

		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:** 0037754

**Facility Name:** The Imperial Grove Pavilion

**Address:** 1366 West Fullerton Avenue Chicago 60614  
 Number City Zip Code

**County:** Cook

**Telephone Number:** (773) 539-2122 **Fax #** (773) 935-0036

**HFS ID Number:** 363796886001

**Date of Initial License for Current Owners:** 1/31/92

**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
<b>IRS Exemption Code</b> _____	<input type="checkbox"/> Corporation	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> "Sub-S" Corp.	
	<input type="checkbox"/> Limited Liability Co.	
	<input type="checkbox"/> Trust	
	<input type="checkbox"/> Other _____	

**In the event there are further questions about this report, please contact:**  
 Name: Christine A. Hanover Telephone Number: (312) 634-4581  
 Please send copies of desk review and audit adjustments to address on this page.

**II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER**

I have examined the contents of the accompanying report to the State of Illinois, for the period from 01/01/2006 to 12/31/2006 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.

<b>Officer or Administrator of Provider</b>	(Signed) _____	(Date) _____
	(Type or Print Name) _____	
	(Title) _____	
<b>Paid Preparer</b>	(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u>	(Date) _____
	(Print Name and Title) _____	
	(Firm Name & Address) <u>McGladrey &amp; Pullen LLP</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u>	
	(Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u>	

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Imperial Grove Pavilion

# 0037754 Report Period Beginning: 01/01/2006 Ending: 12/31/2006

III. STATISTICAL DATA

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

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	248	Skilled (SNF)	248	90,520	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	248	TOTALS	248	90,520	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	59,828	6,056	18,980	84,864	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	59,828	6,056	18,980	84,864	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 93.75%

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

Non-allowable costs have been eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES  NO

I. On what date did you start providing long term care at this location?

Date started 01/31/92

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

YES  Date 01/01/98 NO

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

YES  NO  If YES, enter number

of beds certified 248 and days of care provided 17,645

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRUAL  MODIFIED CASH\*  CASH\*

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

Tax Year: 12/31/2006 Fiscal Year: 12/31/2006

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

Facility Name & ID Number The Imperial Grove Pavilion # 0037754 Report Period Beginning: 01/01/2006 Ending: 12/31/2006

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7**	Adjusted Total 8	FOR OHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
	<b>A. General Services</b>										
1	Dietary	524,234	88,812	44,725	657,771		657,771	3,981	661,752		1
2	Food Purchase		502,075		502,075		502,075	(39,567)	462,508		2
3	Housekeeping	80,191	71,121	245,302	396,614		396,614	12,024	408,638		3
4	Laundry		31,004	158,649	189,653		189,653		189,653		4
5	Heat and Other Utilities			435,586	435,586		435,586	6,750	442,336		5
6	Maintenance	127,858	137,707	102,976	368,541		368,541	8,856	377,397		6
7	Other (specify):*										7
8	<b>TOTAL General Services</b>	732,283	830,719	987,238	2,550,240		2,550,240	(7,956)	2,542,284		8
	<b>B. Health Care and Programs</b>										
9	Medical Director			60,000	60,000		60,000		60,000		9
10	Nursing and Medical Records	3,903,933	402,487	346,513	4,652,933		4,652,933	(323)	4,652,610		10
10a	Therapy			1,267,555	1,267,555		1,267,555		1,267,555		10a
11	Activities	153,487	14,653	2,365	170,505		170,505		170,505		11
12	Social Services	228,410		23,830	252,240		252,240		252,240		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):*										15
16	<b>TOTAL Health Care and Programs</b>	4,285,830	417,140	1,700,263	6,403,233		6,403,233	(323)	6,402,910		16
	<b>C. General Administration</b>										
17	Administrative	206,753		694,800	901,553		901,553	(468,106)	433,447		17
18	Directors Fees										18
19	Professional Services			171,571	171,571		171,571	(42,338)	129,233		19
20	Dues, Fees, Subscriptions & Promotions			46,749	46,749		46,749	(117)	46,632		20
21	Clerical & General Office Expenses	239,511	99,412	330,214	669,137		669,137	212,527	881,664		21
22	Employee Benefits & Payroll Taxes			970,257	970,257		970,257	39,567	1,009,824		22
23	Inservice Training & Education										23
24	Travel and Seminar			21,259	21,259		21,259	3,924	25,183		24
25	Other Admin. Staff Transportation			32,813	32,813		32,813	470	33,283		25
26	Insurance-Prop.Liab.Malpractice			307,420	307,420		307,420	11,511	318,931		26
27	Other (specify):* <b>MgmtAlloc-Benefits</b>							41,870	41,870		27
28	<b>TOTAL General Administration</b>	446,264	99,412	2,575,083	3,120,759		3,120,759	(200,692)	2,920,067		28
29	<b>TOTAL Operating Expense (sum of lines 8, 16 &amp; 28)</b>	5,464,377	1,347,271	5,262,584	12,074,232		12,074,232	(208,971)	11,865,261		29

SEE ACCOUNTANTS' COMPILATION REPORT

\*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.

\*\*See schedule of adjustments attached at end of cost report.

Facility Name & ID Number      The Imperial Grove Pavilion

#0037754

Report Period Beginning:

01/01/2006

Ending:

12/31/2006

## 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	
	<b>D. Ownership</b>											
30	Depreciation			146,755	146,755		146,755	500,120	646,875			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			142,902	142,902		142,902	850,208	993,110			32
33	Real Estate Taxes							403,017	403,017			33
34	Rent-Facility & Grounds			1,438,006	1,438,006		1,438,006	(1,436,604)	1,402			34
35	Rent-Equipment & Vehicles			33,120	33,120		33,120	6,359	39,479			35
36	Other (specify):* <b>Mtg. Insurance</b>							78,649	78,649			36
37	<b>TOTAL Ownership</b>			1,760,783	1,760,783		1,760,783	401,749	2,162,532			37
	<b>Ancillary Expense</b>											
	<b>E. Special Cost Centers</b>											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		698,107	30,858	728,965		728,965		728,965			39
40	Barber and Beauty Shops	8,280			8,280		8,280		8,280			40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			135,780	135,780		135,780		135,780			42
43	Other (specify):* <b>Nonallowable Cost</b>			887,076	887,076		887,076	(887,076)				43
44	<b>TOTAL Special Cost Centers</b>	8,280	698,107	1,053,714	1,760,101		1,760,101	(887,076)	873,025			44
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	5,472,657	2,045,378	8,077,081	15,595,116		15,595,116	(694,298)	14,900,818			45

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

\*\*See schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

01/01/2006

Ending:

12/31/2006

**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	(17,161)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	28,953	30		9
10	Interest and Other Investment Income	(37,249)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(1,077)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties	(22,170)	43		18
19	Entertainment	(9,642)	43		19
20	Contributions	(18,080)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(420,000)	43		24
25	Fund Raising, Advertising and Promotional	(68,041)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(12,000)	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising	550	43		28
29	Other-Attach Schedule <u>See Schedule 5A</u>	(459,084)			29
30	<b>SUBTOTAL (A): (Sum of lines 1-29)</b>	\$ (1,035,001)		\$	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)	340,703		34
35	Other- Attach Schedule			35
36	<b>SUBTOTAL (B): (sum of lines 31-35)</b>	\$ 340,703		36
	(sum of SUBTOTALS			
37	<b>TOTAL ADJUSTMENTS (A) and (B) )</b>	\$ (694,298)		37

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

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

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

BHF USE ONLY					
48	49	50	51	52	

SEE ACCOUNTANTS' COMPILATION REPORT

**The Imperial Grove Pavilion**

**Provider #: 0037754**

**01/01/2006 to 12/31/2006**

**Schedule 5A**

VI. Adjustment Detail

Line 29 - Other

<u>Non-allowable expenses</u>	<u>Amount</u>	<u>Reference</u>
Disallow Lab	(79,703)	43
Disallow X-Ray	(25,569)	43
Non-Allowable Real Estate Taxes	(93,228)	33
Disallow Marketing Salaries	(40,758)	43
Disallow Non-Allowable Salaries	(173,425)	43
Disallow lobbying dues	(4,764)	20
Offset Miscellaneous Income	(323)	10
Offset Miscellaneous Income	(159)	21
Disallow Non-Allowable Legal Expenses	<u>(41,155)</u>	19
	<u>(459,084)</u>	

**SEE ACCOUNTANTS' COMPILATION REPORT**

The Imperial Grove Pavilion

ID# 0037754

Report Period Beginning: 01/01/2006

Ending: 12/31/2006

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference
1		\$	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
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28			28
29			29
30			30
31			31
32			32
33			33
34			34
35			35
36			36
37			37
38			38
39			39
40			40
41			41
42			42
43			43
44			44
45			45
46			46
47			47
48			48
49	Total	0	49

## STATE OF ILLINOIS

Summary A

Facility Name & ID Number The Imperial Grove Pavilion# 0037754

Report Period Beginning:

01/01/2006

Ending:

12/31/2006

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

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
1	Dietary	0	0	0	3,981	0	0	0	0	0	0	0	3,981	1
2	Food Purchase	0	0	0	0	0	0	0	0	0	0	0	0	2
3	Housekeeping	0	0	0	12,024	0	0	0	0	0	0	0	12,024	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	2,696	4,054	0	0	0	0	0	0	0	6,750	5
6	Maintenance	0	0	4,921	3,935	0	0	0	0	0	0	0	8,856	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	<b>TOTAL General Services</b>	<b>0</b>	<b>0</b>	<b>7,617</b>	<b>23,994</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>31,611</b>	<b>8</b>
	<b>B. Health Care and Programs</b>													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	<b>TOTAL Health Care and Programs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>
	<b>C. General Administration</b>													
17	Administrative	0	0	(491,443)	0	23,337	0	0	0	0	0	0	(468,106)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	0	0	6,384	6,292	1,141	0	0	0	0	0	0	13,817	19
20	Fees, Subscriptions & Promotions	0	0	2,007	2,640	0	0	0	0	0	0	0	4,647	20
21	Clerical & General Office Expenses	0	444	185,589	25,151	1,502	0	0	0	0	0	0	212,686	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	2,283	1,634	7	0	0	0	0	0	0	3,924	24
25	Other Admin. Staff Transportation	0	0	470	0	0	0	0	0	0	0	0	470	25
26	Insurance-Prop.Liab.Malpractice	0	8,820	1,718	973	0	0	0	0	0	0	0	11,511	26
27	Other (specify):*	0	0	35,235	1,676	4,959	0	0	0	0	0	0	41,870	27
28	<b>TOTAL General Administration</b>	<b>0</b>	<b>9,264</b>	<b>(257,757)</b>	<b>38,366</b>	<b>30,946</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(179,181)</b>	<b>28</b>
29	<b>TOTAL Operating Expense</b> (sum of lines 8,16 & 28)	<b>0</b>	<b>9,264</b>	<b>(250,140)</b>	<b>62,360</b>	<b>30,946</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(147,570)</b>	<b>29</b>

## STATE OF ILLINOIS

Summary B

Facility Name & ID Number The Imperial Grove Pavilion# 0037754

Report Period Beginning:

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

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

	Capital Expense	PAGES	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	28,953	439,296	11,410	20,461	0	0	0	0	0	0	0	500,120	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(37,249)	842,130	19,371	25,956	0	0	0	0	0	0	0	850,208	32
33	Real Estate Taxes	0	465,531	6,220	9,494	0	0	0	0	0	0	0	481,245	33
34	Rent-Facility & Grounds	0	(1,437,159)	555	0	0	0	0	0	0	0	0	(1,436,604)	34
35	Rent-Equipment & Vehicles	0	0	3,524	2,835	0	0	0	0	0	0	0	6,359	35
36	Other (specify):*	0	78,649	0	0	0	0	0	0	0	0	0	78,649	36
37	<b>TOTAL Ownership</b>	<b>(8,296)</b>	<b>388,447</b>	<b>41,080</b>	<b>58,746</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>479,977</b>	<b>37</b>
	<b>Ancillary Expense</b>													
	<b>E. Special Cost Centers</b>													
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):*	(567,621)	0	0	0	0	0	0	0	0	0	0	(567,621)	43
44	<b>TOTAL Special Cost Centers</b>	<b>(567,621)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(567,621)</b>	<b>44</b>
45	<b>GRAND TOTAL COST (sum of lines 29, 37 &amp; 44)</b>	<b>(575,917)</b>	<b>397,711</b>	<b>(209,060)</b>	<b>121,106</b>	<b>30,946</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(235,214)</b>	<b>45</b>

**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
Robert Hartman	30	See Attached Schedule 6A		See Attached Schedule 6B		
Barry Carr	10					
Michael Harris	20					
Jack Rajchenbach	20					
Bernard Hollander	20					

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	21 Office Expense	\$	The Claridge, L.L.C.	100.00%	\$ 444	\$ 444	1	
2	V	30 Depreciation		The Claridge, L.L.C.	100.00%	439,296	439,296	2	
3	V	32 Interest		The Claridge, L.L.C.	100.00%	823,877	823,877	3	
4	V	32 Amortization of Loan Cost		The Claridge, L.L.C.	100.00%	18,253	18,253	4	
5	V	33 Property Taxes		The Claridge, L.L.C.	100.00%	465,531	465,531	5	
6	V	34 Rent	1,437,159	The Claridge, L.L.C.	100.00%		(1,437,159)	6	
7	V	36 Insurance		The Claridge, L.L.C.	100.00%	78,649	78,649	7	
8	V	26 Insurance		The Claridge, L.L.C.	100.00%	8,820	8,820	8	
9	V							9	
10	V							10	
11	V							11	
12	V							12	
13	V							13	
14	Total		\$ 1,437,159			\$ 1,834,870	\$ *	397,711	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

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	5 Utilities	\$	NuCare Management Company	70.00%	\$ 2,696	\$ 2,696
16	V	6 Repairs and Maintenance		NuCare Management Company	70.00%	4,921	4,921
17	V	17 Management Fees	574,800	NuCare Management Company	70.00%	83,357	(491,443)
18	V	19 Professional Fees		NuCare Management Company	70.00%	6,384	6,384
19	V	20 Dues, Subscriptions, Licenses		NuCare Management Company	70.00%	2,007	2,007
20	V	21 Office Expense		NuCare Management Company	70.00%	185,589	185,589
21	V	24 Education and Seminars		NuCare Management Company	70.00%	2,283	2,283
22	V	25 Admin. Staff Travel		NuCare Management Company	70.00%	470	470
23	V	26 Insurance		NuCare Management Company	70.00%	1,718	1,718
24	V	27 Employee Benefits		NuCare Management Company	70.00%	35,235	35,235
25	V	30 Depreciation Expense		NuCare Management Company	70.00%	14,699	14,699
26	V	32 Interest & Amortization Exp		NuCare Management Company	70.00%	7,745	7,745
27	V	33 Real Estate Taxes		NuCare Management Company	70.00%	6,220	6,220
28	V	34 Building Rent		NuCare Management Company	70.00%	555	555
29	V	35 Equipment Rental		NuCare Management Company	70.00%	3,524	3,524
30	V						
31	V	30 Depreciation Expense		NuCare Management Company	70.00%	(3,289)	(3,289)
32	V	32 Interest & Amortization Exp		NuCare Management Company	70.00%	11,626	11,626
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 574,800			\$ 365,740	\$ * (209,060)

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	1 Dietary	\$	ITEX-A.K. CARE	70.00%	\$ 3,981	\$	3,981	15
16	V	3 Housekeeping		ITEX-A.K. CARE	70.00%	12,024		12,024	16
17	V	5 Utilities		ITEX-A.K. CARE	70.00%	4,054		4,054	17
18	V	6 Repairs and Maintenance		ITEX-A.K. CARE	70.00%	3,935		3,935	18
19	V	19 Professional Fees		ITEX-A.K. CARE	70.00%	6,292		6,292	19
20	V	20 Dues, Suscriptions, Licenses		ITEX-A.K. CARE	70.00%	2,640		2,640	20
21	V	21 Office Expense		ITEX-A.K. CARE	70.00%	25,151		25,151	21
22	V	24 Education and Seminars		ITEX-A.K. CARE	70.00%	1,634		1,634	22
23	V	26 Insurance		ITEX-A.K. CARE	70.00%	973		973	23
24	V	27 Employee Benefits		ITEX-A.K. CARE	70.00%	1,676		1,676	24
25	V	30 Depreciation Expense		ITEX-A.K. CARE	70.00%	20,461		20,461	25
26	V	32 Amortization		ITEX-A.K. CARE	70.00%	177		177	26
27	V	32 Interest		ITEX-A.K. CARE	70.00%	25,779		25,779	27
28	V	33 Real Estate Taxes		ITEX-A.K. CARE	70.00%	9,494		9,494	28
29	V	35 Equipment Rental		ITEX-A.K. CARE	70.00%	2,835		2,835	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		\$			\$ 121,106	\$ *	121,106	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
15	V	17 Administrative	\$	Care Path Health Network	70.00%	\$ 23,337	\$	23,337	15
16	V	19 Professional Fees		Care Path Health Network	70.00%	1,141		1,141	16
17	V	21 Office Expense		Care Path Health Network	70.00%	1,502		1,502	17
18	V	24 Education and Seminars		Care Path Health Network	70.00%	7		7	18
19	V	27 Employee Benefits		Care Path Health Network	70.00%	4,959		4,959	19
20	V								20
21	V								21
22	V								22
23	V								23
24	V								24
25	V								25
26	V								26
27	V								27
28	V								28
29	V								29
30	V								30
31	V								31
32	V								32
33	V								33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total		\$			\$ 30,946	\$ *	30,946	39

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

**NAME OF FACILITY**  
**PROVIDER #**  
**01/01/2006 - 12/31/2006**

The Imperial Grove Pavilion  
0037754

**Schedule 6A**

**VII. RELATED PARTIES**  
**RELATED NURSING HOMES**  
**PART A COLUMN 2**

<b>NAME</b>	<b>CITY</b>
CARLTON AT THE LAKE	CHICAGO
GLENVIEW TERRACE N.C.	GLENVIEW
HARMONY HOUSE	CHICAGO
HALSTED TERRACE	CHICAGO
WHITEHALL NORTH	DEERFIELD
CALIFORNIA GARDENS CORP.	CHICAGO
CHEVY CHASE CORP.	CHICAGO
CLAREMONT	BUFFALO GROVE
FOREST VILLA	NILES
JACKSON CORP.	CHICAGO
MONROE PAVILION	CHICAGO
RENAISSANCE AT 87TH STREET	CHICAGO
RENAISSANCE AT HILLSIDE	HILLSIDE
RENAISSANCE AT MIDWAY	CHICAGO
RENAISSANCE AT SOUTH SHORE	CHICAGO

**See Accountants' Compilation Report**

**NAME OF FACILITY**  
**PROVIDER #**  
**01/01/2006 - 12/31/2006**

The Imperial Grove Pavilion  
0037754

**Schedule 6B**

**VII. RELATED PARTIES**

**OTHER RELATED BUSINESS ENTITIES**  
**PART A COLUMN 3**

<u>NAME</u>	<u>CITY</u>	<u>TYPE OF BUSINESS</u>
ITEX/A.K. Care	Lincolnwood	Bookeeping Management
JLR Management	Lincolnwood	Management Co.
Shaymark	Lincolnwood	Management Co.
Care Path	Lincolnwood	Management Co.
Seasons Hospice	** Park Ridge	Hospice
NuCare Services	Lincolnwood	Bookeeping Management
7257 N. Lincoln Avenue, LLC	Lincolnwood	Building Rental
Diamond Insurance	Northbrook	Workers Comp Insurance
JEM Rehabilitation Serv.	** Chicago	Psychiatric Services
DBD Rehabilitation Serv.	** Chicago	Psychiatric Services

\*\* No expense paid by the home to the related entity, therefore,  
no page 6 or 8 is necessary for this related business.

**See Accountants' Compilation Report**

Facility Name &amp; ID Number

The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

01/01/2006

Ending:

12/31/2006

## VII. RELATED PARTIES (continued)

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

**NOTE: ALL owners ( even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.**

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Barry Carr	Administrative	Exec. Admin	10.00	See Schedule 7A	5.02	10.00	Salary	\$ 87,235	L17,C1 & C7	1
2	David Hartman	Administrator	Administrator	0.00	See Schedule 7B	26.67	67.00	Salary	96,667	L17,C1 & C7	2
3	Robert Hartman	Administrative	Administrative	30.00	See Schedule 7C	1	4.00	Salary	125,019	L17,C1 & C7	3
4	Michael Harris	Administrative	Administrative	20.00	None	16.17	40.00	Salary	78,753	L17,C1	4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 387,674		13

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

01/01/2006

Ending: 2/31/2006

VIII. ALLOCATION OF INDIRECT COSTS

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

Name of Related Organization NuCare Management Company  
 Street Address 7257 North Lincoln Avenue  
 City / State / Zip Code Lincolnwood, IL 60645  
 Phone Number (847) 933-2600  
 Fax Number (847) 933-2601

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	5	Utilities	Bed days available	901,760	11	\$ 26,855	\$ 90,520	\$ 2,696	1
2	6	Repairs and Maintenance	Bed days available	901,760	11	49,026	90,520	4,921	2
3	17	Admin. Salaries - Non Owner	Bed days available	901,760	11	216,927	216,927	21,775	3
4	17	Admin. Non-Salaries - Comp	Bed days available	901,760	11	6,583	6,583	661	4
5	19	Accounting Fees	Bed days available	901,760	11	17,527	90,520	1,759	5
6	19	Legal Fees	Bed days available	901,760	11	46,075	90,520	4,625	6
7	20	Classified Advertising	Bed days available	901,760	11	4,721	90,520	474	7
8	20	Dues and Subscriptions	Bed days available	901,760	11	13,149	90,520	1,320	8
9	20	Licenses	Bed days available	901,760	11	2,121	90,520	213	9
10	21	Clerical Salaries	Bed days available	901,760	11	1,578,326	1,578,326	158,435	10
11	21	Messenger Services	Bed days available	901,760	11	7,519	90,520	755	11
12	21	Computer Expense	Bed days available	901,760	11	52,248	90,520	5,245	12
13	21	Office Expense	Bed days available	901,760	11	64,611	90,520	6,486	13
14	21	Outside Labor	Bed days available	901,760	11	40,787	90,520	4,094	14
15	21	Postage	Bed days available	901,760	11	9,056	90,520	909	15
16	21	Telephone	Bed days available	901,760	11	96,287	90,520	9,665	16
17	24	Education and Seminars	Bed days available	901,760	11	22,739	90,520	2,283	17
18	25	Auto Expense	Bed days available	901,760	11	4,678	90,520	470	18
19	26	Auto Insurance	Bed days available	901,760	11	16,061	90,520	1,612	19
20	26	Liability Insurance	Bed days available	901,760	11	1,053	90,520	106	20
21	27	Employee Benefits	Bed days available	901,760	11	294,714	90,520	29,584	21
22									22
23									23
24									24
25	TOTALS					\$ 2,571,063	\$ 1,801,836	\$ 258,088	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

01/01/2006

Ending: 2/31/2006

VIII. ALLOCATION OF INDIRECT COSTS

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

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

Name of Related Organization NuCare Management Compnay  
 Street Address 7257 North Lincoln Avenue  
 City / State / Zip Code Lincolnwood, IL 60645  
 Phone Number (847) 933-2600  
 Fax Number (847) 933-2601

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	30	Depreciation	Bed Days Available	901,760	11	\$ 146,433	\$ 90,520	\$ 14,699	1	
2	32	Interest Expense	Bed Days Available	901,760	11	77,159	90,520	7,745	2	
3	33	Real Estate Taxes	Bed Days Available	901,760	11	61,966	90,520	6,220	3	
4	34	Office Rent	Bed Days Available	901,760	11	5,526	90,520	555	4	
5	35	Auto Lease	Bed Days Available	901,760	11	26,413	90,520	2,651	5	
6	35	Equipment Rent	Bed Days Available	901,760	11	8,697	90,520	873	6	
7									7	
8	17	Admin. Salaries	Average Hours	1	11	212,000	212,000	251,039	60,921	8
9	27	Employee Benefits	Average Hours	1	11	39,037	251,039	5,651	9	
10									10	
11	30	Depreciation	Direct Allocation				90,520	(3,289)	11	
12	32	Interest Expense	Bed Days Available	901,760	11	115,822	90,520	11,626	12	
13									13	
14									14	
15									15	
16									16	
17									17	
18									18	
19									19	
20									20	
21									21	
22									22	
23									23	
24									24	
25	TOTALS					\$ 693,053	\$ 212,000	\$ 107,652	25	

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

01/01/2006

Ending: 2/31/2006

VIII. ALLOCATION OF INDIRECT COSTS

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

Name of Related Organization Care Path Health Network  
 Street Address 6633 North Lincoln Avenue  
 City / State / Zip Code Lincolnwood, IL 60645  
 Phone Number (847) 676-2122  
 Fax Number (847) 679-4606

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	17	Administrative Salaries -Other	Fee Income	302,112	9	\$ 258,032	\$ 27,324	\$ 23,337	1
2	19	Accounting Fees	Fee Income	302,112	9	8,627	27,324	780	2
3	19	Data Processing	Fee Income	302,112	9	3,808	27,324	344	3
4	19	Legal	Fee Income	302,112	9	180	27,324	17	4
5	21	Office Supplies	Fee Income	302,112	9	3,153	27,324	285	5
6	21	Outside Office Help	Fee Income	302,112	9	5,758	27,324	521	6
7	21	Telephone	Fee Income	302,112	9	7,697	27,324	696	7
8	24	Education & Seminars	Fee Income	302,112	9	75	27,324	7	8
9	27	Employee Health and Wealfare	Fee Income	302,112	9	31,872	27,324	2,883	9
10	27	Payroll Taxes	Fee Income	302,112	9	22,961	27,324	2,076	10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 342,163	\$ 258,032	\$ 30,946	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

01/01/2006

Ending: 2/31/2006

VIII. ALLOCATION OF INDIRECT COSTS

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

Name of Related Organization ITEX - A.K. CARE  
 Street Address 6633 North Lincoln Avenue  
 City / State / Zip Code Lincolnwood, IL 60645  
 Phone Number (847) 676-2122  
 Fax Number (847) 679-4606

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	Bed days available	464,645	5	\$ 20,433	\$ 90,520	\$ 3,981	1
2	3	Housekeeping	Bed days available	464,645	5	61,719	90,520	12,024	2
3	5	Utilities	Bed days available	464,645	5	20,809	90,520	4,054	3
4	6	Repair and Maintenance	Bed days available	464,645	5	13,783	90,520	2,685	4
5	6	Scavenger and Exterminating	Bed days available	464,645	5	6,416	90,520	1,250	5
6	19	Accounting Fees	Bed days available	464,645	5	3,076	90,520	599	6
7	19	Data Processing	Bed days available	464,645	5	28,801	90,520	5,611	7
8	19	Legal	Bed days available	464,645	5	419	90,520	82	8
9	20	Bank Charges	Bed days available	464,645	5	654	90,520	127	9
10	20	Dues & Subscriptions	Bed days available	464,645	5	1,117	90,520	218	10
11	20	Empolyee Recruitment	Bed days available	464,645	5	11,780	90,520	2,295	11
12	21	Annual Report	Bed days available	464,645	5	563	90,520	110	12
13	21	Office Supplies	Bed days available	464,645	5	29,470	90,520	5,741	13
14	21	Postage- Messenger	Bed days available	464,645	5	65,463	90,520	12,753	14
15	21	Telephone	Bed days available	464,645	5	29,532	90,520	5,753	15
16	24	Education & Seminar	Bed days available	464,645	5	8,388	90,520	1,634	16
17	26	Insurance	Bed days available	464,645	5	4,996	90,520	973	17
18	27	Holiday Expense	Bed days available	464,645	5	7,390	90,520	1,440	18
19	30	Depreciation	Bed days available	464,645	5	64,993	90,520	12,662	19
20	32	Amortization of Loan Costs	Bed days available	464,645	5	908	90,520	177	20
21	32	Interest	Bed days available	464,645	5	132,326	90,520	25,779	21
22	33	Real Estate Taxes	Bed days available	464,645	5	48,735	90,520	9,494	22
23	35	Equipment Rental	Bed days available	464,645	5	14,552	90,520	2,835	23
24									24
25	TOTALS				\$ 576,323	\$		\$ 112,277	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

01/01/2006

Ending: 2/31/2006

VIII. ALLOCATION OF INDIRECT COSTS

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

Name of Related Organization ITEX-A.K. CARE  
 Street Address 6633 North Lincoln Avenue  
 City / State / Zip Code Lincolnwood, IL 60645  
 Phone Number (847) 676-2122  
 Fax Number (847) 679-4606

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

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6		
1	30	Depreciation	Direct Allocation	1	5	\$ 109,862	\$ 1	\$ 7,799	1	
2									2	
3	21	Salary - Clerical	Direct Allocation	1	5	957,084	957,084	1	794	3
4	27	Employee Health Insurance	Direct Allocation	1	5	200,296	1	166	4	
5	27	Employee 410K	Direct Allocation	1	5	6,973	1	6	5	
6	27	Payroll Taxes	Direct Allocation	1	5	75,109	1	62	6	
7	27	Workers Comp Insurance	Direct Allocation	1	5	1,867	1	2	7	
8									8	
9									9	
10									10	
11									11	
12									12	
13									13	
14									14	
15									15	
16									16	
17									17	
18									18	
19									19	
20									20	
21									21	
22									22	
23									23	
24									24	
25	TOTALS					\$ 1,351,191	\$ 957,084	\$ 8,829	25	

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number

The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

01/01/2006

Ending:

12/31/2006

**IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE**

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

1	2	3	4	5	6	7	8	9	10											
										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			
<b>A. Directly Facility Related</b>																				
<b>Long-Term</b>																				
1	Cambridge Realty Corporation		X	Mortgage	Interest only	6/16/04	\$ 19,153,100	\$ 15,642,406	3/31/38	0.0525	\$ 823,877	1								
2	Judy Harris Trust		X	Purchase of van	\$746.00	10/1/03	62,697	29,601	8/30/10	0.0675	2,246	2								
3												3								
4												4								
5												5								
<b>Working Capital</b>																				
6	Shareholder Loans	X		Working Capital	Interest only	12/21/00	550,000	550,000	12/31/07	0.0800		6								
7	Shareholder Loans	X		Working Capital	Interest only	8/31/03	4,400,000	2,129,488	11/30/07	0.0825	140,656	7								
8												8								
9	<b>TOTAL Facility Related</b>				\$746.00		\$ 24,165,797	\$ 18,351,495			\$ 966,779	9								
<b>B. Non-Facility Related*</b>																				
10									Amortization of loan costs		18,253	10								
11									Allocation from management co.		45,327	11								
12									Interest income offset		(37,249)	12								
13												13								
14	<b>TOTAL Non-Facility Related</b>						\$	\$			\$ 26,331	14								
15	<b>TOTALS (line 9+line14)</b>						\$ 24,165,797	\$ 18,351,495			\$ 993,110	15								

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V.      \$ None                      Line # N/A

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

(See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

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

(See instructions.)

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

**B. Real Estate Taxes**

		<b>Important</b> , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.																																		
1. Real Estate Tax accrual used on 2005 report.				\$	<b>478,813</b>	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.)		2005		\$	<b>460,655</b>	2																														
3. Under or (over) accrual (line 2 minus line 1).				\$	<b>(18,158)</b>	3																														
4. Real Estate Tax accrual used for 2006 report. (Detail and explain your calculation of this accrual on the lines below.)				\$	<b>483,688</b>	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. <b>(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)</b>			Adjust taxes paid to 67%		<b>(93,228)</b>																															
				\$		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.			Allocation from mgmt co. Reclass from legal fees		<b>15,715</b> <b>15,000</b>																															
<b>TOTAL REFUND</b>	\$	<b>For</b>	<b>Tax Year.</b>			<b>(Attach a copy of the real estate tax appeal board's decision.)</b>																														
				\$		6																														
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.				\$	<b>403,017</b>	7																														
Real Estate Tax History:																																				
Real Estate Tax Bill for Calendar Year:	2001	<b>479,808</b>	8	<table border="1"> <tr> <td colspan="2"></td> <td colspan="2"><b>FOR BHF USE ONLY</b></td> <td></td> <td></td> </tr> <tr> <td>13</td> <td>FROM R. E. TAX STATEMENT FOR 2005</td> <td>\$</td> <td></td> <td>13</td> <td></td> </tr> <tr> <td>14</td> <td>PLUS APPEAL COST FROM LINE 5</td> <td>\$</td> <td></td> <td>14</td> <td></td> </tr> <tr> <td>15</td> <td>LESS REFUND FROM LINE 6</td> <td>\$</td> <td></td> <td>15</td> <td></td> </tr> <tr> <td>16</td> <td>AMOUNT TO USE FOR RATE CALCULATION</td> <td>\$</td> <td></td> <td>16</td> <td></td> </tr> </table>					<b>FOR BHF USE ONLY</b>				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	
		<b>FOR BHF USE ONLY</b>																																		
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																																
	2002	<b>485,187</b>	9																																	
	2003	<b>446,103</b>	10																																	
	2004	<b>456,013</b>	11																																	
	2005	<b>460,655</b>	12																																	
<b>2005 Real Estate Tax Bill</b>		<b>460,655</b>	<b>* 2005 Real Estate Tax Bill</b>	<b>548,399</b>																																
<b>Estimated Increase</b>	<b>1.05</b>	<b>Imperial portion for F/S</b>	<b>460,655</b>	<b>84%</b>																																
<b>2006 Accrual</b>	<b>483,688</b>	<b>Imperial portion for cost report</b>	<b>367,427</b>	<b>67%</b>																																
				<b>(93,228)</b>																																

**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.**

SEE ACCOUNTANTS' COMPILATION REPORT

**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 The Imperial Grove Pavilion COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0037754

CONTACT PERSON REGARDING THIS REPORT Jay Flatt

TELEPHONE (847) 933-2600 FAX #: (847) 933-2601

**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>14-29-321-040-0000</u>	<u>Nursing Home</u>	\$ <u>548,399.00</u>	\$ <u>367,427.00</u>
2. <u>10-35-312-022-0000</u>	<u>Nursing Home-Mgmt. Co. Alloc</u>	\$ <u>50,978.00</u>	\$ <u>9,494.00</u>
3. <u>10-27-319-028-0000</u>	<u>Nursing Home-Mgmt. Co. Alloc</u>	\$ <u>94,936.00</u>	\$ <u>6,221.00</u>
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
<b>TOTALS</b>		\$ <u>694,313.00</u>	\$ <u>383,142.00</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? X 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 The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

01/01/2006 Ending:

12/31/2006

**X. BUILDING AND GENERAL INFORMATION:**

A. Square Feet: 91,703 B. General Construction Type: Exterior Brick Frame Reinforced Concrete Number of Stories 6

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).

Claridge IVY, Ltd; Retirement apartment rentals; 119 units

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: N/A 2. Number of Years Over Which it is Being Amortized: N/A  
 3. Current Period Amortization: N/A 4. Dates Incurred: N/A

Nature of Costs: N/A  
 (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>Resident Care</u>	<u>Not Available</u>	<u>1998</u>	<u>\$ 40,000</u>	<u>1</u>
2	<u>Allocated from Management Company</u>			<u>15,690</u>	<u>2</u>
3	<b>TOTALS</b>			<b>\$ 55,690</b>	<b>3</b>

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

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

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

1	2	3	4	5	6	7	8	9		
Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	248	1998	1984	\$ 14,437,336	\$	40	\$ 360,933	\$ 360,933	\$ 2,977,697	4
5										5
6	Allocated from Related Parties:									6
7	ITEX	1992		312,494		35	8,928	8,928	121,277	7
8	NuCare	2004		141,210		35	4,035	4,035	12,608	8
	<b>Improvement Type**</b>									
9	Leasehold Improvements		1992	60,378	3,032	20	3,032		43,963	9
10	Leasehold Improvements		1993	59,308	2,965	20	2,965		40,028	10
11	Leasehold Improvements		1994	10,638	532	20	532		6,650	11
12	Leasehold Improvements		1995	43,191	2,160	20	2,160		24,840	12
13	Furnace		1996	1,843	92	20	92		966	13
14	Door Locks		1996	2,357	118	20	118		1,239	14
15	Windows		1996	8,365	418	20	418		4,389	15
16	Electrical Wiring		1996	4,880	244	20	244		2,562	16
17	Fence		1996	1,067	53	20	53		557	17
18	Gutters		1996	1,574	79	20	79		829	18
19	Brick Wall		1996	2,560	128	20	128		1,344	19
20	Ceiling Lights		1996	5,501	274	20	274		2,879	20
21	Nurse Station		1996	2,500	124	20	124		1,303	21
22	Countertops		1996	2,610	131	20	131		1,374	22
23	Convection Oven		1996	7,515	376	20	376		3,947	23
24	Boiler		1996	2,927	146	20	146		1,533	24
25	Fence		1997	1,050	53	20	53		900	25
26	Electrical Improvements		1997	1,671	84	20	84		798	26
27	Nurse Call Station		1997	3,501	175	20	175		1,663	27
28	Public Address System		1997	1,360	68	20	68		646	28
29	Brick Wall		1997	5,110	256	20	256		2,432	29
30	Floor Tile		1997	21,705	1,085	20	1,085		10,308	30
31	Fire Doors		1997	4,096	205	20	205		1,947	31
32	Carpeting		1997	3,243	162	20	162		1,539	32
33	Inspection Improvements		1997	9,884	494	20	494		4,693	33
34	Door Restrictors		1997	8,475	424	20	424		4,028	34
35	Fire Alarm		1997	2,082	103	20	103		980	35
36										36

\*Total beds on this schedule must agree with page 2.

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

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

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

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	Sheet Metal	1998	\$ 11,981	\$ 599	20	\$ 599	\$	\$ 5,092	37
38	Lighting	1998	7,156	358	20	358		3,043	38
39	Screens	1998	2,704	135	20	135		1,148	39
40	Piping	1998	4,145	207	20	207		1,760	40
41	Fire Alarms & Fire Proofing	1998	12,534	627	20	627		5,329	41
42	Tile	1998	967	49	20	49		416	42
43	Driveway	1998	7,342	367	20	367		3,120	43
44	Tuckpointing	1998	39,242	1,962	20	1,962		16,676	44
45	Ground Fuel Tank	1999	17,985	899	20	899		6,743	45
46	Carpet	1999	28,114	1,406	20	1,406		10,545	46
47	Wallcovering	1999	36,585	1,830	20	1,830		13,724	47
48	Floor in Dining Room	1999	9,850	493	20	493		3,697	48
49	Signs	1999	1,765	88	20	88		660	49
50	Electrical Work	1999	20,508	1,025	20	1,025		7,688	50
51	Brick & Masonry Work	1999	12,345	617	20	617		4,627	51
52	Gas Line Improvements	1999	1,633	82	20	82		615	52
53	Alarm System	1999	1,388	69	20	69		518	53
54	Wallcovering	2000	21,554	1,078	20	1,078		7,007	54
55	Flooring	2000	13,293	664	20	664		4,316	55
56	Carpet	2000	8,284	414	20	414		2,691	56
57	Over Bed Lights	2000	4,593	230	20	230		1,495	57
58	Compactor	2000	6,800	340	20	340		2,210	58
59	Paging System	2000	9,909	496	20	496		3,224	59
60	CCTV System	2000	5,456	272	20	272		1,768	60
61	Wander Guard System	2000	18,540	928	20	928		6,032	61
62	Handrails, Kickplates, Wallbases	2000	6,038	302	20	302		1,963	62
63	Fuel Tank Project	2000	1,444	72	20	72		468	63
64	FirstQ System	2000	1,378	68	20	68		442	64
65	Chain Link Fence	2000	745	38	20	38		247	65
66	Alarm System	2000	5,051	252	20	252		1,638	66
67	Service P.A. System	2000	1,924	96	20	96		624	67
68	Remodel 13 Bedrooms	2000	18,112	906	20	906		5,889	68
69									69
70	<b>TOTAL (lines 4 thru 69)</b>		\$ 15,509,796	\$ 30,950		\$ 404,846	\$ 373,896	\$ 3,405,334	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	<b>Totals from Page 12A, Carried Forward</b>		\$ 15,509,796	\$ 30,950		\$ 404,846	\$ 373,896	\$ 3,405,334	1
2	Repair Elevator	2000	990	50	20	50		325	2
3	Remodel Smoking Room	2000	23,565	1,178	20	1,178		7,657	3
4	Remodel Old Smoking Room to Library	2000	4,690	234	20	234		1,521	4
5	Remodel 1st Floor	2000	10,540	528	20	528		3,432	5
6	Remodel 6th Floor Dining Room	2000	4,970	248	20	248		1,612	6
7	Remodel 3rd Floor Dining Room	2000	959	48	20	48		312	7
8	Call Station	2000	4,475	224	20	224		1,456	8
9	Landscaping	2000	2,785		n/a				9
10	Roof repair	2001	3,830	192	20	192		1,056	10
11	Masonry repair	2001	15,227	762	20	762		4,221	11
12	Stainless steel toilet bars	2001	1,645	80	20	80		440	12
13	Masonry repair	2001	3,700	186	20	186		1,023	13
14	New tile	2001	3,633	182	20	182		1,002	14
15	Tile coating	2001	4,540	228	20	228		1,254	15
16	New Wanderguard system	2001	4,407	220	20	220		771	16
17	New relay rack	2001	3,788	189	20	189		585	17
18	CCTV	2002	1,146	57	20	57		257	18
19	CCTV	2002	1,440	72	20	72		324	19
20	Masonry repair	2002	10,000	500	20	500		2,250	20
21	Roof repair	2002	3,350	168	20	168		1,515	21
22	Masonry repair	2002	15,760	788	20	788		3,546	22
23	Masonry repair	2002	4,275	214	20	214		963	23
24	Locking system	2002	1,843	92	20	92		414	24
25	Pallet warmer	2002	3,272	164	20	164		738	25
26	Cooler/freezer doors	2003	3,391	170	20	170		595	26
27	Doors	2003	13,650	683	20	683		2,391	27
28	Fence	2003	1,259	63	20	63		220	28
29	Stem repair, heater gasket	2003	1,667	84	20	84		294	29
30	Nubrite coil	2003	572	29	20	29		101	30
31	High voltage, valve	2003	1,432	72	20	72		252	31
32	Gravel removal	2003	4,750	238	20	238		833	32
33	Switches, exit glass, thermometer	2003	10,945	548	20	548		1,917	33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 15,682,292	\$ 39,441		\$ 413,337	\$ 373,896	\$ 3,448,611	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

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

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	<b>Totals from Page 12B, Carried Forward</b>		\$ 15,682,292	\$ 39,441		\$ 413,337	\$ 373,896	\$ 3,448,611	1
2	Riser cleaning, pipe fitting	2003	1,311	66	20	66		231	2
3	Locks	2003	5,123	258	20	258		903	3
4	Cable	2003	2,300	114	20	114		399	4
5	Downspout	2003	950	48	20	48		168	5
6	Carpet	2003	780	40	20	40		140	6
7	Handrails	2003	1,595	80	20	80		280	7
8	Washer	2003	1,352	68	20	68		238	8
9	Outdoor card reader	2003	1,124	56	20	56		196	9
10	Transport	2003	1,271	64	20	64		224	10
11	Security system	2003	25,405	1,270	20	1,270		4,445	11
12	Alarm system	2003	7,587	378	20	378		1,323	12
13	Tile	2003	10,408	520	20	520		1,820	13
14	Nurse call system	2003	2,583	130	20	130		455	14
15	Carpet	2004	853	42	20	42		105	15
16	Wanderguard system	2004	5,834	292	20	292		730	16
17	Kitchen repairs	2004	3,513	176	20	176		440	17
18	Keys and locks	2004	1,001	100	20	100		250	18
19	Tile	2004	2,837	142	20	142		355	19
20	Wiring	2004	3,679	184	20	184		460	20
21	Electrical line	2004	600	30	20	30		75	21
22	Elevator repair	2004	4,800	240	20	240		600	22
23	Dryer repair	2004	730	36	20	36		90	23
24	Wiring	2004	5,900	296	20	296		740	24
25	CCTV system	2004	8,480	424	20	424		1,060	25
26	Pump monitoring relay	2004	830	42	20	42		105	26
27	30 amp line	2004	2,805	140	20	140		350	27
28	Lexan face panels	2004	2,492	124	20	124		310	28
29	Security system	2004	854	42	20	42		105	29
30	Wireless call system	2004	1,925	96	20	96		240	30
31	Roofing	2004	1,660	84	20	84		210	31
32	Data cable	2004	614	30	20	30		75	32
33	Safety switches	2004	1,850	92	20	92		230	33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 15,795,338	\$ 45,145		\$ 419,041	\$ 373,896	\$ 3,465,963	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

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

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	<b>Totals from Page 12C, Carried Forward</b>		\$ 15,795,338	\$ 45,145		\$ 419,041	\$ 373,896	\$ 3,465,963	1
2	Safety locks	2004	7,596	380	20	380		950	2
3	Locks	2004	1,566	78	20	78		195	3
4	Activity room phones	2004	5,571	278	20	278		695	4
5	Roof flashing	2004	2,500	126	20	126		315	5
6	Brick firewall	2004	16,000	800	20	800		2,000	6
7	Exit door alarm system	2004	4,116	206	20	206		515	7
8	Roofing	2004	1,500	76	20	76		190	8
9	Wallpaper	2004	24,748	1,238	20	1,238		3,095	9
10	Bathroom renovation	2004	2,070	104	20	104		260	10
11	Carpet	2004	589	30	20	30		75	11
12	Video recorder and wiring	2004	5,378	268	20	268		670	12
13	Electrical smoke door closer	2004	4,145	208	20	208		520	13
14	Wanderguard system	2004	2,819	140	20	140		350	14
15	Interior design	2004	2,927	146	20	146		365	15
16	Generator	2005	4,108	205	20	205		308	16
17	Security camera	2005	1,230	62	20	62		93	17
18	Wallcoverings	2005	6,976		20	349	349	523	18
19	Carpet	2005	23,239		20	1,162	1,162	1,743	19
20	Telephone system	2005	2,465		20	123	123	185	20
21	Hand held transmitters	2005	4,130	207	20	207		310	21
22	Digital keypad	2005	1,498	75	20	75		112	22
23	Armstrong Tiles	2005	1,047	52	20	52		78	23
24	Tuckpointing exterior	2005	46,900		20	2,345	2,345	3,518	24
25	Rubber cove base	2005	857	43	20	43		64	25
26	Canopies	2005	5,868	293	20	293		440	26
27	Nursing station & closet door refacing	2005	34,800		20	1,740	1,740	2,610	27
28	Lamps	2005	1,535	77	20	77		115	28
29	Interior design services	2005	8,164	408	20	408		612	29
30	Elevator	2005	54,840		20	2,741	2,741	4,113	30
31	Asphalt resurface parking lot	2005	29,282		20	1,464	1,464	2,196	31
32	Art work	2005	27,208		20	1,360	1,360	2,040	32
33	Signs	2005	1,071		20	54	54	81	33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 16,132,081	\$ 50,645		\$ 435,879	\$ 385,234	\$ 3,495,299	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

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

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	<b>Totals from Page 12D, Carried Forward</b>		\$ 16,132,081	\$ 50,645		\$ 435,879	\$ 385,234	\$ 3,495,299	1
2	Handrails	2005	3,344		20	167	167	251	2
3	Paint	2005	773	39	20	39		58	3
4	Carpeting	2005	66,986		20	3,349	3,349	5,024	4
5	Vent gas pipe	2005	1,370		20	69	69	103	5
6	Landscaping	2005	16,026		20	801	801	1,202	6
7	Roof	2005	64,300		20	3,215	3,215	4,823	7
8	Corner guards	2005	1,279	64	20	64		96	8
9	Flooring	2006	15,305	383	20	383		383	9
10	Sconces, Overbed Lights, Chandeliers	2006	6,246	156	20	156		156	10
11	Wallpaper	2006	12,584	315	20	315		315	11
12	Door Alarms	2006	4,272	107	20	107		107	12
13	Fire Service Overlay Panels & Full Load Safety Mechanisms	2006	13,584	340	20	340		340	13
14	Lobby Signage	2006	5,348	134	20	134		134	14
15	Door Controller	2006	2,691	67	20	67		67	15
16	Sprinkler System	2006	4,942	124	20	124		124	16
17	Cabinets	2006	26,199	655	20	655		655	17
18	Dining Room Column	2006	3,800	95	20	95		95	18
19	Window Treatments	2006	112,936	2,823	20	2,823		2,823	19
20	Elevator Recall System	2006	27,936		20	698	698	698	20
21	Handrails	2006	7,848		20	196	196	196	21
22	Carpeting	2006	50,970		20	1,274	1,274	1,274	22
23	Therapy Room Remodel	2006	32,150		20	804	804	804	23
24	Roof Replacement	2006	53,200		20	1,330	1,330	1,330	24
25	Condensor	2006	73,494		20	1,837	1,837	1,837	25
26	Beauty Shop Remodel	2006	5,475		20	137	137	137	26
27	Tuckpointing	2006	5,900		20	148	148	148	27
28	Lobby Remodel	2006	52,700		20	1,318	1,318	1,318	28
29	Dining Room Remodel	2006	15,925		20	398	398	398	29
30	Awnings	2006	4,000		20	100	100	100	30
31	Cabinetry	2006	1,975		20	49	49	49	31
32	Smoke Detectors	2006	2,447		20	61	61	61	32
33									33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 16,828,086	\$ 55,947		\$ 457,132	\$ 401,185	\$ 3,520,405	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

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

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	<b>Totals from Page 12E, Carried Forward</b>		\$ 16,828,086	\$ 55,947		\$ 457,132	\$ 401,185	\$ 3,520,405	1
2									2
3									3
4	<b>Allocated from NuCare:</b>								4
5	Security & Fire Alarm System	2004	2,806			140	140	351	5
6	Sprinkler System	2005	12,873			831	831	1,089	6
7	Renovation - Alarm System	2003	1,176			59	59	183	7
8	Renovation and Buildout	2004	23,872			1,195	1,195	3,237	8
9	Data Cables, Lights, Heat Exchanger	2005	1,415			71	71	131	9
10	Renovation - Cooling Unit	2006	1,919			35	35	35	10
11									11
12									12
13	<b>Allocated from ITEX:</b>								13
14	Building Improvements - 1993	1993	39,321			1,967	1,967	26,948	14
15	Building Improvements - 1994	1994	21,120			1,056	1,056	12,969	15
16	Building Improvements - 1995	1995	3,599			180	180	2,016	16
17	Drapes and Carpeting	1996	204			10	10	112	17
18	Buildout of Offices	1997	6,072			304	304	2,884	18
19	Steel Doors and Fiberglass Covers	1999	674			34	34	270	19
20	Phone System and Heat Exchanger	2005	2,952			480	480	591	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	<b>TOTAL (lines 1 thru 33)</b>		\$ 16,946,089	\$ 55,947		\$ 463,494	\$ 407,547	\$ 3,571,221	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

01/01/2006

Ending:

12/31/2006

XI. OWNERSHIP COSTS (continued)

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

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 2,351,252	\$ 71,458	\$ 151,660	\$ 80,202	10	\$ 1,742,690	71
72	Current Year Purchases	184,034	9,202	9,202		10	9,202	72
73	Fully Depreciated Assets							73
74	Allocated from Mgmt. Co. & Related Parties	197,114		12,548	12,548		149,224	74
75	TOTALS	\$ 2,732,400	\$ 80,660	\$ 173,410	\$ 92,750		\$ 1,901,116	75

D. Vehicle Depreciation (See instructions.)\*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Patient Care	1994 Ford Van	1994	\$ 30,750	\$	\$	\$		\$ 30,750	76
77	Patient Care	1998 Ford Van	1999	20,449					20,449	77
78	Patient Care	2003 Ford Van	2003	49,856	10,148	9,971	(177)		34,898	78
79										79
80	TOTALS			\$ 101,055	\$ 10,148	\$ 9,971	\$ (177)		\$ 86,097	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)	\$ 19,835,234	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 146,755	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 646,875	83**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 500,120	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 5,558,434	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.

SEE ACCOUNTANTS' COMPILATION REPORT

**XII. RENTAL COSTS**

**A. Building and Fixed Equipment (See instructions.)**

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?

If NO, see instructions.  YES  NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6			<u>Allocation from management co.</u>		<u>1,402</u>			6
7	TOTAL				\$ <u>1,402</u>			7

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

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

9. Option to Buy:  YES  NO Terms: N/A \*

**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: \$ 34,847 Description: Copier \$15,663; Storage \$12,825; Allocated from Mgmt. \$6,359

(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	<u>Administrative</u>	<u>2004 Infiniti QX56</u>	\$ <u>768.00</u>	\$ <u>4,632</u>	17
18					18
19					19
20					20
21	TOTAL		\$ <u>768.00</u>	\$ <u>4,632</u>	21

10. Effective dates of current rental agreement:

Beginning \_\_\_\_\_  
Ending \_\_\_\_\_

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

	Fiscal Year Ending	Annual Rent
12.	<u>/2007</u>	\$ _____
13.	<u>/2008</u>	\$ _____
14.	<u>/2009</u>	\$ _____

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

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

**XIII. EXPENSES RELATING TO CERTIFIED NURSE AIDE (CNA) TRAINING PROGRAMS (See instructions.)**

**A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility.)**

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>It is the policy of this facility to only hire certified nurses aides. If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. <u>CLASSROOM PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. <u>CLINICAL PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
---	---	--

**B. EXPENSES**

**ALLOCATION OF COSTS (d)**

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

**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)	
<b>TOTAL TRAINED</b>	

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

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

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	L10A, C3	hrs	\$	9,330	\$ 559,782	\$	9,330	\$ 559,782	1
2	Licensed Speech and Language Development Therapist	L10A, C3	hrs		1,566	93,953		1,566	93,953	2
3	Licensed Recreational Therapist		hrs		9,333	559,993		9,333	559,993	3
4	Licensed Physical Therapist	L10A, C3	hrs							4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L39, C2	# of prescrpts				645,795		645,795	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify): <u>See Schedule 16A</u>				263	30,858	52,312	263	83,170	13
14	<b>TOTAL</b>			\$	20,492	\$ 1,244,586	\$ 698,107	20,492	\$ 1,942,693	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

**The Imperial Grove Pavilion**

**Provider #: 0037754**

**01/01/2006 to 12/31/2006**

**Schedule 16A**

XIV. Special Services

Line 13 Other (specify):

<u>Service</u>	<u>Line Reference</u>	<u>Outside Practioner Units</u>	<u>Cost</u>	<u>Supplies</u>
Ambulance	L39, C3	11	5,638	
Air Flotation Mattresses	L39, C2			47,032
Oxygen	L39, C2			5,280
Hemodialysis	L39, C3	252	25,220	
Total		<u>263</u>	<u>30,858</u>	<u>52,312</u>

**SEE ACCOUNTANTS' COMPILATION REPORT**

Facility Name &amp; ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning: 01/01/2006

Ending:

12/31/2006

## XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2006

(last day of reporting year)

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

		1	2	
		Operating	After Consolidation*	
	<b>A. Current Assets</b>			
1	Cash on Hand and in Banks	\$ 604,727	\$ 684,888	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 820,686 )	3,671,248	4,175,248	3
4	Supply Inventory (priced at )			4
5	Short-Term Investments			5
6	Prepaid Insurance	181,706	239,752	6
7	Other Prepaid Expenses	40,159	40,159	7
8	Accounts Receivable (owners or related parties)	1,156,409	1,679,849	8
9	Other(specify): See Schedule 17A	3,491,223	3,491,223	9
10	<b>TOTAL Current Assets</b> (sum of lines 1 thru 9)	\$ 9,145,472	\$ 10,311,119	10
	<b>B. Long-Term Assets</b>			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		55,690	13
14	Buildings, at Historical Cost		14,891,040	14
15	Leasehold Improvements, at Historical Cost	1,197,193	2,055,049	15
16	Equipment, at Historical Cost	1,873,753	2,833,455	16
17	Accumulated Depreciation (book methods)	(1,619,818)	(5,558,434)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds		880,342	21
22	Other Long-Term Assets (specify):			22
23	Other(specify): Loan Costs		571,478	23
24	<b>TOTAL Long-Term Assets</b> (sum of lines 11 thru 23)	\$ 1,451,128	\$ 15,728,620	24
25	<b>TOTAL ASSETS</b> (sum of lines 10 and 24)	\$ 10,596,600	\$ 26,039,739	25

		1	2	
		Operating	After Consolidation*	
	<b>C. Current Liabilities</b>			
26	Accounts Payable	\$ 618,124	\$ 618,124	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	29,601	231,712	29
30	Accrued Salaries Payable	385,561	385,561	30
31	Accrued Taxes Payable (excluding real estate taxes)	30,310	30,310	31
32	Accrued Real Estate Taxes(Sch.IX-B)		483,688	32
33	Accrued Interest Payable		68,436	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	<b>Other Current Liabilities(specify):</b>			
36	See Schedule 17A	4,136,742	4,136,742	36
37				37
38	<b>TOTAL Current Liabilities</b> (sum of lines 26 thru 37)	\$ 5,200,338	\$ 5,954,573	38
	<b>D. Long-Term Liabilities</b>			
39	Long-Term Notes Payable	2,679,488	18,119,783	39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	<b>Other Long-Term Liabilities(specify):</b>			
43				43
44				44
45	<b>TOTAL Long-Term Liabilities</b> (sum of lines 39 thru 44)	\$ 2,679,488	\$ 18,119,783	45
46	<b>TOTAL LIABILITIES</b> (sum of lines 38 and 45)	\$ 7,879,826	\$ 24,074,356	46
47	<b>TOTAL EQUITY</b> (page 18, line 24)	\$ 2,716,774	\$ 1,965,383	47
48	<b>TOTAL LIABILITIES AND EQUITY</b> (sum of lines 46 and 47)	\$ 10,596,600	\$ 26,039,739	48

SEE ACCOUNTANTS' COMPILATION REPORT

\*(See instructions.)

The Imperial Grove Pavilion

Provider #: 0037754

01/01/2006 to 12/31/2006

Schedule 17A

XV. BALANCE SHEET - Unrestricted Operating Fund.

A. Current Assets

		After
<u>Line 9 - Other Current Assets (specify):</u>	<u>Operating</u>	<u>Consolidation</u>
Employee Advances	77,193	77,193
Deposits	1,480	1,480
Accrued Management Fees	527,530	527,530
Due from Related Parties	2,885,020	2,885,020
<b>Total Line 9 - Other Current Assets (specify):</b>	<b><u>3,491,223</u></b>	<b><u>3,491,223</u></b>

C. Current Liabilities

		After
<u>Line 36 - Other Current Liabilities (specify):</u>	<u>Operating</u>	<u>Consolidation</u>
Accrued Expenses	571,300	571,300
Due to Public Aid	696,544	696,544
Due to Related Parties	2,867,771	2,867,771
Due to Employees	1,127	1,127
<b>Total Line 36 - Other Current Liabilities (specify):</b>	<b><u>4,136,742</u></b>	<b><u>4,136,742</u></b>

See Accountants' Compilation Report

**XVI. STATEMENT OF CHANGES IN EQUITY**

		<b>1</b>	
		<b>Total</b>	
<b>1</b>	<b>Balance at Beginning of Year, as Previously Reported</b>	\$ <b>2,193,664</b>	<b>1</b>
<b>2</b>	Restatements (describe):		<b>2</b>
<b>3</b>			<b>3</b>
<b>4</b>			<b>4</b>
<b>5</b>			<b>5</b>
<b>6</b>	<b>Balance at Beginning of Year, as Restated (sum of lines 1-5)</b>	\$ <b>2,193,664</b>	<b>6</b>
	<b>A. Additions (deductions):</b>		
<b>7</b>	NET Income (Loss) (from page 19, line 43)	<b>523,110</b>	<b>7</b>
<b>8</b>	Aquisitions of Pooled Companies		<b>8</b>
<b>9</b>	Proceeds from Sale of Stock		<b>9</b>
<b>10</b>	Stock Options Exercised		<b>10</b>
<b>11</b>	Contributions and Grants		<b>11</b>
<b>12</b>	Expenditures for Specific Purposes		<b>12</b>
<b>13</b>	Dividends Paid or Other Distributions to Owners	( )	<b>13</b>
<b>14</b>	Donated Property, Plant, and Equipment		<b>14</b>
<b>15</b>	Other (describe)		<b>15</b>
<b>16</b>	Other (describe)		<b>16</b>
<b>17</b>	<b>TOTAL Additions (deductions) (sum of lines 7-16)</b>	\$ <b>523,110</b>	<b>17</b>
	<b>B. Transfers (Itemize):</b>		
<b>18</b>			<b>18</b>
<b>19</b>			<b>19</b>
<b>20</b>			<b>20</b>
<b>21</b>			<b>21</b>
<b>22</b>			<b>22</b>
<b>23</b>	<b>TOTAL Transfers (sum of lines 18-22)</b>	\$	<b>23</b>
<b>24</b>	<b>BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)</b>	\$ <b>2,716,774</b>	<b>24</b> *

Operating Entity Only

\* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

**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	
	<b>A. Inpatient Care</b>		
1	Gross Revenue -- All Levels of Care	\$ 15,809,626	1
2	Discounts and Allowances for all Levels	(3,888,179)	2
3	<b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>	\$ 11,921,447	3
	<b>B. Ancillary Revenue</b>		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	2,664,098	6
7	Oxygen	2,780	7
8	<b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>	\$ 2,666,878	8
	<b>C. Other Operating Revenue</b>		
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	19,675	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	1,167,418	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	60,606	19
20	Radiology and X-Ray	35,355	20
21	Other Medical Services	209,116	21
22	Laundry		22
23	<b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b>	\$ 1,492,170	23
	<b>D. Non-Operating Revenue</b>		
24	Contributions		24
25	Interest and Other Investment Income***	37,249	25
26	<b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>	\$ 37,249	26
	<b>E. Other Revenue (specify):****</b>		
27	<b>Settlement Income (Insurance, Legal, Etc.)</b>		27
28	<u>Miscellaneous Income</u>	482	28
28a			28a
29	<b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>	\$ 482	29
30	<b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>	\$ 16,118,226	30

2

	Expenses	Amount	
	<b>A. Operating Expenses</b>		
31	General Services	2,550,240	31
32	Health Care	6,403,233	32
33	General Administration	3,120,759	33
	<b>B. Capital Expense</b>		
34	Ownership	1,760,783	34
	<b>C. Ancillary Expense</b>		
35	Special Cost Centers	1,624,321	35
36	Provider Participation Fee	135,780	36
	<b>D. Other Expenses (specify):</b>		
37			37
38			38
39			39
40	<b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>	\$ 15,595,116	40
41	<b>Income before Income Taxes (line 30 minus line 40)**</b>	523,110	41
42	<b>Income Taxes</b>		42
43	<b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b>	\$ 523,110	43

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

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

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

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

Facility Name & ID Number The Imperial Grove Pavilion

# 0037754

Report Period Beginning:

01/01/2006

Ending:

12/31/2006

**XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)**

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	1,997	2,086	\$ 112,408	\$ 53.89	1
2	Assistant Director of Nursing	1,745	1,817	96,092	52.88	2
3	Registered Nurses	39,637	42,590	1,162,166	27.29	3
4	Licensed Practical Nurses	34,037	37,365	864,202	23.13	4
5	CNAs & Orderlies	118,801	127,743	1,124,134	8.80	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	14,854	15,972	204,870	12.83	8
9	Activity Director	1,280	1,320	26,487	20.07	9
10	Activity Assistants	16,486	17,369	127,000	7.31	10
11	Social Service Workers	14,670	15,456	228,410	14.78	11
12	Dietician	2,037	2,166	57,960	26.76	12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	10,694	11,513	162,699	14.13	15
16	Dishwashers	33,330	36,059	303,575	8.42	16
17	Maintenance Workers	8,269	8,898	127,858	14.37	17
18	Housekeepers	3,914	4,171	80,191	19.23	18
19	Laundry					19
20	Administrator	4,809	4,924	206,753	41.99	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	19,786	21,360	239,511	11.21	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	6,821	7,614	200,643	26.35	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	4,843	4,993	78,644	15.75	31
32	Other Health C: <u>Specialty Nurse</u>	1,729	1,820	60,774	33.39	32
33	Other(specify) <u>Beautician</u>	552	552	8,280	15.00	33
34	TOTAL (lines 1 - 33)	340,291	365,788	\$ 5,472,657 *	\$ 14.96	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	1,160	\$ 44,725	L1 & C3	35
36	Medical Director	Monthly	60,000	L9 & C3	36
37	Medical Records Consultant	115	5,785	L10 & C3	37
38	Nurse Consultant	1,024	18,329	L10 & C3	38
39	Pharmacist Consultant	3,028	4,467	L10 & C3	39
40	Physical Therapy Consultant	Monthly	25,000	L10A & C3	40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant	915	28,827	L10A & C3	42
43	Speech Therapy Consultant				43
44	Activity Consultant	55	2,365	L11 & C3	44
45	Social Service Consultant	20	1,076	L12 & C3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	6,317	\$ 190,574		49

**C. CONTRACT NURSES**

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference		
50	Registered Nurses	7,428	\$ 259,983	L10 & C3	50
51	Licensed Practical Nurses	1,060	37,116	L10 & C3	51
52	Certified Nurse Assistants/Aides	595	20,833	L10 & C3	52
53	TOTAL (lines 50 - 52)	9,083	\$ 317,932		53

SEE ACCOUNTANTS' COMPILATION REPORT



The Imperial Grove Pavilion

Provider #: 0037754

01/01/200 to 12/31/2006

Schedule 21A

XIX. SUPPORT SCHEDULE

C. Professional Services

<u>Vendor/Payee</u>	<u>Type</u>	<u>Amount</u>
Stone McGuire & Siegel	Legal	20,955
Law Office of Carol Babbitt	Legal	250
Ober Kaler Grimes	Legal	423
Foley & Lardner LLP	Legal	3,552
Segal & Segal	Legal	14,414
Barbara K. Krawczyk Demos	Legal	28,511
Reverse Accounts Payable	Legal	(2,000)
Refund	Legal	(105)
Sachnoff & Weaver	Legal	3,870
Klein, Dub & Holleb, Ltd.	Legal	5,917
Madigan & Gedzendanner	Legal	15,000
		<u>90,788</u>

Personnel Planners	Unemployment Consulting	2,975
Commitment Consulting	Consulting	30,000
Iron Administration, LLC	Consulting	3,139
Norm Steinberg	Accounting	316
Frost, Ruttenberg & Rothblatt, P.C.	Accounting	6,744
RSM McGladreyInc.	Accounting	7,809
Altschuler, Melvoin & Glasset LLP	Accounting	<u>29,800</u>

Total (agree to Schedule V, line 19, column 3) 171,571

Reclassified Legal fees:

Madigan & Gedzendanner (15,000)

Disallowed legal fees:

Sachnoff & Weaver, Ltd. (2,004)  
Law Office of Carol Babbitt (250)  
Foley & Lardner LLP (533)  
Law offices Segal & Segal (9,857)  
Barbara K. Demos (28,511)

(41,155)

Professional fees allocated from NuCare:

Legal 4,625  
Accounting 1,759

6,384

Professional fees allocated from Care Path Health Network

Data Processing 345  
Legal 16  
Accounting 780

1,141

Professional fees allocated from ITEX

Data Processing 5,611  
Legal 82  
Accounting 599

6,292

Total (agree to Schedule V, line 19, column 8) 129,233

SEE ACCOUNTANTS' COMPILATION REPORT

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

1	2	3	4	5	6	7	8	9	10	11	12	13
Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011
1		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2												
3												
4												
5												
6												
7												
8	N/A											
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20	TOTALS	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Imperial Grove Pavilion# 0037754Report Period Beginning: 01/01/2006Ending: 12/31/2006**XX. GENERAL INFORMATION:**

- (1) Are nursing employees (RN,LPN,NA) represented by a union? Yes
- (2) Are there any dues to nursing home associations included on the cost report? Yes  
If YES, give association name and amount. Illinois Council on Long-Term Care \$14,136
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes  
What was the average life used for new equipment added during this period? 10 Years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 62,001 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No  
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 135,780  
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? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 39,567 Has any meal income been offset against related costs? No Indicate the amount. \$ N/A
- (16) Travel and Transportation  
a. Are there costs included for out-of-state travel? No  
If YES, attach a complete explanation.  
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A  
c. What percent of all travel expense relates to transportation of nurses and patients? 0%  
d. Have vehicle usage logs been maintained? Adequate records have been maintained.  
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? Yes  
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A  
g. Does the facility transport residents to and from day training? No  
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No  
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes  
Attach invoices and a summary of services for all architect and appraisal fees

**SEE ACCOUNTANTS' COMPILATION REPORT**