

		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: 0041517

Facility Name: Heritage Manor-Gillespie

Address: 7588 Staunton Road Gillespie 62033
 Number City Zip Code

County: Macoupin

Telephone Number: (217) 839-2171 Fax # ()

HFS ID Number: 370909086017

Date of Initial License for Current Owners: 1996

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) <u>()</u>	Fax # <u>()</u>
	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-Gillespie

0041517 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	118	Skilled (SNF)	118	43,070	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	118	TOTALS	118	43,070	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	16,586	11,913	4,102	32,601	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	16,586	11,913	4,102	32,601	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 75.69%

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 1996

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 4,102

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-Gillespie # 0041517 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	194,206	12,754		206,960		206,960	5,984	212,944			1
2	Food Purchase		165,956		165,956		165,956	6	165,962			2
3	Housekeeping	80,226	14,921		95,147		95,147		95,147			3
4	Laundry	48,445	13,660		62,105		62,105		62,105			4
5	Heat and Other Utilities			94,061	94,061		94,061	1,606	95,667			5
6	Maintenance	36,786	31,357	33,840	101,983		101,983	14,731	116,714			6
7	Other (specify):*											7
8	TOTAL General Services	359,663	238,648	127,901	726,212		726,212	22,327	748,539			8
	B. Health Care and Programs											
9	Medical Director			11,155	11,155		11,155	2,205	13,360			9
10	Nursing and Medical Records	1,357,568	78,924	8,101	1,444,593		1,444,593		1,444,593			10
10a	Therapy		296,098	427,179	723,277	(475,637)	247,640	156,178	403,818			10a
11	Activities	65,103	6,949		72,052		72,052	1,572	73,624			11
12	Social Services	34,058	2,557	3,560	40,175		40,175		40,175			12
13	CNA Training		125		125		125	2,094	2,219			13
14	Program Transportation											14
15	Other (specify):*											15
16	TOTAL Health Care and Programs	1,456,729	384,653	449,995	2,291,377	(475,637)	1,815,740	162,049	1,977,789			16
	C. General Administration											
17	Administrative	64,360			64,360		64,360	81,634	145,994			17
18	Directors Fees							6,748	6,748			18
19	Professional Services			278,413	278,413		278,413	(263,835)	14,578			19
20	Dues, Fees, Subscriptions & Promotions			115,347	115,347	(64,605)	50,742	(28,102)	22,640			20
21	Clerical & General Office Expenses	99,784	9,449	25,605	134,838		134,838	165,677	300,515			21
22	Employee Benefits & Payroll Taxes			533,592	533,592		533,592	38,497	572,089			22
23	Inservice Training & Education			1,241	1,241		1,241	758	1,999			23
24	Travel and Seminar			6,740	6,740		6,740	(4,741)	1,999			24
25	Other Admin. Staff Transportation											25
26	Insurance-Prop.Liab.Malpractice			85,734	85,734		85,734	2,264	87,998			26
27	Other (specify):*			44,923	44,923		44,923	(44,923)				27
28	TOTAL General Administration	164,144	9,449	1,091,595	1,265,188	(64,605)	1,200,583	(46,023)	1,154,560			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	1,980,536	632,750	1,669,491	4,282,777	(540,242)	3,742,535	138,353	3,880,888			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-Gillespie #0041517 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			121,927	121,927		121,927	13,326	135,253			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			231,608	231,608		231,608	19,047	250,655			32
33	Real Estate Taxes			32,190	32,190		32,190		32,190			33
34	Rent-Facility & Grounds							7,176	7,176			34
35	Rent-Equipment & Vehicles			10,754	10,754		10,754	1,737	12,491			35
36	Other (specify):*											36
37	TOTAL Ownership			396,479	396,479		396,479	41,286	437,765			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers					475,637	475,637		475,637			39
40	Barber and Beauty Shops		342	11,944	12,286		12,286		12,286			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee					64,605	64,605		64,605			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers		342	11,944	12,286	540,242	552,528		552,528			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	1,980,536	633,092	2,077,914	4,691,542		4,691,542	179,639	4,871,181			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-Gillespie

0041517

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	(154)	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	(1,937)	20		17
18	Fines and Penalties				18
19	Entertainment	(15,872)	24		19
20	Contributions	(1,923)	27		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(6,564)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(43,000)	27		24
25	Fund Raising, Advertising and Promotional	(32,580)	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)	\$ (102,030)		\$	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)	281,669		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ 281,669		36
37	TOTAL ADJUSTMENTS (A) and (B)	\$ 179,639		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-Gillespie

ID# 0041517

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		(1,937)	20
18			18
19			24
20		(1,923)	27
21			21
22		(6,564)	19
23			23
24		(43,000)	27
25		(32,580)	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	(86,004)	49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Heritage Manor-Gillespie

0041517

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	5,984	0	0	0	0	0	0	0	0	5,984	1
2	Food Purchase	0	0	6	0	0	0	0	0	0	0	0	6	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	1,606	0	0	0	0	0	0	0	0	1,606	5
6	Maintenance	0	0	14,731	0	0	0	0	0	0	0	0	14,731	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	0	0	22,327	0	0	0	0	0	0	0	0	22,327	8
	B. Health Care and Programs													
9	Medical Director	0	0	2,205	0	0	0	0	0	0	0	0	2,205	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	156,178	0	0	0	0	0	0	0	0	0	156,178	10a
11	Activities	0	0	1,572	0	0	0	0	0	0	0	0	1,572	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	2,094	0	0	0	0	0	0	0	0	2,094	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	156,178	5,871	0	0	0	0	0	0	0	0	162,049	16
	C. General Administration													
17	Administrative	0	0	81,634	0	0	0	0	0	0	0	0	81,634	17
18	Directors Fees	0	0	6,748	0	0	0	0	0	0	0	0	6,748	18
19	Professional Services	(6,564)	(271,849)	14,578	0	0	0	0	0	0	0	0	(263,835)	19
20	Fees, Subscriptions & Promotions	(34,517)	0	6,415	0	0	0	0	0	0	0	0	(28,102)	20
21	Clerical & General Office Expenses	0	0	165,677	0	0	0	0	0	0	0	0	165,677	21
22	Employee Benefits & Payroll Taxes	0	0	38,497	0	0	0	0	0	0	0	0	38,497	22
23	Inservice Training & Education	0	0	758	0	0	0	0	0	0	0	0	758	23
24	Travel and Seminar	(15,872)	0	11,131	0	0	0	0	0	0	0	0	(4,741)	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	2,264	0	0	0	0	0	0	0	0	2,264	26
27	Other (specify):*	(44,923)	0	0	0	0	0	0	0	0	0	0	(44,923)	27
28	TOTAL General Administration	(101,876)	(271,849)	327,702	0	0	0	0	0	0	0	0	(46,023)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(101,876)	(115,671)	355,900	0	0	0	0	0	0	0	0	138,353	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Heritage Manor-Gillespie

0041517

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	13,326	0	0	0	0	0	0	0	13,326	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(154)	0	0	19,201	0	0	0	0	0	0	0	19,047	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	7,176	0	0	0	0	0	0	0	7,176	34
35	Rent-Equipment & Vehicles	0	0	0	1,737	0	0	0	0	0	0	0	1,737	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	(154)	0	0	41,440	0	41,286	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)	(102,030)	(115,671)	355,900	41,440	0	179,639	45						

Facility Name & ID Number Heritage Manor-Gillespie

0041517

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:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
1	V		\$			\$	\$	1
2	V	10a Adjustment for Related Organization						2
3	V							3
4	V	19 Adjustment for Related Organization	271,849	Heritage Enterprises, Inc.			(271,849)	4
5	V							5
6	V	10a Adjustment for Related Organization		GreenTree Pharmacy		156,178	156,178	6
7	V							7
8	V							8
9	V							9
10	V							10
11	V							11
12	V							12
13	V							13
14	Total		\$ 271,849			\$ 156,178	\$ * (115,671)	14

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

Facility Name & ID Number Heritage Manor-Gillespie # 0041517 Report Period Beginning: 01/01/06 Ending: 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 Schedule V	2 Line	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
		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%	\$ 5,984	\$ 5,984	15
16	V	2	Food Purchase				6	6	16
17	V	3	Housekeeping				0		17
18	V	4	Laundry				0		18
19	V	5	Heat & Other Utilities				1,606	1,606	19
20	V	6	Maintenance				14,731	14,731	20
21	V	7	Other				0		21
22	V	9	Medical Director				2,205	2,205	22
23	V	10	Nursing & Medical Records				0		23
24	V	11	Activities				1,572	1,572	24
25	V	12	Social Service				0		25
26	V	13	Nurse Aide Training				2,094	2,094	26
27	V	14	Program Transportation				0		27
28	V	15	Other				0		28
29	V	17	Administrative				81,634	81,634	29
30	V	18	Directors Fees				6,748	6,748	30
31	V	19	Professional Services				14,578	14,578	31
32	V	20	Fees, Subscription, Promotions				6,415	6,415	32
33	V	21	Clerical & General Office Expenses				165,677	165,677	33
34	V	22	Employee Benefits & Payroll Taxes				38,497	38,497	34
35	V	23	Inservice Training & Education				758	758	35
36	V	24	Travel and Seminar				11,131	11,131	36
37	V	25	Other Admin. Staff Transportation				0		37
38	V	26	Insurance-Prop.Liab.Malpract				2,264	2,264	38
39	Total			\$			\$ 355,900	\$ * 355,900	39

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

Facility Name & ID Number Heritage Manor-Gillespie# 0041517Report 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				13,326		16	
17	V	31 Amortization of Pre-Op & Org				0		17	
18	V	32 Interest				19,201		18	
19	V	33 Real Estate Taxes				0		19	
20	V	34 Rent-Facility & Grounds				7,176		20	
21	V	35 Rent-Equipment & Vehicles				1,737		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		\$			\$ 41,440	\$ *	41,440	39

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

Facility Name & ID Number

Heritage Manor-Gillespie

#

0041517

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	\$ 17,891	Line 17/18	1
2	Craig Hart	Chairman	Management	31.95		10	100.00	Brd Fees/salary	21,347	Line 17/18	2
3	Cheryl Lowney	Executive Vice Presi	Management	0.49		40	100.00	Brd Fees/salary	12,213	Line 17/18	3
4	Steve Wannemacher	President	Management	0.42		40	100.00	Brd Fees/salary	15,978	Line 17/18	4
5	Connie Hoselton	Sr Vice President	Management	0.27		40	100.00	Brd Fees/salary	7,988	Line 17/18	5
6	Craig Ater	Sr Vice President	Management	0.34		40	100.00	Brd Fees/salary	9,005	Line 17/18	6
7	Ben Hart	Vice President	Management	3.20		40	100.00	Brd Fees/salary	3,960	Line 17/18	7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 88,382		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-Gillespie

0041517

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	118	\$ 5,984	1
2	2	Food Purchase	Beds 2,624	25	143	0	118	6	2
3	3	Housekeeping	Beds 2,624	25	0	0	118	0	3
4	4	Laundry	Beds 2,624	25	0	0	118	0	4
5	5	Heat & Other Utilities	Beds 2,624	25	35,724	0	118	1,606	5
6	6	Maintenance	Beds 2,624	25	327,581	62,300	118	14,731	6
7	7	Other	Beds 2,624	25	0	0	118	0	7
8	9	Medical Director	Beds 2,624	25	49,042	0	118	2,205	8
9	10	Nursing & Medical Records	Beds 2,624	25	0	49,042	118	0	9
10	11	Activities	Beds 2,624	25	34,967	0	118	1,572	10
11	12	Social Service	Beds 2,624	25	0	34,801	118	0	11
12	13	Nurse Aide Training	Beds 2,624	25	46,566	41,273	118	2,094	12
13	14	Program Transportation	Beds 2,624	25	0	0	118	0	13
14	15	Other	Beds 2,624	25	0	0	118	0	14
15	17	Administrative	Beds 2,624	25	1,815,310	1,815,310	118	81,634	15
16	18	Directors Fees	Beds 2,624	25	150,067	0	118	6,748	16
17	19	Professional Services	Beds 2,624	25	324,175	0	118	14,578	17
18	20	Fees, Subscription, Promotions	Beds 2,624	25	142,650	0	118	6,415	18
19	21	Clerical & General Office Expense	Beds 2,624	25	3,684,216	3,344,318	118	165,677	19
20	22	Employee Benefits & Payroll Tax	Beds 2,624	25	856,060	0	118	38,497	20
21	23	Inservice Training & Education	Beds 2,624	25	16,846	0	118	758	21
22	24	Travel and Seminar	Beds 2,624	25	247,517	0	118	11,131	22
23	25	Other Admin. Staff Transportatio	Beds 2,624	25	0	0	118	0	23
24	26	Insurance-Prop.Liab.Malpract	Beds 2,624	25	50,353	0	118	2,264	24
25	TOTALS				\$ 7,914,291	\$ 5,479,877		\$ 355,900	25

Facility Name & ID Number Heritage Manor-Gillespie

0041517

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	\$	118	\$	1
2	30	Depreciation	Beds	2,624	25	296,327	118	13,326	2
3	31	Amortization of Pre-Op & Org	Beds	2,624	25		118		3
4	32	Interest	Beds	2,624	25	426,988	118	19,201	4
5	33	Real Estate Taxes	Beds	2,624	25		118		5
6	34	Rent-Facility & Grounds	Beds	2,624	25	159,570	118	7,176	6
7	35	Rent-Equipment & Vehicles	Beds	2,624	25	38,632	118	1,737	7
8	36	Other	Beds	2,624	25		118		8
9	38	Medically Nec Transportation	Beds	2,624	25		118		9
10	39	Ancillary Service Centers	Beds	2,624	25		118		10
11	40	Barber and Beauty Shops	Beds	2,624	25		118		11
12	41	Coffee and Gift Shops	Beds	2,624	25		118		12
13	42	Other	Beds	2,624	25		118		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	\$		\$ 41,440	25

Facility Name & ID Number Heritage Manor-Gillespie # 0041517 Report Period Beginning: 01/01/06 Ending: 12/31/06

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

	1 Name of Lender	2 Related**		3 Purpose of Loan	4 Monthly Payment Required	5 Date of Note	6 Amount of Note		8 Maturity Date	9 Interest Rate (4 Digits)	10 Reporting Period Interest Expense	
		YES	NO				Original	Balance				
	A. Directly Facility Related											
	Long-Term											
1	Busey Bank		xx	Mortgage	13440 + Int	4/1/2006	\$	\$ 2,680,613	4/1/2011	variable	\$ 208,020	1
2	Busey Bank		xx	Mortgage							2,204	2
3												3
4												4
5												5
	Working Capital											
6	LsSalle National Bank		xx	Working Capital						variable	21,384	6
7	LsSalle National Bank		xx									7
8												8
9	TOTAL Facility Related						\$	\$ 2,680,613			\$ 231,608	9
	B. Non-Facility Related*											
10	Interest Income										(154)	10
11	Allocated Corporate										19,201	11
12												12
13												13
14	TOTAL Non-Facility Related						\$	\$			\$ 19,047	14
15	TOTALS (line 9+line14)						\$	\$ 2,680,613			\$ 250,655	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.)

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

B. Real Estate Taxes

<p>Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.</p>			
1. Real Estate Tax accrual used on 2005 report.		\$ 30,093	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		\$ 30,382	2
3. Under or (over) accrual (line 2 minus line 1).		\$ 289	3
4. Real Estate Tax accrual used for 2006 report. (Detail and explain your calculation of this accrual on the lines below.)		\$ 31,901	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)		\$	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)		\$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		\$ 32,190	7
Real Estate Tax History:			
Real Estate Tax Bill for Calendar Year:	2001	23,248	8
	2002	24,242	9
	2003	26,528	10
	2004	33,899	11
	2005	34,009	12
	FOR BHF USE ONLY		
	13	FROM R. E. TAX STATEMENT FOR 2005 \$	13
	14	PLUS APPEAL COST FROM LINE 5 \$	14
	15	LESS REFUND FROM LINE 6 \$	15
	16	AMOUNT TO USE FOR RATE CALCULATION \$	16

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 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-Gillespie COUNTY Macoupin

FACILITY IDPH LICENSE NUMBER 0041517

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>10-000-400-01</u>	<u>Nursing Home</u>	\$ <u>30,290.00</u>	\$ <u>30,290.00</u>
2. <u>10-002-784-02</u>	<u></u>	\$ <u>92.00</u>	\$ <u>92.00</u>
3. <u></u>	<u></u>	\$ <u></u>	\$ <u></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>30,382.00</u>	\$ <u>30,382.00</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.

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 14,677 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				\$ <u>27,045</u>	1
2					2
3	TOTALS			\$ <u>27,045</u>	3

Facility Name & ID Number Heritage Manor-Gillespie

0041517

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	118				\$ 3,578,055	\$		\$	\$	\$	4
5											5
6											6
7											7
8											8
Improvement Type**											
9	Roof Repair			1997	2,275						9
10	Storage Tank			1997	1,857						10
11											11
12	Heritage Manor Sign			1996	1,896						12
13	Laundry Room A/C			1996	3,019						13
14											14
15	Garbage Disposal			1998	730						15
16	Roof			1998	90,404						16
17											17
18	Water Heater			1999	3,596						18
19	Air Conditioning Unit			1999	1,145						19
20	Smoke Dampers/Fire Alarm Replacement			1999	5,802						20
21	Interior Painting--Materials and Labor			1999	2,459						21
22	Roof			1999	29,985						22
23											23
24	Interior Painting--Materials and Labor			2000	3,923						24
25											25
26	Booster Heater			2001	1,903						26
27	Telephone System Add-on			2001	62						27
28											28
29	A/C Rooftop Unit			2002	2,703						29
30											30
31											31
32											32
33											33
34	C/O Allocation							13,326	13,326		34
35	Book Depreciation					100,056		100,056		1,015,760	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-Gillespie

0041517

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 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37	A/C Units	2003	\$ 8,858	\$		\$	\$	\$	37
38	Asphalt Sealing	2003	2,408						38
39	Ansul System --Kitchen	2003	1,465						39
40									40
41	Front Door	2004	3,893						41
42	Heat Cool Unit	2004	4,522						42
43									43
44	Windows	2005	6,255						44
45	HVAC	2005	10,675						45
46	Rooftop A/C	2005	6,663						46
47	Parking Lot Sealer	2005	2,358						47
48	Wallcoverings	2005	597						48
49	Sidewalks	2005	4,444						49
50	Floor Replacement	2005	22,404						50
51	Boiler	2005	6,388						51
52									52
53	A/C Units	2006	6,865						53
54	Rooftop A/C	2006	8,234						54
55	Five Ton Condensing Unit	2006	2,980						55
56	Pump	2006	656						56
57	Exterior Door	2006	120						57
58	Boiler	2006	5,396						58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 3,834,995	\$ 100,056		\$ 113,382	\$ 13,326	\$ 1,015,760	70

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

Facility Name & ID Number Heritage Manor-Gillespie

0041517

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		\$ 3,834,995	\$ 100,056		\$ 113,382	\$ 13,326	\$ 1,015,760	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)		\$ 3,834,995	\$ 100,056		\$ 113,382	\$ 13,326	\$ 1,015,760	34

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

Facility Name & ID Number Heritage Manor-Gillespie

0041517

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	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		\$ 3,834,995	\$ 100,056		\$ 113,382	\$ 13,326	\$ 1,015,760	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)	\$ 3,834,995	\$ 100,056		\$ 113,382	\$ 13,326	\$ 1,015,760	34

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

Facility Name & ID Number Heritage Manor-Gillespie # 0041517 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	\$ 521,122	\$ 21,871	\$ 21,871	\$		\$ 458,035	71
72	Current Year Purchases	69,954						72
73	Fully Depreciated Assets							73
74								74
75	TOTALS	\$ 591,076	\$ 21,871	\$ 21,871	\$		\$ 458,035	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)	\$ 4,453,116	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 121,927	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 135,253	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 13,326	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 1,473,795	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:				\$ _____			3
4	Additions				_____			4
5					_____			5
6					_____			6
7	TOTAL				\$ _____			7

10. Effective dates of current rental agreement:

Beginning _____

Ending _____

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

Fiscal Year Ending Annual Rent

12.	_____ /2007	\$ _____
13.	_____ /2008	\$ _____
14.	_____ /2009	\$ _____

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: \$ 12,491 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		125		125
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	\$	\$ 125	\$	\$ 125
10	SUM OF line 9, col. 1 and 2 (e)	\$	125		

C. CONTRACTUAL INCOME

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

\$ _____

D. NUMBER OF CNAs TRAINED

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

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

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
- (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.

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

	Service	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	\$		\$ 194,690	\$		\$ 194,690	1
2	Licensed Speech and Language Development Therapist		hrs			28,433			28,433	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist		hrs			172,992	7,703		180,695	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy		# of prescripts				444,573		444,573	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify):					31,064			31,064	13
14	TOTAL			\$		\$ 427,179	\$ 452,276		\$ 879,455	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-Gillespie # 0041517 Report 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 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 18,053	\$	1
2	Cash-Patient Deposits	457		2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	520,231		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	14,399		6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	892,654		8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,445,794	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	27,045		13
14	Buildings, at Historical Cost	3,834,995		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	591,076		16
17	Accumulated Depreciation (book methods)	(1,473,795)		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>	4,775		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 2,984,096	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 4,429,890	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 103,264	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	457		28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	244,442		30
31	Accrued Taxes Payable (excluding real estate taxes)	2,082		31
32	Accrued Real Estate Taxes(Sch.IX-B)	31,901		32
33	Accrued Interest Payable	17,008		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)	\$ 399,154	\$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable	2,680,613		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)	\$ 2,680,613	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 3,079,767	\$	46
47	TOTAL EQUITY(page 18, line 24)	\$ 1,350,123	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 4,429,890	\$	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 1,520,230	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 1,520,230	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	(170,107)	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)	\$ (170,107)	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)	\$ 1,350,123	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Heritage Manor-Gillespie# 0041517Report 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	\$ 4,232,257	1
2	Discounts and Allowances for all Levels	(1,555,441)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 2,676,816	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,302,524	6
7	Oxygen		7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 1,302,524	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	1,691	12
13	Barber and Beauty Care	15,221	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	521,148	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	3,881	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 541,941	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	154	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 154	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28			28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)		29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 4,521,435	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	726,212	31
32	Health Care	2,291,377	32
33	General Administration	1,265,188	33
B. Capital Expense			
34	Ownership	396,479	34
C. Ancillary Expense			
35	Special Cost Centers	12,286	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)*	\$ 4,691,542	40
41	Income before Income Taxes (line 30 minus line 40)**	(170,107)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (170,107)	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-Gillespie

0041517

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	1,653	2,098	\$ 43,840	\$ 20.90	1
2	Assistant Director of Nursing	480	646	12,215	18.91	2
3	Registered Nurses	4,143	4,384	108,867	24.83	3
4	Licensed Practical Nurses	20,016	20,907	402,350	19.24	4
5	CNAs & Orderlies	63,971	68,882	727,239	10.56	5
6	CNA Trainees			0		6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	3,881	4,211	63,057	14.97	8
9	Activity Director					9
10	Activity Assistants	6,099	6,948	65,103	9.37	10
11	Social Service Workers	2,172	2,358	34,058	14.44	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	19,816	21,225	194,206	9.15	15
16	Dishwashers					16
17	Maintenance Workers	2,035	2,280	36,786	16.13	17
18	Housekeepers	9,983	10,538	80,226	7.61	18
19	Laundry	5,329	5,955	48,445	8.14	19
20	Administrator	1,950	2,080	64,360	30.94	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	6,092	6,724	99,784	14.84	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)	147,620	159,236	\$ 1,980,536 *	\$ 12.44	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		11,155		36
37	Medical Records Consultant		789		37
38	Nurse Consultant				38
39	Pharmacist Consultant		3,540		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		3,560		45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)		\$ 19,044		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses		\$ 0		50
51	Licensed Practical Nurses		0		51
52	Certified Nurse Assistants/Aides		1,521		52
53	TOTAL (lines 50 - 52)		\$ 1,521		53

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. \$ 64,605
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. \$ 955
- (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	379,962	10	0 Salary	17,891	ine 17, col 1	#REF!	417,825	417,825	19,972	397,853	17,891	
#REF!	Craig Hart	Chairman	0	453,362	10	0 Salary	21,347	ine 17, col 1	#REF!	498,540	498,540	23,831	474,709	21,347	
#REF!	Cheryl Lov	Executive	0	259,381	50	1 Salary	12,213	ine 17, col 1	#REF!	285,228	285,228	13,634	271,594	12,213	
#REF!	Steve War	President	0	339,325	50	1 Salary	15,978	ine 17, col 1	#REF!	373,139	373,139	17,836	355,303	15,978	
#REF!	Connie Ho	Sr Vice Pres	0	169,638	40	1 Salary	7,988	ine 17, col 1	#REF!	186,543	186,543	8,917	177,626	7,988	
#REF!	Craig Ater	Sr Vice Pres	0	191,231	50	1 Salary	9,005	ine 17, col 1	#REF!	210,288	210,288	10,052	200,236	9,005	
	Ben Hart	Vice Pres		84,096			3,960			92,476	92,476	4,420	88,056	3,960	
13				1,876,995		TOTAL	88,382		13	2,064,039	2,064,039		1,965,377	88,382	

* 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
84,422 #####

**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

