

Facility Name & ID Number Elston Nursing & Rehabilitation Centre

0004861 Report Period Beginning: 1/01/2006 Ending: 12/31/2006

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	84	Skilled (SNF)	84	30,660	1
2		Skilled Pediatric (SNF/PED)			2
3	33	Intermediate (ICF)	33	12,045	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	117	TOTALS	117	42,705	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment				5 Total	
		3 Medicaid Recipient	4 Private Pay	Other	Total		
8	SNF	7,297	244	4,349	11,890	8	
9	SNF/PED					9	
10	ICF	27,204	1,161	19	28,384	10	
11	ICF/DD					11	
12	SC					12	
13	DD 16 OR LESS					13	
14	TOTALS	34,501	1,405	4,368	40,274	14	

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 94.31%

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

97 (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

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 1/01/71

J. Was the facility purchased or leased after January 1, 1978?

YES Date _____ NO

K. Was the facility certified for Medicare during the reporting year?

YES NO If YES, enter number of beds certified 32 and days of care provided 4,212

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: 10/31/06 Fiscal Year: 12/31/06

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

Facility Name & ID Number Elston Nursing & Rehabilitation Centre # 0004861 Report Period Beginning: 1/01/2006 Ending: 12/31/2006

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR OHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	A. General Services										
1	Dietary	194,872	32,468	18,005	245,345		245,345		245,345		1
2	Food Purchase		284,724		284,724	(13,490)	271,234	(33,083)	238,151		2
3	Housekeeping	100,764	35,852		136,616		136,616		136,616		3
4	Laundry	49,937	6,991	15,187	72,115		72,115		72,115		4
5	Heat and Other Utilities			68,646	68,646		68,646	3,360	72,006		5
6	Maintenance	55,990	28,040	41,262	125,292		125,292	3,547	128,839		6
7	Other (specify):* Allocated Employee Benefits							397	397		7
8	TOTAL General Services	401,563	388,075	143,100	932,738	(13,490)	919,248	(25,779)	893,469		8
	B. Health Care and Programs										
9	Medical Director			15,000	15,000		15,000		15,000		9
10	Nursing and Medical Records	1,593,040	163,020	4,826	1,760,886		1,760,886	(51,316)	1,709,570		10
10a	Therapy		1,164	192,361	193,525		193,525	(51,204)	142,321		10a
11	Activities	58,143	2,506	2,280	62,929		62,929		62,929		11
12	Social Services	33,754		5,346	39,100		39,100		39,100		12
13	CNA Training										13
14	Program Transportation			876	876		876		876		14
15	Other (specify):* Allocated Employee Benefits							14,302	14,302		15
16	TOTAL Health Care and Programs	1,684,937	166,690	220,689	2,072,316		2,072,316	(88,218)	1,984,098		16
	C. General Administration										
17	Administrative	172,589		300,000	472,589		472,589	(256,129)	216,460		17
18	Directors Fees										18
19	Professional Services			67,051	67,051	(5,000)	62,051	9,039	71,090		19
20	Dues, Fees, Subscriptions & Promotions			19,007	19,007		19,007	9,710	28,717		20
21	Clerical & General Office Expenses	34,799	37,733	37,449	109,981		109,981	221,797	331,778		21
22	Employee Benefits & Payroll Taxes			393,568	393,568	13,490	407,058		407,058		22
23	Inservice Training & Education			3,133	3,133		3,133	840	3,973		23
24	Travel and Seminar										24
25	Other Admin. Staff Transportation			20,235	20,235	(9,390)	10,845	3,963	14,808		25
26	Insurance-Prop.Liab.Malpractice			152,782	152,782		152,782	1,639	154,421		26
27	Other (specify):* Allocated Employee Benefits							46,393	46,393		27
28	TOTAL General Administration	207,388	37,733	993,225	1,238,346	(900)	1,237,446	37,252	1,274,698		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	2,293,888	592,498	1,357,014	4,243,400	(14,390)	4,229,010	(76,745)	4,152,265		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			104,784	104,784		104,784	30,567	135,351			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			19,337	19,337		19,337	119,978	139,315			32
33	Real Estate Taxes					5,000	5,000	107,821	112,821			33
34	Rent-Facility & Grounds			783,863	783,863		783,863	(879,863)	(96,000)			34
35	Rent-Equipment & Vehicles			4,868	4,868	9,390	14,258	3,216	17,474			35
36	Other (specify):*											36
37	TOTAL Ownership			912,852	912,852	14,390	927,242	(618,281)	308,961			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		113,149	20,154	133,303		133,303		133,303			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			64,056	64,056		64,056		64,056			42
43	Other (specify):* Non-Allowable			87,993	87,993		87,993	(87,993)				43
44	TOTAL Special Cost Centers		113,149	172,203	285,352		285,352	(87,993)	197,359			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	2,293,888	705,647	2,442,069	5,441,604		5,441,604	(783,019)	4,658,585			45

*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

VI. ADJUSTMENT DETAIL

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

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

		1	2	3	
	NON-ALLOWABLE EXPENSES	Amount	Refer- ence	OHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income	(8,668)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(648)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(1,275)	43		18
19	Entertainment				19
20	Contributions	(3,835)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(54,619)	43		24
25	Fund Raising, Advertising and Promotional	(17,719)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(9,897)	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule <u>See Attached Schedule F:</u>	(92,543)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (189,204)		\$	30

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)	(593,815)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (593,815)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (783,019)		37

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

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

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

BHF USE ONLY					
48		49		50	
				51	
					52

SEE ACCOUNTANTS' COMPILATION REPORT

Elston Nursing & Rehabilitation CentreID# 0004861Report Period Beginning: 1/01/2006Ending: 12/31/2006

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Adjust Mgt Co. medical supplies "A" to cost	\$ (38,815)	10	1
2	Adjust Mgt Co. medical supplies "other" to cost	(12,501)	10	2
3	Adjust Mgt Co. food to cost	(33,086)	2	3
4	Non-allowable professional fees	(5,204)	19	4
5	Non-allowable auto expense - marketing	(67)	25	5
6	Non-allowable trust fees	(585)	43	6
7	Non-allowable IL Council on Long Term Care fee	(585)	20	7
8	Non-allowable professional fees-real estate appraisal	(1,700)	33	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				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(92,543)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Elston Nursing & Rehabilitation Centre# 0004861

Report Period Beginning:

1/01/2006

Ending:

12/31/2006

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

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(33,086)	0	0	0	3	0	0	0	0	0	0	(33,083)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	3,360	0	0	0	0	0	0	0	0	3,360	5
6	Maintenance	0	0	3,545	0	2	0	0	0	0	0	0	3,547	6
7	Other (specify):*	0	0	397	0	0	0	0	0	0	0	0	397	7
8	TOTAL General Services	(33,086)	0	7,302	0	5	0	0	0	0	0	0	(25,779)	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	(51,316)	0	0	0	0	0	0	0	0	0	0	(51,316)	10
10a	Therapy	0	0	0	0	(51,204)	0	0	0	0	0	0	(51,204)	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	14,302	0	0	0	0	0	0	14,302	15
16	TOTAL Health Care and Programs	(51,316)	0	0	0	(36,902)	0	0	0	0	0	0	(88,218)	16
	C. General Administration													
17	Administrative	0	0	(256,129)	0	0	0	0	0	0	0	0	(256,129)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(5,204)	0	10,282	3,861	100	0	0	0	0	0	0	9,039	19
20	Fees, Subscriptions & Promotions	(585)	0	3,139	0	7,156	0	0	0	0	0	0	9,710	20
21	Clerical & General Office Expenses	0	0	218,283	0	3,514	0	0	0	0	0	0	221,797	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	360	0	480	0	0	0	0	0	0	840	23
24	Travel and Seminar	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Other Admin. Staff Transportation	(67)	0	3,748	0	282	0	0	0	0	0	0	3,963	25
26	Insurance-Prop.Liab.Malpractice	0	0	1,639	0	0	0	0	0	0	0	0	1,639	26
27	Other (specify):*	0	0	46,062	0	331	0	0	0	0	0	0	46,393	27
28	TOTAL General Administration	(5,856)	0	27,384	3,861	11,863	0	0	0	0	0	0	37,252	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(90,258)	0	34,686	3,861	(25,034)	0	0	0	0	0	0	(76,745)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Elston Nursing & Rehabilitation Centre# 0004861

Report Period Beginning:

1/01/2006 Ending:

12/31/2006

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

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	D. Ownership													
30	Depreciation	0	0	14,469	16,098	0	0	0	0	0	0	0	30,567	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(8,668)	0	0	128,646	0	0	0	0	0	0	0	119,978	32
33	Real Estate Taxes	(1,700)	0	6,475	103,046	0	0	0	0	0	0	0	107,821	33
34	Rent-Facility & Grounds	0	0	0	(879,863)	0	0	0	0	0	0	0	(879,863)	34
35	Rent-Equipment & Vehicles	0	0	3,216	0	0	0	0	0	0	0	0	3,216	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	(10,368)	0	24,160	(632,073)	0	(618,281)	37						
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	(88,578)	0	0	585	0	0	0	0	0	0	0	(87,993)	43
44	TOTAL Special Cost Centers	(88,578)	0	0	585	0	(87,993)	44						
	GRAND TOTAL COST													
45	(sum of lines 29, 37 & 44)	(189,204)	0	58,846	(627,627)	(25,034)	0	0	0	0	0	0	(783,019)	45

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
Sidney Glenner	100.00 %	Glen Oaks Nursing & Rehabilitation Centre,Ltd.	Northbrook	SEE ATTACHED SCHEDULE A		
		GlenCrest Nursing & Rehabilitation Centre,Ltd.	Chicago			
		GlenBridge Nursing & Rehabilitation Centre,Ltd.	Niles			
		GlenShire Nursing & Rehabilitation Centre,Ltd.	Richton Park			

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		\$			\$	\$	1
2	V	Total from Page 6A	300,000	Glen Health and Home Management, Inc.	A	358,846	58,846	2
3	V							3
4	V	Total from Page 6B	879,863	Elston Real Estate & Development, L.L.C.	B	252,236	(627,627)	4
5	V							5
6	V	Total from Page 6C	190,330	Therapy Masters, Inc.	C	165,296	(25,034)	6
7	V							7
8	V							8
9	V			OWNERSHIP REFERENCE:				9
10	V			A - Owned 100.00 % by Sidney Glenner through attribution				10
11	V			B - Owned 60.00 % constructively by Sidney Glenner				11
12	V			C - Owned 60.00 % by Sidney Glenner 40.00 % by Barry Ray				12
13	V							13
14	Total		\$ 1,370,193			\$ 776,378	\$ * (593,815)	14

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	17 Management Fees	\$ 300,000	Glen Health & Home Management, Inc.	A	\$	\$ (300,000) 15
16	V	5 Utilities		Glen Health & Home Management, Inc.	A	3,360	3,360 16
17	V	6 Repairs and Maintenance		Glen Health & Home Management, Inc.	A	1,578	1,578 17
18	V	19 Professional Fees		Glen Health & Home Management, Inc.	A	10,282	10,282 18
19	V	20 Licenses, Permits and Inspection		Glen Health & Home Management, Inc.	A	3,139	3,139 19
20	V	21 Clerical		Glen Health & Home Management, Inc.	A	20,999	20,999 20
21	V	22 Employee Benefits and Payroll		Glen Health & Home Management, Inc.	A	44,160	44,160 21
22	V	23 Training and Education		Glen Health & Home Management, Inc.	A	360	360 22
23	V	25 Auto Expenses		Glen Health & Home Management, Inc.	A	3,748	3,748 23
24	V	26 Insurance		Glen Health & Home Management, Inc.	A	1,639	1,639 24
25	V	30 Depreciation		Glen Health & Home Management, Inc.	A	14,469	14,469 25
26	V	33 Real Estate Taxes		Glen Health & Home Management, Inc.	A	6,475	6,475 26
27	V	35 Equipment and Vehicle Rental		Glen Health & Home Management, Inc.	A	3,216	3,216 27
28	V	6 Janitorial Salaries		Glen Health & Home Management, Inc.	A	1,967	1,967 28
29	V	17 Officer's Salaries		Glen Health & Home Management, Inc.	A	43,871	43,871 29
30	V	21 Administrative Salaries		Glen Health & Home Management, Inc.	A	171,850	171,850 30
31	V	21 Administrative Salaries		Glen Health & Home Management, Inc.	A	25,434	25,434 31
32	V	27 Employee Benefits		Glen Health & Home Management, Inc.	A	2,299	2,299 32
33	V	22 Employee Benefits		Glen Health & Home Management, Inc.	A	(44,160)	(44,160) 33
34	V	7 Employee Benefits - Janitorial		Glen Health & Home Management, Inc.	A	397	397 34
35	V	27 Employee Benefits - Officer's		Glen Health & Home Management, Inc.	A	9,168	9,168 35
36	V	27 Employee Benefits - Admin		Glen Health & Home Management, Inc.	A	34,595	34,595 36
37	V						
38	V						
39	Total		\$ 300,000			\$ 358,846	\$ * 58,846 39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	43 Clerical	\$	Elston Real Estate & Development, L.L.C.	B	\$ 585	\$	585	15
16	V	32 Interest Income		Elston Real Estate & Development, L.L.C.	B	(19,829)		(19,829)	16
17	V	32 Interest Expense		Elston Real Estate & Development, L.L.C.	B	145,276		145,276	17
18	V	34 Rental Income	879,863	Elston Real Estate & Development, L.L.C.	B			(879,863)	18
19	V	33 Real Estate Taxes		Elston Real Estate & Development, L.L.C.	B	103,046		103,046	19
20	V	32 Amortization of Mortgage Costs		Elston Real Estate & Development, L.L.C.	B	3,199		3,199	20
21	V	19 Professional Fees		Elston Real Estate & Development, L.L.C.	B	3,861		3,861	21
22	V	30 Depreciation		Elston Real Estate & Development, L.L.C.	B	16,098		16,098	22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total		\$ 879,863			\$ 252,236	\$ *	(627,627)	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	10a Therapy	\$ 190,330	Therapy Masters, Inc.	C	\$ 139,126	\$ (51,204)
16	V	19 Professional Fees		Therapy Masters, Inc.	C	100	100
17	V	20 Licenses, Permits and Inspection		Therapy Masters, Inc.	C	8	8
18	V	20 Employment Fees		Therapy Masters, Inc.	C	7,148	7,148
19	V	6 Plant Supplies		Therapy Masters, Inc.	C	2	2
20	V	21 Clerical		Therapy Masters, Inc.	C	145	145
21	V	22 Employee Benefits and Payroll		Therapy Masters, Inc.	C	14,633	14,633
22	V	23 Training and Education		Therapy Masters, Inc.	C	480	480
23	V	25 Auto Expenses		Therapy Masters, Inc.	C	282	282
24	V	2 Food Purchase		Therapy Masters, Inc.	C	3	3
25	V	21 Clerical Salaries		Therapy Masters, Inc.	C	3,369	3,369
26	V	22 Employee Benefits		Therapy Masters, Inc.	C	(14,633)	(14,633)
27	V	15 Employee Benefits - Therapy		Therapy Masters, Inc.	C	14,302	14,302
28	V	27 Employee Benefits - Clerical		Therapy Masters, Inc.	C	331	331
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 190,330			\$ 165,296	\$ * (25,034)

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

Facility Name & ID Number Elston Nursing & Rehabilitation Centre # 0004861 Report Period Beginning: 1/01/2006 Ending: 12/31/2006

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	Sidney Glenner	President	Administrative	100.00 %	161,392	6	10.00 %	Salary	\$ 17,827	Ln 17, Col 7	1
2	David Glenner	Vice President	Administrative	0.00 %	80,696	4	10.00 %	Salary	8,914	Ln 17, Col 7	2
3	Jonathan Glenner	Clerical	Clerical	0.00 %	27,151	4	10.00 %	Salary	2,999	Ln 21, Col 7	3
4	Daniel Glenner	Clerical	Clerical	0.00 %	26,715	4	10.00 %	Salary	2,951	Ln 21, Col 7	4
5	David Weinschneider	Administrative	Administrative	0.00 %	0	40	100.00 %	Salary	25,434	Ln 21, Col 7	5
6	Joshua Ray	V.P. of Operations	Administrative	0.00 %	161,392	4	10.00 %	Salary	17,827	Ln 21, Col 7	6
7	Barry Ray	Vice President	Administrative	0.00 %	155,080	4	10.00 %	Salary	17,130	Ln 17, Col 7	7
8											8
9											9
10		See Schedule B									10
11											11
12											12
13								TOTAL	\$ 93,082		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 Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2006

Ending: 2/31/2006

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 Glen Health & Home Management, Inc.
 Street Address 5454 West Fargo Avenue
 City / State / Zip Code Skokie, IL 60077
 Phone Number (847) 674-5454
 Fax Number (847) 674-8311

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	5	Utilities	Resident Days	404,875	5	\$ 33,774	\$ 40,274	\$ 3,360	1
2	6	Repairs and Maintenance	Resident Days	404,875	5	15,862	40,274	1,578	2
3	19	Professional Fees	Resident Days	404,875	5	103,363	40,274	10,282	3
4	20	Licenses, Permits & Inspection	Resident Days	404,875	5	31,556	40,274	3,139	4
5	21	Clerical	Resident Days	404,875	5	211,108	40,274	20,999	5
6	22	Employee Benefits and Payroll	Resident Days	404,875	5	443,941	40,274	44,160	6
7	23	Training and Education	Resident Days	404,875	5	3,615	40,274	360	7
8	25	Auto Expenses	Resident Days	404,875	5	37,683	40,274	3,748	8
9	26	Insurance	Resident Days	404,875	5	16,479	40,274	1,639	9
10	30	Depreciation	Resident Days	404,875	5	145,453	40,274	14,469	10
11	33	Real Estate Taxes	Resident Days	404,875	5	65,090	40,274	6,475	11
12	35	Equipment and Vehicle Rental	Resident Days	404,875	5	32,332	40,274	3,216	12
13	6	Janitorial Salaries	Resident Days	404,875	5	19,772	19,772	1,967	13
14	17	Officer's Salaries	Resident Days	404,875	5	441,040	441,040	43,871	14
15	21	Administrative Salaries	Resident Days	404,875	5	1,727,614	1,727,614	171,850	15
16	21	Administrative Salaries	Direct Cost			25,434	25,434	25,434	16
17	27	Employee Benefits	Direct Cost			2,299		2,299	17
18	22	Employee Benefits	Payroll					(44,160)	18
19	7	Employee Benefits - Janitorial	Payroll					397	19
20	27	Employee Benefits - Officer's	Payroll					9,168	20
21	27	Employee Benefits - Admin	Payroll					34,595	21
22									22
23									23
24									24
25	TOTALS					\$ 3,356,415	\$ 2,213,860	\$ 358,846	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number

Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2006

Ending:

12/31/2006

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

1	2	3	4	5	6	7	8	9	10										
										Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
										YES	NO				Original	Balance			
A. Directly Facility Related																			
Long-Term																			
1	JPMorgan Chase Bank, N.A.		X	Mortgage	\$27,810.37	11/4/1998	\$ 3,000,000	\$ 1,823,678	12/31/2012	0.0750	\$ 145,276	1							
2	JPMorgan Chase Bank, N.A.		X	Amortization of mortgage costs							3,199	2							
3												3							
4												4							
5												5							
Working Capital																			
6												6							
7												7							
8												8							
9	TOTAL Facility Related				\$27,810.37		\$ 3,000,000	\$ 1,823,678			\$ 148,475	9							
B. Non-Facility Related*																			
10								Interest Income Offset:			(9,160)	10							
11												11							
12												12							
13												13							
14	TOTAL Non-Facility Related						\$	\$			\$ (9,160)	14							
15	TOTALS (line 9+line14)						\$ 3,000,000	\$ 1,823,678			\$ 139,315	15							

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A Line # N/A

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

SEE ACCOUNTANTS' COMPILATION REPORT

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

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2005 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 2005 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2005.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2005 real estate tax bill to Healthcare and Family Services, Bureau of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2006 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.

2005 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Elston Nursing & Rehabilitation Centre COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0004861

CONTACT PERSON REGARDING THIS REPORT Charles J. Fischer

TELEPHONE (312) 634-4580 FAX #: (312) 634-5518

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2005 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 2005.

(A)	(B)	(C)	(D) <u>Tax</u> <u>Applicable to</u> <u>Nursing Home</u>
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	
1. <u>13-15-404-035-0000</u>	<u>4340 North Keystone, Chicago IL</u>	\$ <u>99,674.38</u>	\$ <u>99,674.38</u>
2. <u>Allocated from Management Company: Allocated portion to nursing homes</u>		\$ <u>65,090.00</u>	\$ <u>6,475.00</u>
3. <u>Storage Building</u>	<u>4352 North Keystone, Chicago IL</u>	\$ <u>16,618.00</u>	\$ <u>2,463.00</u>
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>181,382.38</u>	\$ <u>108,612.38</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 2005 tax bills which were listed in Section A to this statement. Be sure to use the 2005 tax bill which is normally paid during 2006.

PLEASE NOTE: Payment information from the Internet or otherwise is not considered acceptable tax bill documentation. Facilities located in Cook County are required to provide copies of their original **second installment** tax bill.

Facility Name & ID Number Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2006 Ending:

12/31/2006

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 28,220 B. General Construction Type: Exterior Brick Frame Concrete and Steel Number of Stories Three

C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.

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

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

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

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

ELSTON REAL ESTATE & DEVELOPMENT LLC OWNS A BUILDING AT 4352 N. KEYSTONE. THIS BUILDING IS NOT ON THE GROUNDS OF THE NURSING HOME NOR ADJACENT TO IT. THERE IS AN UNRELATED BUSINESS BETWEEN THE NURSING HOME AND THE 4352 N. KEYSTONE BUILDING. THE 4352 BUILDING IS USED BY THE NURSING HOME FOR STORAGE OF ITS' SUPPLIES AND EQUIPMENT AND ALSO BY AN ENTITY CALLED DOLLAR-RIFFIC DISCOUNTS ELSTON LLC THAT IS OWNED BY SIDNEY GLENNER.

TOTAL SQUARE FEET 8,777, SQUARE FEET USED BY THE NURSING HOME 1,260.

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? YES NO
If so, please complete the following:

1. Total Amount Incurred: _____ 2. Number of Years Over Which it is Being Amortized: _____

3. Current Period Amortization: _____ 4. Dates Incurred: _____

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

XI. OWNERSHIP COSTS:

	1	2	3	4	
A. Land.	Use	Square Feet	Year Acquired	Cost	
1	<u>Patient Care</u>	<u>32,580</u>	<u>1971</u>	<u>\$ 40,000</u>	<u>1</u>
2	<u>Allocated from Management Company:</u>			<u>7,611</u>	<u>2</u>
3	TOTALS	32,580		\$ 47,611	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2006 Ending: 12/31/2006

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 BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	117		1971		\$ 1,178,900	\$	30	\$	\$	\$ 1,178,900	4
5											5
6	Alloc from				162,210			5,108	5,108		6
7	Mgt Comp										7
8	ScheduleJ										8
	Improvement Type**										
9	Communication system		1975		8,549		8			8,549	9
10	Fire door and wiring		1976		10,293		20			10,293	10
11	Sprinkler system and electrical wiring		1977		1,055		10			1,055	11
12	Roof project		1979		8,360		10			8,360	12
13	Sprinkler system		1980		48,000		20			48,000	13
14	Water heater		1980		886		10			886	14
15	Cabinets and countertops		1981		5,386		10			5,386	15
16	Circuit breakers		1983		5,209		10			5,209	16
17	Building Improvements		1984		18,074		10			18,074	17
18	Building Improvements		1985		19,017		10			19,017	18
19	Building Improvements		1986		18,152		10			18,152	19
20	Building Improvements		1987		17,392		10			17,392	20
21	Building Improvements		1988		18,417		10			18,417	21
22	Building Improvements		1990		11,795		10			11,795	22
23	Building Improvements		1990		4,243		10			4,243	23
24	Building Improvements		1991		19,999		10			19,999	24
25	Building Improvements		1992		18,921		10			18,921	25
26	Building Improvements		1993		53,703		10			53,703	26
27	Building Improvements		1994		10,073		10			10,073	27
28	Building Improvements		1995		48,617		10			48,617	28
29	Wall fittings		1997		1,828	183	10	183		1,769	29
30	Concrete ramp		1997		1,480	148	10	148		1,431	30
31	Building Improvements		1995		37,112		10			37,112	31
32	Sprinkler system		1996		3,000		10	400	400	3,000	32
33	Nurses call station		1996		3,641		10	486	486	3,641	33
34	Door holders		1997		1,334	134	10	134		1,294	34
35	Install circuits and outlets		1997		2,500	250	10	250		2,417	35
36											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 Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2006 Ending: 12/31/2006

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	Fencing	1997	\$ 2,560	\$ 256	10	\$ 256	\$	\$ 2,475	37
38	New brick chimney	1997	11,743	1,174	10	1,174		11,350	38
39	Install new sprinkler system	1997	2,685	269	10	269		2,600	39
40	Install alarm system	1997	2,082	208	10	208		2,011	40
41	Brick replacement - chimney	1998	5,330	533	10	533		4,619	41
42	Access control system with back-up power supply	1998	1,318	132	10	132		1,143	42
43	High pressure sodium fixtures	1998	1,900	190	10	190		1,647	43
44	Install door alarm on all three floors	1998	6,515	651	10	651		4,992	44
45	Sprinkler system for all three floors	1999	9,167	917	10	917		7,030	45
46	Fire dampers installation	1999	3,220	322	10	322		2,469	46
47	Fire alarm equipment	1999	8,000	800	10	800		6,133	47
48	Fire alarm equipment	1999	12,000	1,200	10	1,200		9,200	48
49	Concrete	1998	1,755	176	10	176		1,348	49
50	Install gate	1999	1,600	160	10	160		1,227	50
51	Fireproofing	1999	2,250	225	10	225		1,725	51
52	Relocate and rewire nurses call station	1999	2,500	250	10	250		1,917	52
53	Fire dampers installation	1999	2,062	206	10	206		1,580	53
54	Relocate boxes to 8'	1999	1,000	100	10	100		767	54
55	Fire dampers installation	1999	800	80	10	80		613	55
56	Installation of exhaust pipe for the laundry room	1998	1,300	130	10	130		997	56
57	Extend iron railings	1998	1,250	125	10	125		958	57
58	Relocate and rewire nurses call station	1999	8,800	880	10	880		6,747	58
59	Sprinkler system for all three floors	1999	9,000	900	10	900		6,900	59
60	Sprinkler system for all three floors	1999	9,333	933	10	933		7,154	60
61	Install flow switch	2000	2,300	230	10	230		1,495	61
62	Handrails, bumper guards, corner guards & accent rails	2000	4,655	466	10	466		3,029	62
63	Acoustical ceilings, grid system, lamps & exit signs	2000	29,826	2,982	10	2,982		19,383	63
64	Handrails, bumper guards, corner guards & accent rails	2000	20,387	2,038	10	2,038		13,247	64
65	Fire alarm system	2000	48,484	4,848	10	4,848		31,512	65
66	Vinyl tile installation, floor patches & stripwood	2000	6,928	692	10	692		4,498	66
67	Install handrails, bumpers, chairrails & corner guards	2000	2,600	260	10	260		1,690	67
68	Floor tiles, floor patches, cove base installation	2000	6,319	632	10	632		4,585	68
69									69
70	TOTAL (lines 4 thru 69)		\$ 1,967,815	\$ 23,680		\$ 29,674	\$ 5,994	\$ 1,742,746	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2006 Ending: 12/31/2006

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 1,967,815	\$ 23,680		\$ 29,674	\$ 5,994	\$ 1,742,746	1
2	Carpeting, vinyl tiles & cove base installation	2000	11,028	1,102	10	1,102		7,163	2
3	Bernardsville border	2000	1,575	158	10	158		1,027	3
4	Install ground clamps, remove water meter, inst. phone wires	2000	1,669	166	10	166		1,079	4
5	Emerson wall fit	2000	1,988	198	10	198		1,287	5
6	Inspect & install air-conditioner power in 3 rooms	2000	1,810	182	10	182		1,183	6
7	Concrete & piping work	2000	2,550	255	10	255		1,658	7
8	Nurses station	2000	11,070	1,107	10	1,107		7,196	8
9	Furnish & install new steel door	2000	1,875	188	10	188		1,222	9
10	Install shower valve units and faucets	2000	2,904	290	10	290		1,885	10
11	Furnish & install doors	2000	22,723	2,272	10	2,272		14,768	11
12	Elevator project	2000	1,600	160	10	160		1,040	12
13	Asphalt paving in parking lot, new catch basin	2000	57,945	5,794	10	5,794		37,661	13
14	Advantage Mechanical project	2000	6,500	650	10	650		4,225	14
15	Custom wardrobes	2001	7,438	744	10	744		4,092	15
16	Remove lobby wall and install ceiling	2001	13,864	1,386	10	1,386		7,623	16
17	Install and clean out passenger elevator pump	2001	3,750	375	10	375		2,063	17
18	Sprinkler system heads	2001	2,750	275	10	275		1,513	18
19	Tile project	2001	2,983	298	10	298		1,639	19
20	New entrance addition project	2001	20,000	2,000	10	2,000		11,000	20
21	Cabinets and shelving	2001	1,841	184	10	184		1,012	21
22	Custom wardrobes	2001	11,123	1,112	10	1,112		6,116	22
23	Illinois Improvement project	2002	12,223	1,222	10	1,222		5,499	23
24	Furnish and install automatic door equipment	2002	13,378	1,338	10	1,338		6,021	24
25	Lighting for entrance	2002	3,500	350	10	350		1,575	25
26	Grout and mortar for ceramic wall tile	2002	3,137	314	10	314		1,413	26
27	Wallcovering installation	2002	21,647	2,165	10	2,165		9,742	27
28	Wallcovering, carpeting, cove base, window treatments	2002	99,900	9,990	10	9,990		45,346	28
29	Awning	2002	5,850	585	10	585		2,632	29
30	Affiliated Customer Service project	2002	1,160	116	10	116		522	30
31	Affiliated Customer Service project	2002	1,995	200	10	200		900	31
32	Electrical project	2002	2,860	286	10	286		1,287	32
33									33
34	TOTAL (lines 1 thru 33)		\$ 2,322,451	\$ 59,142		\$ 65,136	\$ 5,994	\$ 1,934,135	34

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 12B, Carried Forward		\$ 2,322,451	\$ 59,142		\$ 65,136	\$ 5,994	\$ 1,934,135	1
2	Installation of one convex awning	2002	3,800	380	10	380		1,710	2
3	Elevator modernization project	2003	27,800	2,780	10	2,780		9,730	3
4	Installation of new 100amp elevator feeder line	2003	3,000	300	10	300		1,050	4
5	HVAC wall unit project	2003	1,200	120	10	120		420	5
6	Elevator modernization project	2004	3,000	300	10	300		750	6
7	Patch, seal and coat roof	2004	2,150	215	10	215		538	7
8	Fire protection project	2004	1,435	144	10	144		360	8
9	Installation of camera and alarm for patio door	2004	1,952	195	10	195		488	9
10	Replace upper tube on leaking boiler	2004	1,063	106	10	106		265	10
11	Installation of solid state drive assembly for elevator door	2004	1,180	118	10	118		295	11
12	Adjust restrictor on passenger elevator	2004	1,366	137	10	137		342	12
13	Storage Building	2004	58,947	1,965	30	1,965		5,895	13
14	Install pipe railing connections	2005	9,600	960	10	960		1,440	14
15	Furnish and install new roller guides to elevator	2005	3,450	345	10	345		518	15
16	Furnish and install vertical rod devices	2005	2,246	225	10	225		337	16
17	Install new carpet, border, cove base and reducer	2005	10,303	1,030	10	1,030		1,545	17
18	Remove and install new detector edge on elevator	2005	1,850	185	10	185		278	18
19	Build and install custom wardrobes with drawers	2005	38,868	3,887	10	3,887		5,830	19
20	Installed patch and 2 couplings in hot water storage tank	2005	1,293	129	10	129		194	20
21	Elevator modernization project	2006	3,700	925	10	925		925	21
22	New elevator controller and fixtures	2006	44,711	2,236	10	2,236		2,236	22
23	Furnish and install 5 ton fan coil, discharge condensing unit	2006	8,480	424	10	424		424	23
24									24
25									25
26									26
27									27
28									28
29									29
30	Allocated from Management Company:		13,231			1,392	1,392	10,195	30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 2,567,076	\$ 76,248		\$ 83,634	\$ 7,386	\$ 1,979,900	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2006

Ending:

12/31/2006

XI. OWNERSHIP COSTS (continued)

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

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 305,750	\$ 30,575	\$ 30,575	\$	10 years	\$ 203,671	71
72	Current Year Purchases	11,813	591	591		10 years	591	72
73	Fully Depreciated Assets	308,465	12,583	12,583		5,7,8,10yrs	308,465	73
74	Allocated from Management Co:	68,984		6,533	6,533		58,369	74
75	TOTALS	\$ 695,012	\$ 43,749	\$ 50,282	\$ 6,533		\$ 571,096	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	Patient Care	1989 Pontiac	1989	\$ 12,418	\$	\$	\$	3 years	\$ 12,418	76
77	Patient Care	1993 Plymouth Van	1993	23,600				3 years	23,600	77
78										78
79	Allocated from Management Company:			12,460		1,435	1,435		11,160	79
80	TOTALS			\$ 48,478	\$	\$ 1,435	\$ 1,435		\$ 47,178	80

E. Summary of Care-Related Assets

	1 Reference	2 Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 3,358,177	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 119,997	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 135,351	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 15,354	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 2,598,174	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		\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92		\$	92
93			93
94			94
95		\$	95

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

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

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

8. List separately any amortization of lease expense included on page 4, line 34.

This amount was calculated by dividing the total amount to be amortized by the length of the lease N/A.

N/A
N/A

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: \$ 6,116 Description: Copier\$3,420,Ice-maker\$1,247,Postage meter\$201,Allocated from Management Co:\$1,248

(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	Patient Care	2001 Toyota Sienna	\$ 479.00	\$ 479	17
18	Patient Care	2005 Chrysler Town	350.00	4,575	18
19	Patient Care	2005 Jeep Cherokee	394.00	4,336	19
20	Allocated from Management Company:			1,968	20
21	TOTAL		\$ #####	\$ 11,358	21

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>/2007</u>	\$ _____
13.	<u>/2008</u>	\$ _____
14.	<u>/2009</u>	\$ _____

* 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 hire only 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. <u>CLASSROOM PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. <u>CLINICAL PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
---	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

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

C. CONTRACTUAL INCOME

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

\$

D. NUMBER OF CNAs TRAINED

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

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

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
 - (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.
- 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	Ln10a,Col 2&3	hrs	\$	1,216	\$ 67,169	\$ 393	1,216	\$ 67,562	1
2	Licensed Speech and Language Development Therapist	Ln10a, Col 3	hrs		119	10,254		119	10,254	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	Ln10a,Col 2&3	hrs		1,883	112,907	771	1,883	113,678	4
5	Physician Care	Ln 39, Col 3	visits			299			299	5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	Ln 39, Col 2	# of prescrpts				113,149		113,149	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Radiology and Laboratory Other (specify): Respiratory Therapy	Ln 39, Col 3 Ln10a, Col 3			40	19,855 2,031		40	19,855 2,031	13
14	TOTAL			\$	3,258	\$ 212,515	\$ 114,313	3,258	\$ 326,828	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of **12/31/2006**

(last day of reporting year)

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

		1 Operating	2 After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ 371,003	\$ 634,877	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>323,300</u>)	1,791,193	1,791,193	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	61,522	61,522	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	(54,868)		8
9	Other(specify): <u>Rent Receivable/Accr Rent</u>	(715,219)		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,453,631	\$ 2,487,592	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		47,611	13
14	Buildings, at Historical Cost		1,341,110	14
15	Leasehold Improvements, at Historical Cost	886,952	1,225,966	15
16	Equipment, at Historical Cost	686,870	743,490	16
17	Accumulated Depreciation (book methods)	(1,094,361)	(2,598,174)	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 (spe <u>Deposits</u>)	51,319	51,319	22
23	Other(specify): <u>Mortgage Costs (Net)</u>		21,970	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 530,780	\$ 833,292	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,984,411	\$ 3,320,884	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 139,359	\$ 139,539	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	175,200	175,200	30
31	Accrued Taxes Payable (excluding real estate taxes)	3,794	3,794	31
32	Accrued Real Estate Taxes(Sch.IX-B)		103,000	32
33	Accrued Interest Payable		11,778	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>See Attached Schedule E:</u>	76,474	76,474	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 394,827	\$ 509,785	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable		1,823,678	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)	\$	\$ 1,823,678	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 394,827	\$ 2,333,463	46
47	TOTAL EQUITY(page 18, line 24)	\$ 1,589,584	\$ 987,421	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 1,984,411	\$ 3,320,884	48

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 1,711,158	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 1,711,158	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	323,426	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	(445,000)	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)	\$ (121,574)	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)	\$ 1,589,584	24

* Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number **Elston Nursing & Rehabilitation Centre**# **0004861**Report Period Beginning: **1/01/2006**Ending: **12/31/2006**

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

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

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 5,381,380	1
2	Discounts and Allowances for all Levels	(473,981)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 4,907,399	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	389,163	6
7	Oxygen	95,912	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 485,075	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		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	176,051	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	17,051	19
20	Radiology and X-Ray	3,340	20
21	Other Medical Services	140,967	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 337,409	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	8,668	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 8,668	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Public Aid Bedhold Income	24,695	28
28a	Miscellaneous Income	1,784	28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 26,479	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 5,765,030	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	932,738	31
32	Health Care	2,072,316	32
33	General Administration	1,238,346	33
B. Capital Expense			
34	Ownership	912,852	34
C. Ancillary Expense			
35	Special Cost Centers	221,296	35
36	Provider Participation Fee	64,056	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 5,441,604	40
41	Income before Income Taxes (line 30 minus line 40)**	323,426	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 323,426	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.

*** 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 Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning: 1/01/2006

Ending:

12/31/2006

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	1,853	2,096	\$ 80,907	\$ 38.60	1
2	Assistant Director of Nursing	1,893	2,147	53,169	24.76	2
3	Registered Nurses	15,433	16,102	400,359	24.86	3
4	Licensed Practical Nurses	14,122	15,410	283,150	18.37	4
5	CNAs & Orderlies	58,447	63,673	629,371	9.88	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,585	1,634	18,854	11.54	9
10	Activity Assistants	4,506	4,768	39,289	8.24	10
11	Social Service Workers	2,612	2,749	33,754	12.28	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook	6,085	6,691	68,407	10.22	14
15	Cook Helpers/Assistants	11,945	13,268	126,465	9.53	15
16	Dishwashers					16
17	Maintenance Workers	4,446	4,731	55,990	11.83	17
18	Housekeepers	8,346	9,682	100,764	10.41	18
19	Laundry	4,217	4,909	49,937	10.17	19
20	Administrator	2,007	2,170	77,241	35.59	20
21	Assistant Administrator	2,839	3,137	95,348	30.39	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	2,037	2,246	34,799	15.49	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	1,114	1,170	17,747	15.17	31
32	Other Health Care(specify)					32
33	Other(specify) <u>Ward Clerks</u>	6,739	7,429	128,337	17.28	33
34	TOTAL (lines 1 - 33)	150,226	164,012	\$ 2,293,888 *	\$ 13.99	34

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

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	Monthly	\$ 18,005	Ln 1, Col 3	35
36	Medical Director	Monthly	15,000	Ln 9, Col 3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	1,990	Ln10, Col 3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	48	2,280	Ln11, Col 3	44
45	Social Service Consultant	96	4,781	Ln 12, Col 3	45
46	Other(specify)				46
47	<u>Religious Consultant</u>	Monthly	565	Ln12, Col 3	47
48					48
49	TOTAL (lines 35 - 48)	144	\$ 42,621		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				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)		\$		53

SEE ACCOUNTANTS' COMPILATION REPORT

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

(See instructions.)

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Elston Nursing & Rehabilitation Centre# 0004861Report Period Beginning: 1/01/2006Ending: 12/31/2006**XX. GENERAL INFORMATION:**

- (1) Are nursing employees (RN,LPN,NA) represented by a union? Yes
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. Illinois Council on Long Term Care \$6,184
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? 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 years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 8,765 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 NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 64,056
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 13,490 Has any meal income been offset against related costs? No 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 a program during this reporting period. \$ N/A
- c. What percent of all travel expense relates to transportation of nurses and patients? N/A
- d. Have vehicle usage logs been maintained? Yes
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? 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.

Glen Elston Nursing and Rehabilitation Centre, Ltd.

12/31/2006

Provider I.D. # 0004861

SCHEDULE A

SCHEDULE VII. RELATED PARTIES

Part A. Col.3

3		
OTHER RELATED BUSINESS ENTITIES		
Name	City	Type of Business
Glen Health & Home Management, Inc.	Skokie	Management Company
GlenBar Management Company, Ltd.	Skokie	Management Company
Elston Real Estate & Development LLC	Skokie	Building Lessor
Fargo Real Estate & Development, LLC	Skokie	Building Lessor - Management Company
Therapy Masters	Skokie	Therapy company
VNA Home Health of Illinois, Ltd.	Skokie	Home Health agency
VNA Private Duty of Illinois, Ltd.	Skokie	Home Health agency

See Accountants' Compilation Report

Glen Elston Nursing and Rehabilitation Centre, LTD.
 Provider #0004861
 12/31/2006

SCHEDULE B

SCHEDULE VII RELATED PARTIES

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

Name	Compensation Received From Other Nursing Homes				Total
	GlenBridge Nursing & Rehab. Centre, Ltd.	GlenCrest Nursing & Rehab. Centre, Ltd.	Glen Oaks Nursing & Rehab. Centre, Ltd.	GlenShire Nursing & Rehab. Centre, Ltd.	
Sidney Glenner	41,406	41,190	44,850	33,946	161,392
David Glenner	20,703	20,595	22,425	16,973	80,696
Jonathan Glenner	6,966	6,929	7,545	5,711	27,151
Daniel Glenner	6,854	6,818	7,424	5,619	26,715
David Weinschneider	0	0	0	0	0
Joshua Ray	41,406	41,190	44,850	33,946	161,392
Barry Ray	39,787	39,578	43,096	32,619	155,080
Total compensation received from other Nursing Homes	157,122	156,300	170,190	128,814	612,426

See Accountants' Compilation Report

Glen Elston Nursing and Rehabilitation Centre, Ltd.
 Provider # 0004861
 12/31/2006

XIX. SUPPORT SCHEDULES

SCHEDULE C

Page 21
 C. Professional Services

<u>Vendor/Payee</u>	<u>Type</u>	<u>AMOUNT</u>
Health Data Systems, Inc.	Computers	5,400
EHealth Data Solutions	Computers	5,130
Advanced Answers on Demand	Computers	5,586
Kronos	Computers	1,456
IIT Sourcedtech	Computers	850
Maxxsource Computers	Computers	1,050
RSM McGladrey	Accounting	13,250
Frost, Ruttenberg & Rothblatt	Accounting	475
Sachnoff & Weaver	Legal	2,249
Myers, Miller & Krauskopf	Legal	24,671
Ira I. Silverstein	Legal	2,400
Personnel Planners, Inc.	Unemployment Consulting	1,034
Foley & Lardner LLP	Legal	500
James O. Hamilton & Co.	Real Estate Appraisal	3,000
		<u>67,051</u>
Allocated from Management Co:		
Health Data Systems, Inc. - Computer Services		522
RSM McGladrey - Accounting Services		9,678
Frost, Roth & Ruttenberg - Accounting Services		58
Sachnoff, Weaver & Rubenstein - Legal Services		24
Total allocated from Management Co.		<u>10,282</u>
Allocated from Elston Real Estate LLC:		
Sachnoff & Weaver - Legal		1,144
James O. Hamilton & Co. - real estate appraisal		2,000
Schiller, Klein & McElroy, P.C. - real estate tax reduction		717
Total allocated from Elston Real Estate LLC.		<u>3,861</u>
Reclass James O. Hamilton & Co. - real estate appraisal to Line 33		-2,000
Reclass James O. Hamilton & Co. - real estate appraisal to Line 33		-3,000
Non-Allowable Expenses:		
Sachnoff & Weaver - Elston R.E. LLC. - out of period		-1,144
Sachnoff & Weaver - out of period		-443
Foley & Lardner LLP - non-allowable		-500
Schiller, Klein & McElroy, P.C. -Elston R.E. LLC - 4352 N. Keystone		-717
Ira I. Silverstein - A/R Collections		-2,400
Total Non-Allowable Expenses:		<u>-5,204</u>
Total allocated from Therapy Masters, Inc.		100
Total adjustments page 21, Sch C.		<u>4,039</u>
Total Schedule V, line 19, column 8		<u>71,090</u>

See Accountants' Compilation Report

Glen Elston Nursing and Rehabilitation Centre, Ltd.
Provider # 0004861
12/31/2006

SCHEDULE D

XIX. SUPPORT SCHEDULES

D. Employee Benefits and Payroll Taxes
Page 21

<u>DESCRIPTION</u>	<u>AMOUNT</u>
Allocated from Management Co.	
FICA taxes	14,475
FUTA	192
SUTA	956
Insurance - Hospital	22,862
Other Employee Benefits	2,660
Workers Compensation Insurance	649
401K Match	959
Employee Benefits	1,407
Total allocated from Management Co.	<u>44,160</u>
Allocated Employee Benefits to Line #'s 7,27	(44,160)
Allocated from Therapy Masters, Inc.	
FICA taxes	9,652
FUTA	211
SUTA	433
Insurance - Hospital	2,310
Other Employee Benefits	210
Workers Compensation Insurance	1,021
401K Match	771
Uniform Allowance	25
Total allocated from Therapy Masters, Inc.	<u>14,633</u>
Allocated Employee Benefits to Line #'s 15,27	(14,633)
Total allocated to Page 21	<u>0</u>

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Glen Elston Nursing and Rehabilitation Centre, Ltd.
Provider # 0004861
12/31/2006

SCHEDULE E

XV. SUPPORT SCHEDULES

Page 17, Line 36

<u>DESCRIPTION</u>	<u>AMOUNT</u>
Accrued Union Dues	1,632
Credit Union	(32)
Accrued Wage Assignment	(125)
Refunds Exchange	(38,930)
Patient Credit Balances	5,462
Due to Patient Trust Fund	(38,619)
Due to Third Party	146,875
Due Con. Mutual	211
Total, Page 17, Line36	<u>76,474</u>

See Accountants' Compilation Report

Glen Elston Nursing and Rehabilitation Centre, LTD
Provider # 0004861
12/31/2006

SCHEDULE F

PAGE 5, SCHEDULE VI. ADJUSTMENT DETAIL
Schedule A. Nonallowable Expenses
Line 29 - Other Non-allowable costs

<u>Description</u>	<u>Amount</u>	<u>Reference</u>
Non-allowable trust fees	(585)	43
Non-allowable professional fees	(5,204)	19
Non-allowable professional fees - real estate appraisal	(1,700)	33
Non-allowable IL Council on Long Term Care Fee	(585)	20
Non-allowable auto expense - marketing	(67)	25
Adjust Mgt. Co. Med Supplies - Med 'A' to cost	(38,815)	10
Adjust Mgt. Co. Med Supplies - 'Other' to cost	(12,501)	10
Adjust Mgt. Co. Food to cost	(33,086)	2
Total	<u>(92,543)</u>	

See Accountants' Compilation Report

Glen Elston Real Estate & Development, LLC
Accrued Real Estate Taxes
12/31/2006

SCHEDULE G

	Accrued 1/01/06	Payments	Expense	Accrued 12/31/06
Balance @ 1/01/2006:	(102,000.00)		(102,000.00)	
2005 real estate taxes paid		99,674.38	99,674.38	
Cash received 3/30/06 for reduction in 1999 real estate taxes.		(90.89)	(90.89)	
Estimated 2006 real estate taxes				
2005 taxes	99,674.38			
Estimated increase	2.50 %			
Estimated 2006 taxes	102,166.24			
USE	103,000.00		103,000.00	(103,000.00)
Totals	(102,000.00)	99,583.49	100,583.49	(103,000.00)

Real estate tax history:

	Year	Amount	Increase	
		\$	%	
1992		91,814.91		
1993		93,402.35	1,587.44	1.73%
1994		96,722.55	3,320.20	3.55%
1995		98,066.80	1,344.25	1.39%
1996		100,479.72	2,412.92	2.46%
1997		102,957.90	2,478.18	2.47%
1998		104,785.68	1,827.78	1.78%
1999		104,082.35	(703.33)	-0.67%
2000		96,382.57	(7,699.78)	-7.40%
2001		98,889.28	2,506.71	2.60%
2002		100,687.92	1,798.64	1.82%
2003		96,525.62	(4,162.30)	-4.13%
2004		98,669.73	2,144.11	2.22%
2005		99,674.38	1,004.65	1.02%

See Accountants' Compilation Report

Provider Name: Glen Elston Nursing & Rehab Center

Provider I.D. #: 0004861

Year Ended: December 31, 2006

SCHEDULE H

Training & Education

Person(s) Attending	Date Attended	Location	Title Sponsor	Total Cost
Elsa Gonzales, Steve Schayer	2/23/06	Skokie	II Council on Long Term Care 2006 Revised MDS Medicaid System	285
Nursing Staff	2/23/06	Chicago	Pulmonary Exchange Tracheostomy Care Training	65
Elsa Gonzales, Azucena Amias, Leonida Cacho	5/11/06	Skokie	II Council on Long Term Care MDS Section S	285
Elsa Gonzales, Steve Schayer, Vivian Inglesby Charlene Wells	5/23/06	Skokie	II Council on Long Term Care New 2006 Changes to the OBRA Survey	380
Maria Reyes	5/17/06	Skokie	Oakton Community College Activity Director Training Course	400
Vivian Inglesby, Elsa Gonzales	6/13/06	Skokie	II Council on Long Term Care Behavioral Changes in Dementia	250
Vivian Inglesby, Elsa Gonzales	6/22/06	Skokie	II Council on Long Term Care Training for Psychiatric Rehab	250
Charlene Wells, Steve Schayer	7/25/06	Skokie	II Council on Long Term Care Review of the MDS Medicaid system	285
OSHA Manual	7/5/06	Chicago	II Council on Long Term Care	88
Nursing Staff	8/24/06	Chicago	Pulmonary Exchange Tracheostomy Care Training	65
Nursing Staff	9/26/06	Chicago	Pulmonary Exchange Oxygen Analyzer Training	65
Vivian Inglesby, Elsa Gonzales	10/18/06	Skokie	II Council on Long Term Care Life Safety Code Violations	190
Vivian Inglesby, Elsa Gonzales	12/05/06	Skokie	II Council on Long Term Care Medicaid Regulations	190
Rafael Chavez	11/17/06	Chicago	Food Service Sanitation Course Dietary Sanitation Course	250
Connie Neesan	9/29/06	Chicago	Cynthia Chow & Associates Sanitation course	85
			Allocated From Management Company	360
			Allocated From Therapy Masters	480
			Total	<u>3,973</u>

SEE ACCOUNTANTS' COMPILATION REPORT

Glen Elston Nursing and Rehabilitation Centre, LTD.
Provider #0004861
12/31/2006

SCHEDULE I

Page 3, Schedule V, Line 25, Col 8
Other Admin. Staff Transportation

	<u>Gasoline</u>	<u>License/ Stickers</u>	<u>Mileage Reimbursement</u>	<u>Total</u>
Direct Expense	10,157	156	532	10,845
Non-allowable Marketing Expense				-67
Allocated from Therapy Masters, Inc.				282
Allocated from Management Company				3,748
TOTAL	<u>10,157</u>	<u>156</u>	<u>532</u>	<u>14,808</u>

See Accountants' Compilation Report

HEALTH AND HOME MANAGEMENT, INC.
ALLOCATION OF MANAGEMENT COMPANY BUILDING

SCHEDULE J

ASSET DESCRIPTION	COST 6/30/1999	ADJUSTMENTS TO CAPITAL PROJECTION	ADJUSTED CAPITAL PROJECTION 6/30/1999	ADDITIONS 7/1/99- 12/31/2000	COST 12/31/2000	NURSING HOME PERCENTAGE 84.9438%	GLENBRIDGE 103,052/460,292 0.223883969	GLENCREST 111,372/460,292 0.241959452	GLEN OAKS 101,895/460,292 0.221370348	GLEN ELSTON 41,220/460,292 0.08955185	GLENSHIRE 102,753/460,292 0.223234382
1996 BUILDING PURCHASE	230,000		230,000		<u>230,000</u>	195,371	43,740	47,272	43,249	17,496	43,613
1998 BUILDING RENOVATION											
GENERAL CONTRACTOR	957,570		957,570		957,570						
ELECTRICAL CONTRACTOR	275,576		275,576		275,576						
HVAC CONTRACTOR	182,130		182,130		182,130						
PLUMBING CONTRACTOR	68,599		68,599		68,599						
ARCHITECT FEES	115,968		115,968		115,968						
OTHER FEES AND PERMITS	33,024		33,024		33,024						
SECURITY SYSTEM	17,953		17,953		17,953						
TELEPHONE SYSTEM	12,500		12,500		12,500						
MISC. BUILDING COMPONENTS	24,226		24,226		24,226						
CAPITALIZED INTEREST	121,387	-15,261	106,126		106,126						
LANDSCAPING	30,000		30,000		30,000						
SPRINKLER SYSTEM	10,720		10,720		10,720						
HVAC SYSTEMS	24,749	-24,749	0								
WALL CONSTRUCTION	10,235	-10,235	0								
ELECTRICAL	10,634	-10,634	0								
MISC. IMPROVEMENTS	26,075	-26,075	0								
ASPHALT DRIVEWAY	5,900	-5,900	0								
					<u>1,834,392</u>	1,558,202	348,857	377,022	344,940	139,540	347,844
1999 ACCORD ELECTRIC				17,929	17,929						
HMS + ASSOCIATES-INTERIOR				31,505	31,505						
SAM MORMINO-LANDSCAPING				1,050	1,050						
ARCHITECTURAL DYNAMICS-ARCHITECT FEES				1,468	1,468						
MISC.				11,076	11,076						
					<u>63,028</u>	53,538	11,986	12,954	11,852	4,794	11,952
2000 AQUATIC WORKS - BUILT-IN FISH TANK				5,000	5,000						
					<u>5,000</u>	4,247	951	1,028	940	380	948
2001 NO ADDITIONS											
2002 NO ADDITIONS											
2003 NO ADDITIONS											
2004 NO ADDITIONS											
2005 NO ADDITIONS											
2006 NO ADDITIONS											
					<u>2,132,420</u>	<u>1,811,359</u>	<u>405,534</u>	<u>438,276</u>	<u>400,981</u>	<u>162,210</u>	<u>404,357</u>

See Accountants' Compilation Report

Glen Elston Nursing and Rehabilitation Centre, Ltd.
Provider # 0004861
12/31/2006

XIX. SUPPORT SCHEDULES

SCHEDULE K

Page 21
F. Dues, Fees, Subscriptions and Promotions

<u>Description</u>	<u>AMOUNT</u>
Illinois Council on Long Term Care Dues	6,764
Polish Daily News Subscription	80
Employment Fees	4,651
Secretary of State Annual Report Fee	100
CLIA Laboratory Program Certificate Fee	150
City of Chicago Permits and Inspections	1,460
Non-allowable Illinois Council on Long Term Care fee	-585
Total adjustments page 21, Sch F.	<u><u>12,620</u></u>

See Accountants' Compilation Report