

		FOR BHF USE			

LL2

Supportive Living Facility
2006
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE & FAMILY SERVICES
COST REPORT FOR
SUPPORTIVE LIVING FACILITIES
(FISCAL YEAR 2006)

IMPORTANT NOTICE
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN SECTION 146.265 OF THE 89 IL ADMIN CODE. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS.

I.

Facility Name: The Ivy

Address: 2437 North Southport Chicago 60614
Number City Zip Code

County: Cook

Telephone Number: (773) 472-8400 Fax # (773) 935-0036

Federal Employer ID Number: 36-3796888

Date Current Owners were Certified: 11/21/2002

Type of Ownership:

<input type="checkbox"/> VOLUNTARY, NON-PROFIT	<input checked="" type="checkbox"/> PROPRIETARY	<input type="checkbox"/> GOVERNMENTAL
<input type="checkbox"/> Charitable Corp.	<input type="checkbox"/> Individual	<input type="checkbox"/> State
<input type="checkbox"/> Trust	<input type="checkbox"/> Partnership	<input type="checkbox"/> County
IRS Exemption Code _____	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> "Sub-S" Corp.	
	<input type="checkbox"/> Limited Liability Co.	
	<input type="checkbox"/> Trust	
	<input type="checkbox"/> Other _____	

In the event there are further questions about this report, please contact:
Name: Christine A. Hanover Telephone Number: (312) 634-4581

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 1/1/06 to 12/31/06 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or Administrator of Provider	(Signed) _____	(Date) _____
	(Type or Print Name) _____	(Title) _____
Paid Preparer	(Signed) _____	(Date) _____
	(Print Name and Title) <u>See Accountants' Compilation Report</u>	
	(Firm Name & Address) <u>McGladrey & Pullen, LLP</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u>	
	(Telephone) <u>(312) 384-6000</u> Fax <u>(312) 634-5518</u>	

MAIL TO: BUREAU OF HEALTH FINANCE
IL DEPT OF HEALTHCARE AND FAMILY SERVICES
201 S. Grand Avenue East
Springfield, IL 62763-0001 Phone # (217) 782-1630

Facility Name The Ivy

Report Period Beginning: 1/1/06 Ending: 12/31/06

III. STATISTICAL DATA

A. Certified units; enter number of units and unit days

Date of change in certified units N/A

	1	2	3	4	
	Units at Beginning of Report Period	Type of Apartment	Units at End of Report Period	Unit Days During Report Period	
1	118	Single Unit Apartment	118	43,070	1
2		Double Unit Apartment			2
3		Other			3
4	118	TOTALS	118	43,070	4

B. Census-For the entire report period.

	1 Type of Unit	2 3 4 Resident Days by Unit and Primary Source of Payment			5	
		Medicaid Recipient	Private Pay	Other		
5	Single Unit	25,503	14,621		40,124	5
6	Double Unit					6
7	Other					7
8	TOTALS	25,503	14,621		40,124	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 93.16%

D. Indicate the number of paid bed-hold days the SLF had during this year

555 Also, indicate the number of unpaid bed-hold days the SLF had during this year. N/A (Do not include bed-hold days in Section B.)

E. Does page 3 include expenses for services or investments not directly related to SLF services?

YES NO

F. Does the BALANCE SHEET reflect any non-SLF assets?

YES NO

G. List all services provided by your facility for non-residents.

(E.g., day care, "meals on wheels", outpatient therapy)

None

H. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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

Tax Year: 12/31/06 Fiscal Year: 12/31/06

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

J. Does the facility have any Illinois Housing Development Authority Loans outstanding?

No If yes, did the facility make all of the required payments of interest and principle? N/A

If no, explain. N/A

K. Does the facility have any loans from the Federal Home Loan Bank outstanding?

No If yes, did the facility make all of the required payments of interest and principle? N/A

If no, explain. N/A

L. Does the facility have any loans from the IL Dept of Commerce and Economic Opportunity outstanding?

No If yes, did the facility make all of the required payments of interest and principle? N/A

If no, explain. N/A

Facility Name: The Ivy

Report Period Beginning:

1/1/06

Ending:

12/31/06

IV. COST CENTER EXPENSES (please round to the nearest dollar)

Operating Expenses		Costs Per General Ledger				Reclassifications and Adjustments	Adjusted Total	
		Salary/Wage 1	Supplies 2	Other 3	Total 4			
A. General Services								
1	Dietary and Food Purchase	291,255	315,526	1,181	607,962	(1,284)	606,678	1
2	Housekeeping, Laundry and Maintenance	306,131	48,158	71,509	425,798	(56)	425,742	2
3	Heat and Other Utilities			72,914	72,914		72,914	3
4	Other (specify): Cabel			708	708		708	4
5	TOTAL General Services	597,386	363,684	146,312	1,107,382	(1,340)	1,106,042	5
B. Health Care and Programs								
6	Health Care/ Personal Care	306,636	7,729		314,365		314,365	6
7	Activities and Social Services	89,701	9,318	13,424	112,443		112,443	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	396,337	17,047	13,424	426,808		426,808	9
C. General Administration								
10	Administrative and Clerical	270,843	35,730	143,702	450,275	84	450,359	10
11	Marketing Materials, Promotions and Advertising			22,462	22,462	(22,462)		11
12	Employee Benefits and Payroll Taxes			197,806	197,806		197,806	12
13	Insurance-Property, Liability and Malpractice			46,764	46,764		46,764	13
14	Other (specify):			78,800	78,800	(78,800)		14
15	TOTAL General Administration	270,843	35,730	489,534	796,107	(101,178)	694,929	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,264,566	416,461	649,270	2,330,297	(102,518)	2,227,779	16
Capital Expenses								
D. Ownership								
17	Depreciation			34,708	34,708	85,920	120,628	17
18	Interest			117,236	117,236	153,143	270,379	18
19	Real Estate Taxes					181,900	181,900	19
20	Rent -- Facility and Grounds			615,078	615,078	(615,078)		20
21	Rent -- Equipment							21
22	Other (specify): Mtge Ins					15,461	15,461	22
23	TOTAL Ownership			767,022	767,022	(178,654)	588,368	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,264,566	416,461	1,416,292	3,097,319	(281,172)	2,816,147	24

See Accountants' Compilation Report

Facility Name: The Ivy

Report Period Beginning 1/1/06

Ending: 12/31/06

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	2.14	\$ 24.96	1
2	Licensed Practical Nurses			2
3	Certified Nurse Assistants	9.35	9.53	3
4	Activity Director & Assistants	4.21	10.24	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	16.59	8.44	7
8	Dishwashers			8
9	Maintenance Workers	5.33	16.69	9
10	Housekeepers	6.46	9	10
11	Laundry			11
12	Managers			12
13	Other Administrative	1.06	35.24	13
14	Clerical	6.35	14.6	14
15	Marketing			15
16	Other See Attachment 1 (A)	0.44	11.43	16
17	Total (lines 1 thru 16)	51.93	\$ 140.13	17

VI. (A) STATEMENT OF COMPENSATION AND OTHER PAYMENTS TO OWNERS, RELATIVES AND MEMBERS OF THE BOARD OF DIRECTORS.

	NAME and FUNCTION	Ownership Interest	Average Hours Per Work Week Devoted to this Business	Amount of Compensation for this Reporting Period		
1	N/A			\$	1	
2					2	
3					3	
4					4	
5					5	
				Total	\$	6

VI. (B) Management fees paid to unrelated parties

	Amount of Fee	
1	N/A	\$ 1
2		2
Total		\$ 3

VII. RELATED ORGANIZATIONS

A. Enter below the names of all related organizations. Attach an additional schedule if necessary.

RELATED SLF's & HEALTH CARE BUSINESSES

Name	1	City	2
See Attached Schedule 1 (B)			

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5
See Attached Schedule 1 (C)					

B. Does your facility receive services from a parent organization or home office; the costs for which were not included on page 3? YES NO

Name of related entity: N/A If yes, what is the value of those services? \$ N/A

(Please attach a separate schedule itemizing those services.)

C. Does page 3 include any costs derived from transactions (including rent) with related parties? YES NO

See Attachment 3 (B)

If so, please attach a separate schedule detailing the nature of those services, their costs as they appear on your books and the underlying cost to the related party (i.e., not including markup).

Facility Name: The Ivy

Report Period Beginning:

1/1/06

Ending:

12/31/06

VIII. OWNERSHIP COSTS

A. Purchase price of land 33,000 Year land was acquired 1998

B. Building Depreciation -- Including Fixed Equipment. Round all numbers to the nearest dollar.

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

	1 Units*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	118		1998		\$ 2,759,969	\$	40	\$ 68,749	\$ 68,749	\$ 567,179	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Carpet/Flooring		1994	1994	5,181	518	20	259	(259)	3,238	6
7	Carpet/Flooring		1995	1995	12,527	1,253	20	626	(627)	7,202	7
8	Remodeling		1995	1995	4,936	247	20	247	(0)	2,839	8
9	Carpet/Flooring		1996	1996	7,976	798	20	399	(399)	4,188	9
10	Remodeling		1996	1996	12,212	611	20	611	(0)	6,412	10
11	Carpet/Flooring		1997	1997	13,006	1,301	20	650	(651)	6,177	11
12	Carpet/Flooring		1998	1998	4,476	224	20	224	(0)	1,903	12
13	Carpet/Flooring		1999	1999	23,722	2,372	20	1,186	(1,186)	8,896	13
14	Window Treatments		1999	1999	25,636	2,564	20	1,282	(1,282)	9,614	14
15	Remodeling		1999	1999	2,780	139	20	139		1,043	15
16	Total from Attachment 2 (line 38)				202,784	10,833	20	8,835	(1,998)	28,101	16
17	TOTAL (lines 1 thru 16)				\$ 3,075,205	\$ 20,860		\$ 83,207	\$ 62,346	\$ 646,792	17

C. Equipment Depreciation -- Including Transportation.

	Type	1 Cost	2 Current Book Depreciation	3 Straight Line Depreciation	4 Adjustments	5 Life in Years	6 Accumulated Depreciation	
18	Movable Equipment	\$ 703,119	\$ 25,291	\$ 37,421	12,130	10	\$ 449,981	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 703,119	\$ 25,291	\$ 37,421	12,130		\$ 449,981	20

D. Depreciable Non-Care Assets Included in General Ledger.

	1 Description and Year Acquired	2 Cost	3 Current Book Depreciation	4 Accumulated Depreciation	
21		\$	\$	\$	21
22	N/A				22
23					23
24	TOTALS (lines 21, 22 and 23)	\$	\$	\$	24

Facility Name: The Ivy

Report Period Beginning: 1/1/06

Ending: 12/31/06

IX. RENTAL COSTS

A. Building and Fixed Equipment

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? YES NO

		1	2	3	4	5	6	
		Year Constructed	Number of Units	Date of Lease	Rental Amount	Total Yrs. of Lease	Total Years Renewal Option*	
3	Original Building			/ /	\$ N/A			3
4	Additions			/ /				4
5				/ /				5
6				/ /				6
7	TOTAL				\$			7

8. Is movable equipment rental included in building rental? YES NO

9. Rental amount for movable equipment \$ None

10. If the facility rents any vehicles which are used for care-related purposes, please attach a schedule detailing the model year and make, the rental expense for this period and the use of the vehicle.

X. INTEREST EXPENSE

	1	Name of Lender	2		3	4	6		7	8	9	
			Related**	YES			NO	Purpose of Loan				
			YES	NO			Original	Balance				
		A. Directly Facility Related										
		Long-Term										
1		Cambridge Realty Corp.		X	Mortgage	6/16/04	\$ 19,153,100	\$ 2,979,506	3/31/38	0.0525	\$ 158,998	1
2						/ /			/ /			2
3						/ /			/ /			3
		Working Capital										
4		Due to Claridge, LLC	X		Working Capital	8/31/03	4,400,000	2,100,000	11/30/07	0.0725	111,381	4
5						/ /			/ /			5
6						/ /			/ /			6
7		TOTAL Facility Related					\$ 23,553,100	\$ 5,079,506			\$ 270,379	7
		B. Non-Facility Related										
8						/ /			/ /			8
9						/ /			/ /			9
10		TOTALS (lines 7, 8 and 9)					\$ 23,553,100	\$ 5,079,506			\$ 270,379	10

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

** If there is any overlap in ownership between the facility and the lender, this must be indicated in column 2.

Facility Name: The Ivy

Report Period Beginning: 1/1/06

Ending:

12/31/06

12/31/06

XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/06

(last day of reporting year)

		1	2	
		Operating	After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 69,450	\$ 69,450	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 233,526)	737,031	737,031	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	17,251	17,251	7
8	Accounts Receivable (owners or related parties)	418,033	418,033	8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,241,765	\$ 1,241,765	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		33,000	13
14	Buildings, at Historical Cost		2,759,969	14
15	Leasehold Improvements, at Historical Cost	134,450	315,236	15
16	Equipment, at Historical Cost	584,498	703,119	16
17	Accumulated Depreciation (book methods)	(431,685)	(1,096,773)	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)	\$ 287,263	\$ 2,714,551	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,529,028	\$ 3,956,316	25

*(See instructions.)

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 55,612	\$ 55,612	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	102,641	102,641	30
31	Accrued Taxes Payable			31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	See attachment 1 (D)	106,221	106,221	35
36	Intercompany Payable	600,000	600,000	36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 864,474	\$ 864,474	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	2,100,000	2,100,000	38
39	Mortgage Payable		2,979,506	39
40	Bonds Payable			40
41	Deferred Compensation			41
	Other Long-Term Liabilities(specify):			
42				42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 2,100,000	\$ 5,079,506	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 2,964,474	\$ 5,943,980	45
46	TOTAL EQUITY	\$ (1,435,446)	\$ (1,987,664)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 1,529,028	\$ 3,956,316	47

Facility Name: The Ivy

Report Period Beginning: 1/1/06

Ending:

12/31/06

XII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this Schedule to Schedule IV.)

		1	
Revenue		Amount	
A. SLF Resident Care			
1	Gross SLF Resident Revenue	\$ 3,252,464	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,252,464	3
B. Other Operating Revenue			
4	Special Services		4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care		8
9	Non-Resident Meals	1,284	9
10	Laundry	56	10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$ 1,340	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income		13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$	14
D. Other Revenue (specify):			
15	Miscellaneous Income	2,876	15
16	See attachment 1 (E)	73,824	16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 76,700	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 3,330,504	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	1,107,382	19
20	Health Care/ Personal Care	426,808	20
21	General Administration	796,107	21
B. Capital Expense			
22	Ownership	767,022	22
C. Other Expenses			
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
28	TOTAL EXPENSES (sum of lines 19 thru 27)	\$ 3,097,319	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 233,185	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 233,185	31

See Accountants' Compilation Report

The Ivy
 Supplementary Information
 12/31/2006

Attachment 1

(A) <u>Sch. V - Staffing & Salary Costs - Line 16: Other</u>	Ave. Hrly.	
	FTEs	Wages
Medical Records	0.44	11.43
Total	<u>0.44</u>	<u>26.74</u>

(B) <u>Sch. VII - Related Parties - Related Nursing Homes</u>	
Name	City
Claremont Extended Health Care	Buffalo Grove, IL
Clark Manor	Chicago, IL
Chevy Chase Corporation	Chicago, IL
Halstead Terrace	Chicago, IL
Jackson Corporation	Chicago, IL
Glenview Terrace	Glenview, IL
Harmony Nursing Rehabilitation	Chicago, IL
Monroe Corporation	Chicago, IL
California Gardens Corporation	Chicago, IL
Claridge House	North Miami, FL
Renaissance Hillside	Hillside, IL
Carlton At The Lake	Chicago, IL
Regents Park of Boca Raton	Boca Raton, FL
South Shore Renaissance	Chicago, IL
Renaissance 87th Street	Chicago, IL
Renaissance Midway	Chicago, IL
Regents Park of Adventura	Adventura, FL
Whitehall North	Deerfield, IL
Forest Villa Nursing & Rehabilitation Center	Niles, IL
Imperial Grove Pavillion	Chicago, IL

(C) <u>Sch. VII - Related Parties - Other Related Business Entities</u>		
Name	City	Type of Business
ITEX Management Company	Lincolnwood, IL	Management Co.
NuCare Management Services	Lincolnwood, IL	Management Co.
AK Care	Lincolnwood, IL	Management Co.
Care Path Health Network	Lincolnwood, IL	Management Co.
The Claridge, L.L.C.	Lincolnwood, IL	Lessor
JLR Management	Lincolnwood, IL	Management Co.

(D) <u>Sch. XI - Balance Sheet - Line 35: Other Current Liabilities</u>	
A/R Exchange	72,442
Accrued Expenses	12,197
Accrued Rent	12,180
Accrued Management Fees	(15,000)
Wage Assign Payable	(162)
CTA Exchange	1,425
Life Insurance Exchange	(138)
401K Exchange	(270)
Due to public aid	21,339
Other Current Liabilities	<u>2,208</u>
Total	<u>106,221</u>

(E) <u>Sch. XII Income Statement- Line 16: Other Revenue</u>	
Food Stamp Income	69,656
Interest Income	<u>4,168</u>
Total	73,824

See Accountants' Compilation Report

The Ivy
Leasehold Improvements (continued)
12/31/2006

Attachment 2

	Improvement Type	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
18	Carpet/Flooring	2001		27,555	2,756	20	1,378	(1,378)	7,578	18
19	Remodeling	2001		13,000	650	20	650		3,575	19
20	Carpeting/Flooring	2002		500	25	20	25		113	20
21	Carpeting/Flooring	2002		30,320	3,032	20	1,516	(1,516)	6,910	21
22	Carpeting/Flooring	2003		10,154	508	20	508		1,778	22
23	Carpeting/Flooring	2004		27,297	1365	20	1,365		3,412	23
24	Window Treatments	2004		3,166	158	20	158		395	24
25	Wallcovering	2004		2,777	139	20	139		347	25
26	Carpet	2005		28,070	702	20	1,404	702	2,106	26
27	Vertical Blinds	2005		5,248	131	20	262	131	393	27
28	Countertops	2005		1,500	38	20	75	38	113	28
29	Communication Cables	2005		1,031	26	20	52	26	78	29
30	Vertical Blinds	2006		714	18	20	18	0	18	30
31	Carpet/Flooring	2006		41117	1,028	20	1,028	0	1,028	31
32	Window Treatments	2006		8712	218	20	218	0	218	32
33	Shower Remodeling	2006		1623	41	20	41	0	41	33
34										34
35										35
36										36
37										37
38	Total (Attachment 2) to Schedule VIII - Line 16			\$ 202,784	\$ 10,833		8,835	\$ (1,998)	\$ 28,101	38

See Accountants' Compilation Report

(A) Sch VIII: Line 18- Equipment Depreciation

<u>Type</u>	<u>Cost</u>	<u>Book</u> <u>Dep</u>	<u>S/L</u> <u>Dep</u>	<u>Adjustment</u>	<u>Ave.</u> <u>Life</u>	<u>Accum</u> <u>Dep</u>
Equip GL	581,819	25,291	25,291	-	10	362,038
Allocation from LLC	121,300		12,130	12,130	10	100,073
Total Line 18	<u>703,119</u>	<u>25,291</u>	<u>37,421</u>	<u>12,130</u>		<u>462,111</u>
Per Trial Balance	705798					511414
Adjustment	<u>(2,679)</u>					<u>49,303</u>

(B) Sch VII (C) : Costs Derived from Related Party Transactions

<u>Related Organization</u>	<u>Item</u>	<u>Cost per General</u> <u>Ledger</u>	<u>Operating Cost</u> <u>of Related Org.</u>
Itex	Management Fees	60,000	49,637