939	equal to	1,360,939	0	O.K.	Pg17 H41		25	1	Pg17 S41	N/A	48	1

	Salaries	Supplies	Other	Total	Reclass- ifications	Reclassified Total	Adjusted Adjustments	Adjusted Total
1. Dietary	190,863	11,278	3,652	205,793	0	205,793	0	205,793
2. Food Purchase	0	174,671	0	174,671	0	174,671	-7,835	166,836
3. Housekeeping	111,066	60,566	0	171,632	0	171,632	280	171,912
4. Laundry	101,488	20,553	0	122,041	0	122,041	0	122,041
5. Heat and Other Utilities	0	0	115,554	115,554	0	115,554	1,993	117,547
6. Maintenance	50,345	48,151	10,969	109,465	0	109,465	621	110,086
7. Other (specify)*	0	0	0	0	0	0	0	0
8. Total General Services	453,762	315,219	130,175	899,156	0	899,156	-4,941	894,215
9. Medical Director	0	0	3,750	3,750	0	3,750	0	3,750
10. Nursing & Medical Records	1,236,742	21,636	4,800	1,263,178	0	1,263,178	2,431	1,265,609
10a. Therapy	0	0	333,921	333,921	0	333,921	0	333,921
11. Activities	45,323	1,930	0	47,253	0	47,253	0	47,253
12. Social Services	39,675	0	0	39,675	0	39,675	0	39,675
13. Nurse Aide Training	0	0	0	0	0	0	0	0
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	1,321,740	23,566	342,471	1,687,777	0	1,687,777	2,431	1,690,208
17. Administrative	62,845	0	243,250	306,095	0	306,095	-132,929	173,166
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	59,427	59,427	0	59,427	-14,603	44,824
20. Fees, Subscriptions & Promotion	0	0	4,604	4,604	0	4,604	410	5,014
21. Clerical & General Office	115,322	0	24,220	139,542	0	139,542	67,474	207,016
22. Employee Benefits & Payroll	0	0	277,296	277,296	0	277,296	2,848	280,144
23. Inservice Training & Education	0	0	0	0	0	0	0	0
24. Travel and Seminar	0	0	145	145	0	145	37	182
25. Other Admin. Staff Trans	0	0	4,631	4,631	0	4,631	324	4,955
26. Insurance-Prop.Liab.Malpractice	0	0	22,334	22,334	0	22,334	11,822	34,156
27. Other (specify)*	0	0	0	0	0	0	14,920	14,920
28. Total General Adminis	178,167	0	635,907	814,074	0	814,074	-49,697	764,377
29. Total General Administrative	1,953,669	338,785	1,108,553	3,401,007	0	3,401,007	-52,207	3,348,800
30. Depreciation	0	0	36,165	36,165	0	36,165	248,866	285,031
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	73,452	73,452	0	73,452	323,251	396,703
33. Real Estate	0	0	0	0	0	0	210,218	210,218
34. Rent - Facility & Grounds	0	0	720,000	720,000	0	720,000	-720,000	0
35. Rent - Equipment & Vehicles	0	0	1,320	1,320	0	1,320	1,168	2,488
36. Other (specify):*	0	0	0	0	0	0	29,533	29,533
37. Total Ownership	0	0	830,937	830,937	0	830,937	93,036	923,973
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	46,507	0	46,507	0	46,507	0	46,507
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	0	0	82,125	82,125	0	82,125	0	82,125
43. Other (specify):*	0	0	15,910	15,910	0	15,910	-15,910	0
44. Total Special Cost Ce	0	46,507	98,035	144,542	0	144,542	-15,910	128,632
45. Grand Total	1,953,669	385,292	2,037,525	4,376,486	0	4,376,486	24,919	4,401,405

	After	
	Operating	Consolidation
General Service Cost Center		
1. Cash on hand and in banks	-28,927	60,770
2. Cash - Patient Deposits	21,405	21,405
3. Accounts & Notes Receivable	1,187,275	1,187,275
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	29,867	64,421
7. Other Prepaid Expenses	0	0
8. Accounts Receivable-Owner/Related Party	0	0
9. Other (specify):	-167,753	118,602
10. Total current assets	1,041,867	1,452,473
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	0	0
13. Land	0	400,000
14. Buildings, at Historical Cost	0	0
15. Leasehold Improvements, Historical Cost	318,363	5,323,459
16. Equipment, at Historical Cost	324,974	984,885
17. Accumulated Depreciation (book methods)	-353,192	-1,268,715
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	144,372
23. other (specify):	0	0
24. Total Long-Term Assets	290,145	5,584,001
25. Total Assets	1,332,012	7,036,474
CURRENT LIABILITIES		
26. Accounts Payable	96,272	96,272
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	26,214	26,214
29. Short-Term Notes Payable	1,302,116	1,302,116
30. Accrued Salaries Payable	101,139	101,139
31. Accrued Taxes Payable	12,557	12,557
32. Accrued Real Estate Taxes	0	192,000
33. Accrued Interest Payable	0	106,424
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	78,012	78,012
37. Other Current Liabilities (specify):	0	0
38. Total Current Liabilities	1,616,310	1,914,734
LONG TERM LIABILITES		
39. Long-Term Notes Payable	0	0
40. Mortgage Payable	0	6,144,313
41. Bonds Payable	0	0
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	0	6,144,313
46. Total Liabilities	1,616,310	8,059,047
47. Total Equity	-284,298	-1,022,573
48. Total Liabilities and Equity	1,332,012	7,036,474

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	4,186,668
2. Discounts and Allowances for all Levels	0
Subtotal - Inpatient Care	4,186,668
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	240,677
7. Oxygen	28,592
Subtotal - Ancillary Revenue	269,269
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	0
15. Telephone, Television, and Radio	0
16. Rental of Facility Space	0
17. Sale of Drugs	0
18. Sale of Supplies to Non-Patients	0
19. Laboratory	0
20. Radiology and X-Ray	0
21. Other Medical Services	0
22. Laundry	0
Subtotal - Other Operating Revenue	-
24. Contributions	0
25. Interest and Other Investments Income	1,178
Subtotal - Non-Operating Revenue	1,178
27. Other Revenue (specify):	0
28. Other Revenue (specify):	0
Subtotal - Other Revenue	-
30. Total Revenue	4,457,115
31. General Services	899,156
32. Health Care	1,687,777
33. General Administration	814,074
34. Ownership	830,937
35. Special Cost Centers	62,417
35. Provider Participation Fee	82,125
37. Other	0
40. Total Expenses	4,376,486
41. Income Before Income Taxes	80,629
42. Income Taxes	0
43. Net Income or Loss for the Year	80,629