

Facility Name Franciscan Court

Report Period Beginning: 1/1/2007 Ending: 12/31/2007

III. STATISTICAL DATA

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

Date of change in certified units N/A

	1	2	3	4	
	Units at Beginning of Report Period	Type of Apartment	Units at End of Report Period	Unit Days During Report Period	
1	54	Single Unit Apartment	54	19,710	1
2	16	Double Unit Apartment	16	5,840	2
3		Other			3
4	70	TOTALS	70	25,550	4

B. Census-For the entire report period.

	1 Type of Unit	2 3 4 5 Resident Days by Unit and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
5	Single Unit	5,789	7,697		13,486	5
6	Double Unit	541	2,070	417	3,028	6
7	Other					7
8	TOTALS	6,330	9,767	417	16,514	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 64.63%

D. Indicate the number of paid bed-hold days the SLF had during this year
 Also, indicate the number of unpaid bed-hold days the SLF had during this year. _____ **(Do not include bed-hold days in Section B.)**

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

YES NO

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

YES NO

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

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

None

H. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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

Tax Year: 12/31/2007 Fiscal Year: 12/31/2007

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

J. Does the facility have any Illinois Housing Development Authority Loans outstanding? No If yes, did the facility make all of the required payments of interest and principle? N/A

If no, explain. N/A

K. Does the facility have any loans from the Federal Home Loan Bank outstanding? No If yes, did the facility make all of the required payments of interest and principle? N/A

If no, explain. N/A

L. Does the facility have any loans from the IL Dept of Commerce and Economic Opportunity outstanding? No If yes, did the facility make all of the required payments of interest and principle? N/A

If no, explain. N/A

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

Operating Expenses		Costs Per General Ledger				Reclassifications and Adjustments	Adjusted Total	
		Salary/Wage 1	Supplies 2	Other 3	Total 4			
A. General Services								
1	Dietary and Food Purchase	89,921	75,138		165,059		165,059	1
2	Housekeeping, Laundry and Maintenance	45,358	273	38,903	84,534	(2,838)	81,696	2
3	Heat and Other Utilities			86,861	86,861		86,861	3
4	Other (specify):							4
5	TOTAL General Services	135,279	75,411	125,764	336,454	(2,838)	333,616	5
B. Health Care and Programs								
6	Health Care/ Personal Care	276,690	4,247		280,937		280,937	6
7	Activities and Social Services	13,171	4,268		17,439		17,439	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	289,861	8,515		298,376		298,376	9
C. General Administration								
10	Administrative and Clerical	102,575	10,890	181,684	295,149	(13,135)	282,014	10
11	Marketing Materials, Promotions and Advertising			39,987	39,987		39,987	11
12	Employee Benefits and Payroll Taxes			74,176	74,176	(13,768)	60,408	12
13	Insurance-Property, Liability and Malpractice			54,515	54,515		54,515	13
14	Other (specify):							14
15	TOTAL General Administration	102,575	10,890	350,362	463,827	(26,903)	436,924	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	527,715	94,816	476,126	1,098,657	(29,741)	1,068,916	16
Capital Expenses								
D. Ownership								
17	Depreciation			305,499	305,499	(56,995)	248,504	17
18	Interest			543,976	543,976	(19,056)	524,920	18
19	Real Estate Taxes			51,000	51,000		51,000	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment			7,805	7,805		7,805	21
22	Other (specify):			38,010	38,010		38,010	22
23	TOTAL Ownership			946,290	946,290	(76,051)	870,239	23
24	GRAND TOTAL (Sum of lines 16 and 23)	527,715	94,816	1,422,416	2,044,947	(105,792)	1,939,155	24

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	1.26	\$ 30.16	1
2	Licensed Practical Nurses	-		2
3	Certified Nurse Assistants	8.23	11.56	3
4	Activity Director & Assistants	0.64	9.86	4
5	Social Service Workers	-		5
6	Head Cook	-		6
7	Cook Helpers/Assistants	3.78	11.45	7
8	Dishwashers	-		8
9	Maintenance Workers	1.13	11.27	9
10	Housekeepers	1.01	8.97	10
11	Laundry	-		11
12	Managers	-		12
13	Other Administrative	1.00	38.79	13
14	Clerical	0.96	10.96	14
15	Marketing	-		15
16	Other	-		16
17	Total (lines 1 thru 16)	18.00	\$ 14.09	17

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

	NAME and FUNCTION	Ownership Interest	Average Hours Per Work Week Devoted to this Business	Amount of Compensation for this Reporting Period	
1	Zach Caulkins	75%	40	\$ 80,675	1
2	Rene Caulkins	0%	40	80,675	2
3					3
4					4
5					5
Total				\$ 161350	6

VI. (B) Management fees paid to unrelated parties

	Amount of Fee	
1	\$	1
2		2
Total		\$ 3

VII. RELATED ORGANIZATIONS

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

RELATED SLF's & HEALTH CARE BUSINESSES	
Name <u>1</u>	City <u>2</u>
N/A	

OTHER RELATED BUSINESS ENTITIES		
Name <u>3</u>	City <u>4</u>	Type of Business <u>5</u>
Franciscan Properties, LLC		Building Co.

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

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

(Please attach a separate schedule itemizing those services.)

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

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

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VIII. OWNERSHIP COSTS

A. Purchase price of land \$ Year land was acquired

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

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

	1 Units*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	70		2005	2005	\$ 5,193,829	\$ 150,839	35	\$ 148,395	\$ (2,444)	\$ 296,790	1
2			2006	2006	39,000	1,133	35	1,114	(19)	2,228	2
3											3
4											4
5											5
Improvement Type											
6	Total From Supplemental Page 5's				14,175	48,869		197	197	197	6
7	Land Improvements			2005	622,852		20	41,523	41,523	44,984	7
8	Landscaping-Sign			2006	2,730		20	182	182	243	8
9	Landscaping			2006	4,714		20	314	314	419	9
10	Carpeting			2006	1,791		20	358	358	448	10
11	Sign			2006	7,610		20	106	106	106	11
12	Electric For Sign			2006	700		20	7	7	7	12
13	Electric For Sign			2006	320		20	3	3	3	13
14	Flooring			2006	1,642		20	164	164	164	14
15	Land Improvements Building Co.			2006	4,675		20	312	312	312	15
16	Walls & Flooring Instalation			2007	2,856		20	15	15	15	16
17	TOTAL (lines 1 thru 16)				\$ 5,896,894	\$ 200,841		\$ 192,690	\$ 40,718	\$ 345,916	17

C. Equipment Depreciation -- Including Transportation.

	Type	1 Cost	2 Current Book Depreciation	3 Straight Line Depreciation	4 Adjustments	5 Life in Years	6 Accumulated Depreciation	
18	Movable Equipment	\$ 892,771	\$ 104,658	\$ 6,945	(97,713)	10	\$ 105,719	18
19	Vehicles					5	-	19
20	TOTAL (lines 18 and 19)	\$ 892,771	\$ 104,658	\$ 6,945	(97,713)		\$ 105,719	20

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

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

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1								1
2	Basement Flooring	2007	1,279	20	7	7	7	2
3	Basement Flooring	2007	5,000	20	27	27	27	3
4	Lay Flooring & Marble	2007	3,761	20	20	20	20	4
5	Basement Flooring	2007	954	20	1	1	1	5
6	Basement Flooring	2007	343	20				6
7	Parking Lot Repavement	2007	2,838	20	142	142	142	7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33	Total Book Depreciation				48,869			33
34	TOTAL (lines 1 thru 33)		\$ 14,175	\$ 48,869		\$ 197	\$ 197	\$ 197 34

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

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34	TOTAL (lines 1 thru 33)		\$	\$		\$	\$	34

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

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XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.

1	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34	TOTAL (lines 1 thru 33)		\$	\$		\$	\$	34

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

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IX. RENTAL COSTS**A. Building and Fixed Equipment**1. Name of Party Holding Lease: N/A

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

 YES NO

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

8. Is movable equipment rental included in building rental?

 YES NO9. Rental amount for movable equipment \$ 7,805

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

X. INTEREST EXPENSE

	1	2	3	4	6	7	8	9		
	Name of Lender	Related**		Purpose of Loan	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Int. Expense
		YES	NO			Original	Balance			
	A. Directly Facility Related Long-Term									
1	US Bank		X	Mortgage	12/30/05	\$ 5,945,000	\$ 5,897,349	6/30/12	Prime	\$ 476,688
2	US Bank		X	Loans Payable	12/30/05	1,300,000	725,066		Prime	58,556
3	ICG Construction		X	Loans Payable	/ /		118,433	/ /		8,645
	Working Capital									
4	AT&T		X	Capitalized Lease	/ /		727	/ /		87
5					/ /			/ /		
6					/ /			/ /		
7	TOTAL Facility Related					\$ 7,245,000	\$ 6,741,575			\$ 543,976
	B. Non-Facility Related									
8	Interest Income		X		/ /			/ /		(19,056)
9					/ /			/ /		
10	TOTALS (lines 7, 8 and 9)					\$ 7,245,000	\$ 6,741,575			\$ 524,920

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

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

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XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2007

(last day of reporting year)

		1	2	
		Operating	After	
			Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ 371,961	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	131,929		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	3,555		6
7	Other Prepaid Expenses	6,664		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See Attached	501,945		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,016,054	\$	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	916,502		13
14	Buildings, at Historical Cost	5,864,270		14
15	Leasehold Improvements, at Historical Cost	23,428		15
16	Equipment, at Historical Cost	894,414		16
17	Accumulated Depreciation (book methods)	(618,558)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(48,020)		20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See Attached	163,698		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 7,195,734	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 8,211,788	\$	25

		1	2	
		Operating	After	
			Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 153,395	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	727		29
30	Accrued Salaries Payable	33,708		30
31	Accrued Taxes Payable	3,479		31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
Other Current Liabilities(specify):				
35				35
36	See Attached	97,171		36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 288,480	\$	37
D. Long-Term Liabilities				
38	Long-Term Notes Payable	843,499		38
39	Mortgage Payable	5,897,349		39
40	Bonds Payable			40
41	Deferred Compensation			41
Other Long-Term Liabilities(specify):				
42				42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 6,740,848	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 7,029,328	\$	45
46	TOTAL EQUITY	\$ 1,182,460	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 8,211,788	\$	47

*(See instructions.)

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

		1	
Revenue		Amount	
A. SLF Resident Care			
1	Gross SLF Resident Revenue	\$ 2,276,378	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 2,276,378	3
B. Other Operating Revenue			
4	Special Services		4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care		8
9	Non-Resident Meals		9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	19,056	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 19,056	14
D. Other Revenue (specify):			
15			15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 2,295,434	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	336,454	19
20	Health Care/ Personal Care	298,376	20
21	General Administration	463,827	21
B. Capital Expense			
22	Ownership	946,290	22
C. Other Expenses			
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
28	TOTAL EXPENSES (sum of lines 19 thru 27)	\$ 2,044,947	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 250,487	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 250,487	31