

		FOR BHF USE				

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2006
STATE OF ILLINOIS
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2006)

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

I. IDPH Facility ID Number: 0037853

Facility Name: Heritage Manor-Dwight

Address: 300 East Mazon Avenue Dwight 60420
 Number City Zip Code

County: Livingston

Telephone Number: (815) 584-1240 Fax # ()

HFS ID Number: 370909086015

Date of Initial License for Current Owners: 1992

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: Craig Ater **Telephone Number:** (309) 823-7135

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/06 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) <u>Craig L. Ater</u>	
	(Title) <u>Senior V.P. & CFO</u>	
Paid Preparer	(Signed) _____	(Date) _____
	(Print Name and Title) _____	
	(Firm Name & Address) _____	
	(Telephone) () _____ Fax # () _____	

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

Facility Name & ID Number Heritage Manor-Dwight

0037853 Report Period Beginning: 01/01/06 Ending: 12/31/06

III. STATISTICAL DATA

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

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>111</u>	Skilled (SNF)	<u>111</u>	<u>40,515</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>111</u>	TOTALS	<u>111</u>	<u>40,515</u>	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		2 Medicaid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF	<u>10,801</u>	<u>8,619</u>	<u>3,866</u>	<u>23,286</u>	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>10,801</u>	<u>8,619</u>	<u>3,866</u>	<u>23,286</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 57.48%

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

0 (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 1992

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 _____ and days of care provided 3,866

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: _____ Fiscal Year: _____

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

Facility Name & ID Number Heritage Manor-Dwight # 0037853 Report Period Beginning: 01/01/06 Ending: 12/31/06

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	172,615	8,782		181,397		181,397	4,666	186,063		1
2	Food Purchase		131,484		131,484		131,484	5	131,489		2
3	Housekeeping	87,870	12,750		100,620		100,620		100,620		3
4	Laundry	45,409	9,985		55,394		55,394		55,394		4
5	Heat and Other Utilities			114,415	114,415		114,415	1,253	115,668		5
6	Maintenance	45,650	30,479	26,085	102,214		102,214	11,485	113,699		6
7	Other (specify):*										7
8	TOTAL General Services	351,544	193,480	140,500	685,524		685,524	17,409	702,933		8
	B. Health Care and Programs										
9	Medical Director			11,209	11,209		11,209	1,719	12,928		9
10	Nursing and Medical Records	929,045	111,966	61,890	1,102,901		1,102,901		1,102,901		10
10a	Therapy		325,723	269,123	594,846	(380,901)	213,945	43,533	257,478		10a
11	Activities	61,656	4,065		65,721		65,721	1,226	66,947		11
12	Social Services	49,505		2,014	51,519		51,519		51,519		12
13	CNA Training	1,057			1,057		1,057	1,633	2,690		13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	1,041,263	441,754	344,236	1,827,253	(380,901)	1,446,352	48,111	1,494,463		16
	C. General Administration										
17	Administrative	73,088			73,088		73,088	63,647	136,735		17
18	Directors Fees							5,261	5,261		18
19	Professional Services			232,313	232,313		232,313	(220,947)	11,366		19
20	Dues, Fees, Subscriptions & Promotions			105,277	105,277	(50,370)	54,907	(29,873)	25,034		20
21	Clerical & General Office Expenses	97,223	8,276	17,159	122,658		122,658	129,172	251,830		21
22	Employee Benefits & Payroll Taxes			341,351	341,351		341,351	30,014	371,365		22
23	Inservice Training & Education			1,408	1,408		1,408	591	1,999		23
24	Travel and Seminar			6,088	6,088		6,088	(4,089)	1,999		24
25	Other Admin. Staff Transportation										25
26	Insurance-Prop.Liab.Malpractice			66,351	66,351		66,351	1,765	68,116		26
27	Other (specify):*			(19,000)	(19,000)		(19,000)	19,000			27
28	TOTAL General Administration	170,311	8,276	750,947	929,534	(50,370)	879,164	(5,459)	873,705		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	1,563,118	643,510	1,235,683	3,442,311	(431,271)	3,011,040	60,061	3,071,101		29

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

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

Facility Name & ID Number Heritage Manor-Dwight #0037853 Report Period Beginning: 01/01/06 Ending: 12/31/06

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			34,198	34,198		34,198	10,390	44,588			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			16,677	16,677		16,677	14,893	31,570			32
33	Real Estate Taxes			46,616	46,616		46,616		46,616			33
34	Rent-Facility & Grounds			198,458	198,458		198,458	5,595	204,053			34
35	Rent-Equipment & Vehicles			6,291	6,291		6,291	1,354	7,645			35
36	Other (specify):*											36
37	TOTAL Ownership			302,240	302,240		302,240	32,232	334,472			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers					380,901	380,901		380,901			39
40	Barber and Beauty Shops			7,685	7,685		7,685		7,685			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee					50,370	50,370		50,370			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers			7,685	7,685	431,271	438,956		438,956			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	1,563,118	643,510	1,545,608	3,752,236		3,752,236	92,293	3,844,529			45

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

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning: 01/01/06

Ending: 12/31/06

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		35		5
6	Rented Facility Space		34		6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation		30		9
10	Interest and Other Investment Income	(78)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax		2		13
14	Non-Care Related Interest		32		14
15	Non-Care Related Owner's Transactions		33		15
16	Personal Expenses (Including Transportation)		24		16
17	Non-Care Related Fees	(991)	20		17
18	Fines and Penalties				18
19	Entertainment	(12,767)	24		19
20	Contributions		27		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(2,858)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	19,000	27		24
25	Fund Raising, Advertising and Promotional	(33,883)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule		33		29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (31,577)		\$	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)	123,870		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ 123,870		36
37	TOTAL ADJUSTMENTS (A) and (B)	\$ 92,293		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.			\$		38
39						39
40	Gift and Coffee Shops					40
41	Barber and Beauty Shops					41
42	Laboratory and Radiology					42
43	Prescription Drugs					43
44	Exceptional Care Program					44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	TOTAL (C): (sum of lines 38-46)			\$		47

BHF USE ONLY					
48		49		50	
				51	
					52

Heritage Manor-Dwight

ID# 0037853

Report Period Beginning: 01/01/06

Ending: 12/31/06

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference
1	\$		1
2			2
3			3
4			4
5		0	35
6		0	34
7			7
8			8
9		0	30
10			32
11			11
12			12
13		0	2
14			32
15		0	33
16			24
17		(991)	20
18			18
19			24
20		0	27
21			21
22		(2,858)	19
23			23
24		19,000	27
25		(33,883)	20
26			26
27			27
28			28
29		0	33
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	(18,732)	49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning:

01/01/06

Ending:

12/31/06

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

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	4,666	0	0	0	0	0	0	0	0	4,666	1
2	Food Purchase	0	0	5	0	0	0	0	0	0	0	0	5	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	1,253	0	0	0	0	0	0	0	0	1,253	5
6	Maintenance	0	0	11,485	0	0	0	0	0	0	0	0	11,485	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	0	0	17,409	0	0	0	0	0	0	0	0	17,409	8
	B. Health Care and Programs													
9	Medical Director	0	0	1,719	0	0	0	0	0	0	0	0	1,719	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	43,533	0	0	0	0	0	0	0	0	0	43,533	10a
11	Activities	0	0	1,226	0	0	0	0	0	0	0	0	1,226	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	1,633	0	0	0	0	0	0	0	0	1,633	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	TOTAL Health Care and Programs	0	43,533	4,578	0	0	0	0	0	0	0	0	48,111	16
	C. General Administration													
17	Administrative	0	0	63,647	0	0	0	0	0	0	0	0	63,647	17
18	Directors Fees	0	0	5,261	0	0	0	0	0	0	0	0	5,261	18
19	Professional Services	(2,858)	(229,455)	11,366	0	0	0	0	0	0	0	0	(220,947)	19
20	Fees, Subscriptions & Promotions	(34,874)	0	5,001	0	0	0	0	0	0	0	0	(29,873)	20
21	Clerical & General Office Expenses	0	0	129,172	0	0	0	0	0	0	0	0	129,172	21
22	Employee Benefits & Payroll Taxes	0	0	30,014	0	0	0	0	0	0	0	0	30,014	22
23	Inservice Training & Education	0	0	591	0	0	0	0	0	0	0	0	591	23
24	Travel and Seminar	(12,767)	0	8,678	0	0	0	0	0	0	0	0	(4,089)	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	0	1,765	0	0	0	0	0	0	0	0	1,765	26
27	Other (specify):*	19,000	0	0	0	0	0	0	0	0	0	0	19,000	27
28	TOTAL General Administration	(31,499)	(229,455)	255,495	0	0	0	0	0	0	0	0	(5,459)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(31,499)	(185,922)	277,482	0	0	0	0	0	0	0	0	60,061	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning:

01/01/06 Ending:

12/31/06

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

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
30	Depreciation	0	0	0	10,390	0	0	0	0	0	0	0	10,390	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(78)	0	0	14,971	0	0	0	0	0	0	0	14,893	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	0	0	0	5,595	0	0	0	0	0	0	0	5,595	34
35	Rent-Equipment & Vehicles	0	0	0	1,354	0	0	0	0	0	0	0	1,354	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	(78)	0	0	32,310	0	0	0	0	0	0	0	32,232	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):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	0	0	0	0	0	0	0	0	0	0	0	0	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(31,577)	(185,922)	277,482	32,310	0	0	0	0	0	0	0	92,293	45

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning:

01/01/06

Ending:

12/31/06

VII. RELATED PARTIES

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

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
See Attached						

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		\$			\$	\$
2	V	10a Adjustment for Related Organization					
3	V						
4	V	19 Adjustment for Related Organization	229,455	Heritage Enterprises, Inc.			(229,455)
5	V						
6	V	10a Adjustment for Related Organization		GreenTree Pharmacy		43,533	43,533
7	V						
8	V						
9	V						
10	V						
11	V						
12	V						
13	V						
14	Total		\$ 229,455			\$ 43,533	\$ * (185,922)

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

Facility Name & ID Number Heritage Manor-Dwight# 0037853Report Period Beginning: 01/01/06Ending: 12/31/06

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	1 Dietary	\$	Heritage Enterprises, Inc.	100.00%	\$ 4,666	\$ 4,666	15
16	V	2 Food Purchase				5	5	16
17	V	3 Housekeeping				0		17
18	V	4 Laundry				0		18
19	V	5 Heat & Other Utilities				1,253	1,253	19
20	V	6 Maintenance				11,485	11,485	20
21	V	7 Other				0		21
22	V	9 Medical Director				1,719	1,719	22
23	V	10 Nursing & Medical Records				0		23
24	V	11 Activities				1,226	1,226	24
25	V	12 Social Service				0		25
26	V	13 Nurse Aide Training				1,633	1,633	26
27	V	14 Program Transportation				0		27
28	V	15 Other				0		28
29	V	17 Administrative				63,647	63,647	29
30	V	18 Directors Fees				5,261	5,261	30
31	V	19 Professional Services				11,366	11,366	31
32	V	20 Fees, Subscription, Promotions				5,001	5,001	32
33	V	21 Clerical & General Office Expenses				129,172	129,172	33
34	V	22 Employee Benefits & Payroll Taxes				30,014	30,014	34
35	V	23 Inservice Training & Education				591	591	35
36	V	24 Travel and Seminar				8,678	8,678	36
37	V	25 Other Admin. Staff Transportation				0		37
38	V	26 Insurance-Prop.Liab.Malpract				1,765	1,765	38
39	Total		\$			\$ 277,482	\$ * 277,482	39

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

Facility Name & ID Number Heritage Manor-Dwight# 0037853Report Period Beginning: 01/01/06Ending: 12/31/06**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	27	Other	\$	Heritage Enterprises, Inc.	100.00%	\$ 0	\$	15	
16	V	30	Depreciation				10,390		16	
17	V	31	Amortization of Pre-Op & Org				0		17	
18	V	32	Interest				14,971		18	
19	V	33	Real Estate Taxes				0		19	
20	V	34	Rent-Facility & Grounds				5,595		20	
21	V	35	Rent-Equipment & Vehicles				1,354		21	
22	V	36	Other				0		22	
23	V	38	Medically Nec Transportation				0		23	
24	V	39	Ancillary Service Centers				0		24	
25	V	40	Barber and Beauty Shops				0		25	
26	V	41	Coffee and Gift Shops				0		26	
27	V	42	Other				0		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			\$			\$ 32,310	\$ *	32,310	39

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

Facility Name & ID Number Heritage Manor-Dwight # 0037853 Report Period Beginning: 01/01/06 Ending: 12/31/06

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	Susie Jefferson	Director	Management	15.86		10	100.00	Brd Fees/salar	\$ 13,950	Line 17/18	1
2	Craig Hart	Chairman	Management	31.95		10	100.00	Brd Fees/salary	16,644	Line 17/18	2
3	Cheryl Lowney	Executive Vice Presi	Management	0.49		40	100.00	Brd Fees/salary	9,522	Line 17/18	3
4	Steve Wannemacher	President	Management	0.42		40	100.00	Brd Fees/salary	12,457	Line 17/18	4
5	Connie Hoselton	Sr Vice President	Management	0.27		40	100.00	Brd Fees/salary	6,228	Line 17/18	5
6	Craig Ater	Sr Vice President	Management	0.34		40	100.00	Brd Fees/salary	7,020	Line 17/18	6
7	Ben Hart	Vice President	Management	3.20		40	100.00	Brd Fees/salary	3,087	Line 17/18	7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 68,908		13

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

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

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning:

01/01/06

Ending: 12/31/06

VIII. ALLOCATION OF INDIRECT COSTS

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

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

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

1	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	1	Dietary	Beds 2,624	25	\$ 133,074	\$ 132,833	92	\$ 4,666	1
2	2	Food Purchase	Beds 2,624	25	143	0	92	5	2
3	3	Housekeeping	Beds 2,624	25	0	0	92	0	3
4	4	Laundry	Beds 2,624	25	0	0	92	0	4
5	5	Heat & Other Utilities	Beds 2,624	25	35,724	0	92	1,253	5
6	6	Maintenance	Beds 2,624	25	327,581	62,300	92	11,485	6
7	7	Other	Beds 2,624	25	0	0	92	0	7
8	9	Medical Director	Beds 2,624	25	49,042	0	92	1,719	8
9	10	Nursing & Medical Records	Beds 2,624	25	0	49,042	92	0	9
10	11	Activities	Beds 2,624	25	34,967	0	92	1,226	10
11	12	Social Service	Beds 2,624	25	0	34,801	92	0	11
12	13	Nurse Aide Training	Beds 2,624	25	46,566	41,273	92	1,633	12
13	14	Program Transportation	Beds 2,624	25	0	0	92	0	13
14	15	Other	Beds 2,624	25	0	0	92	0	14
15	17	Administrative	Beds 2,624	25	1,815,310	1,815,310	92	63,647	15
16	18	Directors Fees	Beds 2,624	25	150,067	0	92	5,261	16
17	19	Professional Services	Beds 2,624	25	324,175	0	92	11,366	17
18	20	Fees, Subscription, Promotions	Beds 2,624	25	142,650	0	92	5,001	18
19	21	Clerical & General Office Expense	Beds 2,624	25	3,684,216	3,344,318	92	129,172	19
20	22	Employee Benefits & Payroll Tax	Beds 2,624	25	856,060	0	92	30,014	20
21	23	Inservice Training & Education	Beds 2,624	25	16,846	0	92	591	21
22	24	Travel and Seminar	Beds 2,624	25	247,517	0	92	8,678	22
23	25	Other Admin. Staff Transportatio	Beds 2,624	25	0	0	92	0	23
24	26	Insurance-Prop.Liab.Malpract	Beds 2,624	25	50,353	0	92	1,765	24
25	TOTALS				\$ 7,914,291	\$ 5,479,877		\$ 277,482	25

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning:

01/01/06

Ending: 12/31/06

VIII. ALLOCATION OF INDIRECT COSTS

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

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

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

1	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	27	Other	Beds	2,624	25	\$	92	\$	1
2	30	Depreciation	Beds	2,624	25	296,327	92	10,390	2
3	31	Amortization of Pre-Op & Org	Beds	2,624	25		92		3
4	32	Interest	Beds	2,624	25	426,988	92	14,971	4
5	33	Real Estate Taxes	Beds	2,624	25		92		5
6	34	Rent-Facility & Grounds	Beds	2,624	25	159,570	92	5,595	6
7	35	Rent-Equipment & Vehicles	Beds	2,624	25	38,632	92	1,354	7
8	36	Other	Beds	2,624	25		92		8
9	38	Medically Nec Transportation	Beds	2,624	25		92		9
10	39	Ancillary Service Centers	Beds	2,624	25		92		10
11	40	Barber and Beauty Shops	Beds	2,624	25		92		11
12	41	Coffee and Gift Shops	Beds	2,624	25		92		12
13	42	Other	Beds	2,624	25		92		13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 921,517	\$	\$ 32,310	25

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											
										Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
											YES	NO				Original	Balance			
A. Directly Facility Related																				
Long-Term																				
1	LsSalle National Bank		xx	Mortgage	13440 + Int	4/1/2006	\$	\$	4/1/2011	variable	\$	1								
2	LsSalle National Bank		xx	Mortgage								2								
3												3								
4												4								
5												5								
Working Capital																				
6	LsSalle National Bank		xx	Working Capital						variable	16,677	6								
7	LsSalle National Bank		xx									7								
8												8								
9	TOTAL Facility Related						\$	\$			\$	16,677	9							
B. Non-Facility Related*																				
10	Interest Income										(78)	10								
11	Allocated Corporate										14,971	11								
12												12								
13												13								
14	TOTAL Non-Facility Related						\$	\$			\$	14,893	14							
15	TOTALS (line 9+line14)						\$	\$			\$	31,570	15							

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

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

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

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 Heritage Manor-Dwight COUNTY Livingston

FACILITY IDPH LICENSE NUMBER 0037853

CONTACT PERSON REGARDING THIS REPORT _____

TELEPHONE () _____ FAX #: () _____

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 Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Tax Applicable to Nursing Home</u>
1. <u>05-04-483-011</u>	<u>Nursing Home</u>	\$ <u>747.00</u>	\$ <u>747.00</u>
2. <u>05-04-483-002</u>	<u></u>	\$ <u>1,096.00</u>	\$ <u>1,096.00</u>
3. <u>05-04-483-001</u>	<u></u>	\$ <u>41,666.00</u>	\$ <u>41,666.00</u>
4. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
5. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
6. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
7. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
8. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
9. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
10. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
TOTALS		\$ <u>43,509.00</u>	\$ <u>43,509.00</u>

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? YES 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 Heritage Manor-Dwight

0037853 Report Period Beginning:

01/01/06 Ending:

12/31/06

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 11,294 B. General Construction Type: Exterior Brick/Wood Frame Wood Number of Stories 1

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).

none

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

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

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

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1				\$	1
2					2
3	TOTALS			\$	3

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning:

01/01/06

Ending:

12/31/06

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

	1 Beds*	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	
4	92				\$	\$		\$	\$	\$	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9		1992 Improvements			8,456						9
10		1993 Improvements			586,243						10
11		1994 Improvements			12,874						11
12		1995 Improvements			496						12
13		Water Heater		1996	7,350						13
14		Interior Rehab (see attached)		1997	118,804						14
15		Garbage Disposal		1997	983						15
16											16
17		Parking Lot		1998	2,717						17
18		Interior Rehab		1998	17,242						18
19											19
20		Alarm Repair/Replacement		1999	1,120						20
21		Air Conditioning Unit		1999	2,461						21
22		Shower Room Repair		1999	6,345						22
23											23
24		Fire Dampers		2000	1,290						24
25		Boiler		2000	1,540						25
26											26
27		Water Heater		2001	7,200						27
28		Window Replacements		2001	4,437						28
29		Flooring -- Kitchen		2001	604						29
30		Code Alert System		2001	933						30
31		Motor Reolacement--A/C		2001	1,398						31
32											32
33											33
34		C/O Allocation						10,390	10,390		34
35		Book Depreciation				20,616		20,616		738,529	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

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning:

01/01/06

Ending:

12/31/06

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	A/C compressor	2002	\$ 582	\$		\$	\$	\$	37
38	Boiler Tubing	2002	11,208						38
39	Backflow preventor	2002	2,803						39
40	Wallcoverings	2002	21,813						40
41	Compressor	2002	1,175						41
42	Rooftop A/C unit	2002	20,169						42
43									43
44	Wallcoverings	2003	1,528						44
45	Rooftop A/C unit	2003	(9,766)						45
46	Exterior Doors	2003	3,121						46
47	30 Gallon Tank	2003	1,056						47
48	Compressor	2003	1,839						48
49	Walk in Freezer	2003	3,301						49
50	Disposal	2003	771						50
51									51
52	Fire Supression System	2004	1,523						52
53	Pump	2004	714						53
54	Boiler	2004	13,085						54
55	Water Softener	2004	1,467						55
56	Parking Lot Sealant	2004	2,800						56
57	Laundry drain	2004	2,350						57
58									58
59	Motor --Circulator	2005	1,674						59
60	Water Heater	2005	10,113						60
61	Kitchen Door	2005	240						61
62	A/C compressor	2005	175						62
63	Generator Panel	2005	833						63
64	Closet Rehab	2005	1,137						64
65	Exterior Lights	2005	127						65
66	A/C compressor	2005	4,597						66
67	Kitchen Water Heater	2005	1,059						67
68	Sidewalks	2005	7,450						68
69	Boiler Repair	2005	1,967						69
70	TOTAL (lines 4 thru 69)		\$ 893,404	\$ 20,616		\$ 31,006	\$ 10,390	\$ 738,529	70

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

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning:

01/01/06

Ending:

12/31/06

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		\$ 893,404	\$ 20,616		\$ 31,006	\$ 10,390	\$ 738,529	1
2									2
3	Inline exhaust	2006	2,465						3
4	A/C compressor	2006	8,093						4
5	Exhaust fan	2006	2,435						5
6	Roof	2006	97,870						6
7	Dayroom -- paint	2006	1,200						7
8	Sewer	2006	2,260						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	TOTAL (lines 1 thru 33)		\$ 1,007,727	\$ 20,616		\$ 31,006	\$ 10,390	\$ 738,529	34

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

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning:

01/01/06

Ending:

12/31/06

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	\$ 1,007,727	\$ 20,616		\$ 31,006	\$ 10,390	\$ 738,529		1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)	\$ 1,007,727	\$ 20,616		\$ 31,006	\$ 10,390	\$ 738,529		34

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

Facility Name & ID Number Heritage Manor-Dwight # 0037853 Report Period Beginning: 01/01/06 Ending: 12/31/06

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	\$ 340,621	\$ 13,582	\$ 13,582	\$		\$ 318,465	71
72	Current Year Purchases	20,383						72
73	Fully Depreciated Assets							73
74								74
75	TOTALS	\$ 361,004	\$ 13,582	\$ 13,582	\$		\$ 318,465	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				\$	\$	\$	\$		\$	76
77										77
78										78
79										79
80	TOTALS			\$	\$	\$	\$		\$	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)	\$ 1,368,731	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 34,198	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 44,588	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 10,390	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 1,056,994	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: _____

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:		92	1992	\$ 198,458	10	10	3
4	Additions							4
5								5
6								6
7	TOTAL		92		\$ 198,458			7

10. Effective dates of current rental agreement:

Beginning 2002

Ending 2012

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

Fiscal Year Ending Annual Rent

12.	<u>/2007</u>	\$ <u>198,458</u>
13.	<u>/2008</u>	\$ <u>198,458</u>
14.	<u>/2009</u>	\$ <u>198,458</u>

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

This amount was calculated by dividing the total amount to be amortized _____
by the length of the lease _____.

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

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

15. Is Movable equipment rental included in building rental? _____

YES NO

16. Rental Amount for movable equipment: \$ 7,645 Description: _____

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$ _____	\$ _____	17
18					18
19					19
20					20
21	TOTAL		\$ _____	\$ _____	21

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

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

XIII. EXPENSES RELATING TO 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?</p> <p><input type="checkbox"/> YES <input type="checkbox"/> NO</p> <p>If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
--	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

		Facility		3	4
		1	2		
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)		1,057		1,057
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$ 1,057	\$	\$ 1,057
10	SUM OF line 9, col. 1 and 2 (e)	\$	1,057		

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.

Facility Name & ID Number Heritage Manor-Dwight# 0037853

Report Period Beginning:

01/01/06

Ending:

12/31/06

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		hrs	\$		\$ 134,241	\$		\$ 134,241	1
2	Licensed Speech and Language Development Therapist		hrs			35,272			35,272	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist		hrs			87,965	0		87,965	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy		# of prescrpts				369,256		369,256	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify):					11,645			11,645	13
14	TOTAL			\$		\$ 269,123	\$ 369,256		\$ 638,379	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.

Facility Name & ID Number Heritage Manor-Dwight# 0037853Report Period Beginning: 01/01/06

Ending:

12/31/06

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/06

(last day of reporting year)

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

		1	2	
		Operating	After	
			Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ 19,573	\$	1
2	Cash-Patient Deposits	7,484		2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	350,108		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	25,771		6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	471,869		8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 874,805	\$	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land			13
14	Buildings, at Historical Cost	1,007,728		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	361,004		16
17	Accumulated Depreciation (book methods)	(1,056,994)		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): <u>Loan Fees</u>			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 311,738	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,186,543	\$	25

		1	2	
		Operating	After	
			Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 120,554	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	7,484		28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	164,167		30
31	Accrued Taxes Payable (excluding real estate taxes)	2,496		31
32	Accrued Real Estate Taxes(Sch.IX-B)	45,684		32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36				36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 340,385	\$	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43	<u>Deposits</u>			43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 340,385	\$	46
47	TOTAL EQUITY (page 18, line 24)	\$ 846,158	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 1,186,543	\$	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 782,257	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 782,257	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	63,901	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ 63,901	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)	\$ 846,158	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Heritage Manor-Dwight# 0037853Report Period Beginning: 01/01/06Ending: 12/31/06**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	\$ 3,715,820	1
2	Discounts and Allowances for all Levels	(1,384,111)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 2,331,709	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	885,187	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 885,187	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	5,703	12
13	Barber and Beauty Care	10,738	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	582,722	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services		21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 599,163	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	78	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 78	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28			28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 3,816,137	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	685,524	31
32	Health Care	1,827,253	32
33	General Administration	929,534	33
B. Capital Expense			
34	Ownership	302,240	34
C. Ancillary Expense			
35	Special Cost Centers	7,685	35
36	Provider Participation Fee		36
D. Other Expenses (specify):			
37	Non Nursing Home Expenses		37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 3,752,236	40
41	Income before Income Taxes (line 30 minus line 40)**	63,901	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 63,901	43

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

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

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

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

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning:

01/01/06

Ending:

12/31/06

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	1,756	2,110	\$ 47,305	\$ 22.42	1
2	Assistant Director of Nursing			0		2
3	Registered Nurses	7,025	7,366	155,453	21.10	3
4	Licensed Practical Nurses	9,841	10,409	199,002	19.12	4
5	CNAs & Orderlies	39,615	43,003	464,320	10.80	5
6	CNA Trainees	110	110	1,057	9.61	6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	3,540	4,024	62,965	15.65	8
9	Activity Director					9
10	Activity Assistants	4,941	5,364	61,656	11.49	10
11	Social Service Workers	3,480	3,930	49,505	12.60	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	17,863	19,218	172,615	8.98	15
16	Dishwashers					16
17	Maintenance Workers	3,325	3,496	45,650	13.06	17
18	Housekeepers	9,569	10,172	87,870	8.64	18
19	Laundry	5,632	6,123	45,409	7.42	19
20	Administrator	1,950	2,080	73,088	35.14	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	5,010	6,046	97,223	16.08	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					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	113,657	123,451	\$ 1,563,118 *	\$ 12.66	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		\$ 0		35
36	Medical Director		11,209		36
37	Medical Records Consultant		1,317		37
38	Nurse Consultant				38
39	Pharmacist Consultant		2,760		39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant		2,014		45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)		\$ 17,300		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses		\$ 15,032		50
51	Licensed Practical Nurses		18,681		51
52	Certified Nurse Assistants/Aides		21,052		52
53	TOTAL (lines 50 - 52)		\$ 54,765		53

Facility Name & ID Number Heritage Manor-Dwight

0037853

Report Period Beginning: 01/01/06

Ending: 12/31/06

XIX. SUPPORT SCHEDULES

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
Randy Provence	Admin	0	\$ 73,088	Workers' Compensation Insurance	\$ 66,893	IDPH License Fee	\$ 0	
				Unemployment Compensation Insurance	(69,954)	Advertising: Employee Recruitment	10,180	
				FICA Taxes	215,813	Health Care Worker Background Check		
				Employee Health Insurance	101,688	(Indicate # of checks performed)	2,080	
				Employee Meals		Patient Background Checks		
				Illinois Municipal Retirement Fund (IMRF)*		Promotional Advertising	21,698	
					0	Public Relations	12,185	
				Employee Benefits -	26,911	Dues and Subscriptions	6,403	
				Employee Benefits - central office	30,014	License and Fees	2,361	
						Central Office Allocation	5,001	
						Less: Public Relations Expense	(12,185)	
						Non-allowable advertising	(991)	
						Yellow page advertising	(21,698)	
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)						TOTAL (agree to Sch. V, line 20, col. 8)		
					\$ 371,365			
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
Description			Amount	Description	Line #	Amount	Description	Amount
			\$			\$	Out-of-State Travel	\$
							In-State Travel	
								2,350
								399
							Seminar Expense	3,339
								(12,767)
							Central Office Allocation	8,678
							Entertainment Expense	()
							(agree to Sch. V, line 24, col. 8)	
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$	TOTAL			\$	1,999
C. Professional Services								
Vendor/Payee	Type		Amount					
Heritage Enterprises	Mgt Fees		\$ 229,455					
			0					
			0					
			0					
			0					
			2,858					
			0					
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 232,313					

* Attach copy of IMRF notifications

**See instructions.

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. Illinois Healthcare Association
- (3) Did the nursing home make political contributions or payments to a political action organization? yes If YES, have these costs been properly adjusted out of the cost report? yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? no If YES, what is the capacity? _____
- (5) Have you properly capitalized all major repairs and equipment purchases? yes
What was the average life used for new equipment added during this period? 7 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 5,000 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? no
If YES, give effective date of lease. _____
- (9) Are you presently operating under a sublease agreement? _____ YES xx NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES _____ NO xx If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.

- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 50,370
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? no If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? yes 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. \$ 0 Has any meal income been offset against related costs? yes Indicate the amount. \$ 1,343
- (16) Travel and Transportation
- a. Are there costs included for out-of-state travel? no
If YES, attach a complete explanation.
- b. Do you have a separate contract with the Department to provide medical transportation for residents? no If YES, please indicate the amount of income earned from such a program during this reporting period. \$ _____
- c. What percent of all travel expense relates to transportation of nurses and patients? _____
- d. Have vehicle usage logs been maintained? yes
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? yes
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? _____
- g. Does the facility transport residents to and from day training? _____**
Indicate the amount of income earned from providing such transportation during this reporting period. \$ _____
- (17) Has an audit been performed by an independent certified public accounting firm? yes
Firm Name: Sulaski & Webb The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? no If no, please explain. Not available at this time
- (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.

Name	Title	Function	Ownership Interest	Compensation Received From Other Homes	Week Devoted to this Business and % of Total Work Week	Description	Compensation in Costs if Reporting	Schedule V Line & Column	Total Pay	Amount Paid by Mgmt	Total # Beds	Facility # Beds	Nursing Home	Nursing Home	This Facility
#REF!	Susie Jeffe	Director	0	383,903	10	0 Salary	13,950	ine 17, col 1	#REF!	417,825	417,825	19,972	397,853	13,949	
#REF!	Craig Hart	Chairman	0	458,065	10	0 Salary	16,644	ine 17, col 1	#REF!	498,540	498,540	23,831	474,709	16,644	
#REF!	Cheryl Lov	Executive	0	262,072	50	1 Salary	9,522	ine 17, col 1	#REF!	285,228	285,228	13,634	271,594	9,522	
#REF!	Steve War	President	0	342,846	50	1 Salary	12,457	ine 17, col 1	#REF!	373,139	373,139	17,836	355,303	12,457	
#REF!	Connie Ho	Sr Vice Pres	0	171,398	40	1 Salary	6,228	ine 17, col 1	#REF!	186,543	186,543	8,917	177,626	6,228	
#REF!	Craig Ater	Sr Vice Pres	0	193,216	50	1 Salary	7,020	ine 17, col 1	#REF!	210,288	210,288	10,052	200,236	7,020	
	Ben Hart	Vice Pres		84,969			3,087			92,476	92,476	4,420	88,056	3,087	
13				1,896,469		TOTAL	68,908		13	2,064,039	2,064,039		1,965,377	68,907	

* 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 homes(s) as well as the amount paid. This amount must agree to the amounts disclosed.

#REF! 0 ##### total salaries
65,821 #####

**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.

0 total mgt fees

