

Facility Name & ID Number Alden Alma Nelson Manor

0044891 Report Period Beginning: 1/1/07 Ending: 12/31/07

III. STATISTICAL DATA

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

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	268	Skilled (SNF)	268	97,820	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	268	TOTALS	268	97,820	7

B. Census-For the entire report period.

	1 Level of Care	3 Patient Days by Level of Care and Primary Source of Payment				5
		2 Medicaid Recipient		4 Other	Total	
		Private Pay				
8	SNF	6,723	4,174	14,916	25,813	8
9	SNF/PED					9
10	ICF	38,865	2,372		41,237	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	45,588	6,546	14,916	67,050	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 68.54%

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)

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
 YES NO

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
 YES NO

I. On what date did you start providing long term care at this location?
 Date started 08/01/00

J. Was the facility purchased or leased after January 1, 1978?
 YES Date 8/1/00 NO

K. Was the facility certified for Medicare during the reporting year?
 YES NO If YES, enter number of beds certified 128 and days of care provided 11,265

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: 12/31/07 Fiscal Year: 12/31/07

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

STATE OF ILLINOIS

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Facility Name & ID Number Alden Alma Nelson Manor # 0044891 Report Period Beginning: 1/1/07 Ending: 12/31/07

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

	Operating Expenses	Costs Per General Ledger				Reclassification 5	Reclassified Total 6	Adjust- ments 7	Adjusted Total 8	FOR BHF USE ONLY	
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10
A. General Services											
1	Dietary	350,981	39,592	12,000	402,573	693	403,266	4,308	407,574		1
2	Food Purchase		396,741		396,741	(32,969)	363,772	(38,444)	325,328		2
3	Housekeeping	316,154	64,442		380,596	610	381,206	5,425	386,631		3
4	Laundry	92,881	40,156		133,037	223	133,260		133,260		4
5	Heat and Other Utilities			288,040	288,040		288,040	(4,833)	283,207		5
6	Maintenance	93,694		155,560	249,254		249,254	46,195	295,449		6
7	Other (specify):* Related Party Benefits							9,471	9,471		7
8	TOTAL General Services	853,710	540,931	455,600	1,850,241	(31,443)	1,818,798	22,122	1,840,920		8
B. Health Care and Programs											
9	Medical Director			15,500	15,500		15,500		15,500		9
10	Nursing and Medical Records	3,738,176	318,255	6,838	4,063,269	(22,309)	4,040,960	68,991	4,109,951		10
10a	Therapy	132,219			132,219		132,219		132,219		10a
11	Activities	103,447	2,154	3,490	109,091	111	109,202		109,202		11
12	Social Services	82,479			82,479		82,479		82,479		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Related Party Benefits							11,473	11,473		15
16	TOTAL Health Care and Programs	4,056,321	320,409	25,828	4,402,558	(22,198)	4,380,360	80,464	4,460,824		16
C. General Administration											
17	Administrative	161,378			161,378		161,378	103,479	264,857		17
18	Directors Fees										18
19	Professional Services			916,649	916,649	(66,974)	849,675	(771,233)	78,442		19
20	Dues, Fees, Subscriptions & Promotions			103,841	103,841		103,841	(71,873)	31,968		20
21	Clerical & General Office Expenses	343,964	40,552	125,325	509,841	223	510,064	198,924	708,988		21
22	Employee Benefits & Payroll Taxes			872,185	872,185	24,149	896,334	(21,692)	874,642		22
23	Inservice Training & Education										23
24	Travel and Seminar			6,562	6,562		6,562	2,903	9,465		24
25	Other Admin. Staff Transportation			17,266	17,266		17,266	16,226	33,492		25
26	Insurance-Prop.Liab.Malpractice			259,208	259,208	(1,217)	257,991	13,083	271,074		26
27	Other (specify):* Related Party Benefits			478,552	478,552		478,552	(403,072)	75,480		27
28	TOTAL General Administration	505,342	40,552	2,779,588	3,325,482	(43,819)	3,281,663	(933,255)	2,348,408		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	5,415,373	901,892	3,261,016	9,578,281	(97,460)	9,480,821	(830,669)	8,650,152		29

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

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

Facility Name & ID Number

Alden Alma Nelson Manor

#0044891

Report Period Beginning:

1/1/07

Ending:

12/31/07

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			57,929	57,929		57,929	233,577	291,506			30
31	Amortization of Pre-Op. & Org.							11,843	11,843			31
32	Interest			150,750	150,750	1,217	151,967	523,048	675,015			32
33	Real Estate Taxes							214,030	214,030			33
34	Rent-Facility & Grounds			1,043,698	1,043,698		1,043,698	(1,043,698)				34
35	Rent-Equipment & Vehicles			25,432	25,432		25,432	49,057	74,489			35
36	Other (specify):*							58,450	58,450			36
37	TOTAL Ownership			1,277,809	1,277,809	1,217	1,279,026	46,307	1,325,333			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		626,172	1,028,146	1,654,318	96,243	1,750,561	102,814	1,853,375			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			146,730	146,730		146,730		146,730			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers		626,172	1,174,876	1,801,048	96,243	1,897,291	102,814	2,000,105			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	5,415,373	1,528,064	5,713,701	12,657,138		12,657,138	(681,548)	11,975,590			45

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

Alma Nelson, Inc.
Reporting Period Beginning
Reporting Period Ending

1/1/2007
12/31/2007

IDPH Facility ID Number:

0044891

Page 4A

Reclassifications - Pgs 3 and 4

<u>From Line</u>	<u>To Line</u>	<u>Amount</u>	<u>Description</u>
2		(32,969.00)	Employee Meals
	22	32,969.00	Employee Meals
10		(96,243.18)	Oxygen Costs
	39	96,243.18	Oxygen Costs
26		(1,217.00)	Insurance Expense
	32	1,217.00	Insurance Expense
22		(8,820.43)	Employee Uniforms
	1	693.50	Employee Uniforms
	3	609.87	Employee Uniforms
	4	222.99	Employee Uniforms
	6	-	Employee Uniforms
	10	6,960.03	Employee Uniforms
	11	111.19	Employee Uniforms
	21	222.85	Employee Uniforms
19		(66,974.00)	Pathway - Clinincal Consultants
	10	66,974.00	Pathway - Clinincal Consultants
		-	

Facility Name & ID Number Alden Alma Nelson Manor

0044891

Report Period Beginning: 1/1/07

Ending: 12/31/07

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	BHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(28)	2		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income	(16,240)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(2,400)	2		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	(43,416)	21		17
18	Fines and Penalties	(24,677)	32		18
19	Entertainment	(21)	20		19
20	Contributions	(2,015)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(9,845)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(478,552)	27		24
25	Fund Raising, Advertising and Promotional	(27,024)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising	(338)	20		28
29	Other-Attach Schedule				29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (604,556)		\$	30

BHF USE ONLY						
48		49	50	51	52	

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)	152,722	Various	34
35	Other- Attach Schedule	(229,714)	PG 5A	35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (76,992)		36
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (681,548)		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			x			39
40	Gift and Coffee Shops		x			40
41	Barber and Beauty Shops		x			41
42	Laboratory and Radiology		x			42
43	Prescription Drugs		x			43
44	Exceptional Care Program		x			44
45	Other-Attach Schedule		x			45
46	Other-Attach Schedule		x			46
47	TOTAL (C): (sum of lines 38-46)			\$		47

Alden Alma Nelson Manor

ID# 0044891

Report Period Beginning: 1/1/07

Ending: 12/31/07

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	
1	Late Fees on Utilities	\$ (8,684)	5	1
2	Late Fees on Telephone	(13)	21	2
3	other Nursing income	(14)	21	3
4	Intercompany Interest with AMS	(44,910)	32	4
5	Intercompany Interest	(3,997)	32	5
6	Misc Income - Garnishment Processing	(214)	22	6
7	Misc Income - Record Copies	(548)	22	7
8	Misc Income - Jury Duty	(20)	22	8
9	Misc Income - Vending Machine	(1,387)	2	9
10	Misc Income - Food Rebate	(221)	2	10
11	Reduce Employee Benefit for Marketing	(20,910)	22	11
12	Vendor Settlements	(14,898)	21	12
13	Reduce deprec exp on Pg 12 items under \$2500 -Alma.L	(3,487)	30	13
14	Reduce deprec exp on Pg 12 items under \$2500-	(1,022)	30	14
15	Expense capital items < \$2500 on Pg 12 items-Alma.LLA	9,169	6	15
16	Expense capital items < \$2500 on Pg 12 items-Alma	13,169	6	16
17	Reduce deprec exp on Pg 13 items under \$2500	(1,472)	30	17
18	Expense capital items < \$2500 on Pg 13 items	3,701	6	18
19	Correct interco. Interest: Inc=77k, LLC=83k	6,469	32	19
20	Record Depreciation for Deffered Maint.	842	6	20
21	Backout PAC fees	(3,873)	20	21
22	Adjusted Fixed assets to Detail	1,252	30	22
23	Bank Fees paid by LLC	(89)	21	23
24	Deming Adjustment	177	24	24
25	Vendor Settlements- Multiut Callone	9,000	21	25
26	Vendor Settlements - Multiut Corporation & Ashman	5,898	6	26
27	Marketing Manager & Aides	(129,829)	21	27
28	Eliminate non - care G & A costs	(38)	21	28
29	Eliminate non - care R & M costs	(38)	6	29
30	Adjusted depreciation expenses	(42,973)	30	30
31	Backout PAC fees -IL Health Care Assoc	(375)	24	31
32	Backout legal fees- Janet L. Hermann	(379)	19	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	(229,714)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Alden Alma Nelson Manor

0044891 Report Period Beginning:

1/1/07

Ending:

12/31/07

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

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	7,779	(3,471)	0	0	0	0	0	0	0	4,308	1
2	Food Purchase	(4,036)	0	0	(34,408)	0	0	0	0	0	0	0	(38,444)	2
3	Housekeeping	0	0	5,425	0	0	0	0	0	0	0	0	5,425	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	(8,684)	0	3,851	0	0	0	0	0	0	0	0	(4,833)	5
6	Maintenance	32,742	0	14,481	0	0	0	(1,028)	0	0	0	0	46,195	6
7	Other (specify):*	0	0	8,705	766	0	0	0	0	0	0	0	9,471	7
8	TOTAL General Services	20,022	0	40,241	(37,113)	0	0	(1,028)	0	0	0	0	22,122	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	65,722	1,707	1,562	0	0	0	0	0	0	68,991	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	11,473	0	0	0	0	0	0	0	0	11,473	15
16	TOTAL Health Care and Programs	0	0	77,195	1,707	1,562	0	0	0	0	0	0	80,464	16
	C. General Administration													
17	Administrative	0	0	103,479	0	0	0	0	0	0	0	0	103,479	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(10,224)	4,850	(765,859)	0	0	0	0	0	0	0	0	(771,233)	19
20	Fees, Subscriptions & Promotions	(33,271)	250	(38,852)	0	0	0	0	0	0	0	0	(71,873)	20
21	Clerical & General Office Expenses	(179,298)	89	326,124	17,058	34,951	0	0	0	0	0	0	198,924	21
22	Employee Benefits & Payroll Taxes	(21,692)	0	0	0	0	0	0	0	0	0	0	(21,692)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	(198)	0	3,101	0	0	0	0	0	0	0	0	2,903	24
25	Other Admin. Staff Transportation	0	0	16,226	0	0	0	0	0	0	0	0	16,226	25
26	Insurance-Prop.Liab.Malpractice	0	12,797	286	0	0	0	0	0	0	0	0	13,083	26
27	Other (specify):*	(478,552)	0	72,246	1,593	1,641	0	0	0	0	0	0	(403,072)	27
28	TOTAL General Administration	(723,235)	17,986	(283,249)	18,651	36,592	0	0	0	0	0	0	(933,255)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(703,213)	17,986	(165,813)	(16,755)	38,154	0	(1,028)	0	0	0	0	(830,669)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Alden Alma Nelson Manor

0044891

Report Period Beginning:

1/1/07

Ending:

12/31/07

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

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	D. Ownership													
30	Depreciation	(47,702)	276,526	3,226	0	1,527	0	0	0	0	0	0	233,577	30
31	Amortization of Pre-Op. & Org.	0	11,756	87	0	0	0	0	0	0	0	0	11,843	31
32	Interest	(83,355)	586,150	17,958	0	1,988	307	0	0	0	0	0	523,048	32
33	Real Estate Taxes	0	207,447	5,937	0	646	0	0	0	0	0	0	214,030	33
34	Rent-Facility & Grounds	0	(1,043,698)	0	0	0	0	0	0	0	0	0	(1,043,698)	34
35	Rent-Equipment & Vehicles	0	0	49,057	0	0	0	0	0	0	0	0	49,057	35
36	Other (specify):*	0	58,450	0	0	0	0	0	0	0	0	0	58,450	36
37	TOTAL Ownership	(131,057)	96,631	76,265	0	4,161	307	0	0	0	0	0	46,307	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	(44,223)	(75,431)	222,468	0	0	0	0	0	102,814	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	0	0	0	(44,223)	(75,431)	222,468	0	0	0	0	0	102,814	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(834,270)	114,617	(89,548)	(60,978)	(33,116)	222,775	(1,028)	0	0	0	0	(681,548)	45

VII. RELATED PARTIES

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

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Alden Rockford Investments, LLC	100	See Pg 6K		See Pg 6K		

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	34 Rent Income	\$ 1,043,698	Alma Nelson Manor, LLC		\$	\$ (1,043,698) 1
2	V	32 Investment Income - RR	4,306	Alma Nelson Manor, LLC			(4,306) 2
3	V	32 Interest on Alma Note	83,635	Alma Nelson Manor, LLC			(83,635) 3
4	V	19 Accounting Fee		Alma Nelson Manor, LLC	100.00%	4,850	4,850 4
5	V	21 Bank Charges		Alma Nelson Manor, LLC	100.00%	89	89 5
6	V	33 Real Estate Tax		Alma Nelson Manor, LLC	100.00%	207,447	207,447 6
7	V	26 General Insurance Expenses		Alma Nelson Manor, LLC	100.00%	12,797	12,797 7
8	V	36 Mortgage Insurance Premium		Alma Nelson Manor, LLC	100.00%	58,450	58,450 8
9	V	32 Interest On Mortg. Note		Alma Nelson Manor, LLC	100.00%	655,291	655,291 9
10	V	32 Interest -Other		Alma Nelson Manor, LLC	100.00%	18,800	18,800 10
11	V	30 Depreciation		Alma Nelson Manor, LLC	100.00%	276,526	276,526 11
12	V	31 Amortization		Alma Nelson Manor, LLC	100.00%	11,756	11,756 12
13	V	20 Licenses & Inspections		Alma Nelson Manor, LLC	100.00%	250	250 13
14	Total		\$ 1,131,639			\$ 1,246,256	\$ * 114,617 14

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	5 Utilities	\$	Alden Management Services, Inc.	0.00%	\$ 3,851	\$ 3,851	15
16	V	24 Trav & Seminar		Alden Management Services, Inc.		3,101	3,101	16
17	V	25 Other Admin Travel		Alden Management Services, Inc.		16,226	16,226	17
18	V	26 Insurance		Alden Management Services, Inc.		286	286	18
19	V	20 Dues & Subscriptions	39,510	Alden Management Services, Inc.		658	(38,852)	19
20	V	30 Depreciation		Alden Management Services, Inc.		3,226	3,226	20
21	V	31 Amortization		Alden Management Services, Inc.		87	87	21
22	V	33 Real Estate Tax		Alden Management Services, Inc.		5,937	5,937	22
23	V	35 Rent -Equip & Vehicles		Alden Management Services, Inc.		49,057	49,057	23
24	V	32 Interest		Alden Management Services, Inc.		17,958	17,958	24
25	V	1 Dietary		Alden Management Services, Inc.		7,779	7,779	25
26	V	3 Housekeeping		Alden Management Services, Inc.		5,425	5,425	26
27	V	7 Employee Benefits -Gen'L Servs		Alden Management Services, Inc.		8,705	8,705	27
28	V	10 Nurs & Med Records Salary		Alden Management Services, Inc.		65,722	65,722	28
29	V	15 Employee Benefits -Health Care		Alden Management Services, Inc.		11,473	11,473	29
30	V	17 Administrative Salary		Alden Management Services, Inc.		103,479	103,479	30
31	V	18 Directors Salary		Alden Management Services, Inc.				31
32	V	27 Employee Benefits - Admin		Alden Management Services, Inc.		72,246	72,246	32
33	V	19 Professional Fees	824,522	Alden Management Services, Inc.		58,663	(765,859)	33
34	V	21 Gen'l & Admin		Alden Management Services, Inc.		326,124	326,124	34
35	V	6 Repair & Maint.	35,183	Alden Management Services, Inc.		49,664	14,481	35
36	V							36
37	V							37
38	V							38
39	Total		\$ 899,215			\$ 809,667	\$ * (89,548)	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	1 Diet. Consultant	\$ 12,000	Prism Health Care Services, Inc.	0.00%	\$ 4,124	\$ (7,876)
16	V	1 Dietarty Salary		Prism Health Care Services, Inc.		4,405	4,405
17	V	2 Tube Feeding	49,629	Prism Health Care Services, Inc.		15,221	(34,408)
18	V	10 Equip. Rental	3,060	Prism Health Care Services, Inc.		4,767	1,707
19	V	39 Ancillary Supplies	92,179	Prism Health Care Services, Inc.		47,956	(44,223)
20	V	21 Gen'l & Admin Salary		Prism Health Care Services, Inc.		6,788	6,788
21	V	27 Employee Benefits		Prism Health Care Services, Inc.		1,593	1,593
22	V	7 Employee Benefits		Prism Health Care Services, Inc.		766	766
23	V	21 Gen'l & Admin		Prism Health Care Services, Inc.		10,270	10,270
24	V						
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 156,868			\$ 95,890	\$ * (60,978)

* 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	39 Drugs	\$ 266,942	Forum Extended Care Services II, Inc.	0.00%	\$ 395,934	\$ 128,992
16	V	39 IV	226,578	Forum Extended Care Services II, Inc.		24,859	(201,719)
17	V	39 Wound Care	13,149	Forum Extended Care Services II, Inc.		10,445	(2,704)
18	V	10 House Stock	14,324	Forum Extended Care Services II, Inc.		13,670	(654)
19	V	10 Pharmacy Consultant	6,432	Forum Extended Care Services II, Inc.		8,648	2,216
20	V	27 Employee Vaccin.	3,844	Forum Extended Care Services II, Inc.		3,014	(830)
21	V	27 Employee Benefits: G&A		Forum Extended Care Services II, Inc.		2,471	2,471
22	V	21 Gen'l & Admin. Salary		Forum Extended Care Services II, Inc.		18,751	18,751
23	V	21 Gen'l & Admin		Forum Extended Care Services II, Inc.		16,200	16,200
24	V	32 Interest		Forum Extended Care Services II, Inc.		1,988	1,988
25	V	33 Real Estate Tax		Forum Extended Care Services II, Inc.		646	646
26	V	30 Depreciation		Forum Extended Care Services II, Inc.		1,527	1,527
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 531,269			\$ 498,153	\$ * (33,116)

* 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	39 Therapy	\$ 979,859	Community Physical Therapy & Associates, Ltd.	0.00%	\$ 1,202,327	\$ 222,468	15	
16	V	32 Interest		Community Physical Therapy & Associates, Ltd.		307	307	16	
17	V							17	
18	V							18	
19	V							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		\$ 979,859			\$ 1,202,634	\$ *	222,775	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	6 Repairs and Maintenance	\$ 75,464	Alden Bennett Construction Company, Inc.	0.00%	\$ 74,436	\$ (1,028)	15
16	V							16
17	V							17
18	V							18
19	V							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		\$ 75,464			\$ 74,436	\$ * (1,028)	39

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

STATE OF ILLINIOS

Facility Name & ID Number **Alden Alma Nelson Manor** Provider No. **# 004-4891** Report Period Beginning: **1/1/2007** Ending: **12/31/2007**

RELATED NURSING HOMES		OTHER RELATED BUSINESS ENTITIES		
Name	City	Name	City	Type of Business
Heather Health Care Center, Inc.	Harvey	The Forum Professional Center, LP	Chicago	Home Office rental
Alden-Long Grove Rehabilitation and Health Care Center, Inc.	Long Grove	Forum Extended Care Services II, Inc.	Chicago	Pharmacy
Alden-Lincoln Park Rehabilitation and Health Care Center, Inc.	Chicago	Alden Management Services, Inc.	Chicago	Management
Alden-Northmoor Rehabilitation and Health Care Center, Inc.	Chicago			
Alden-Lakeland Rehabilitation and Health Care Center, Inc.	Chicago			
Alden of Old Town East, Inc.	Bloomington	Alden Garden Courts of DesPlaines, LLC	DesPlaines	Assisted Living/Alzheimers Facility
Alden Terrace of McHenry Rehabilitation and Health Care Center, Inc.	McHenry	Alden Courts of Waterford, LLC	Aurora	Alzheimers Facility
Alden - Wentworth Rehabilitation and Health Care Center, Inc.	Chicago	Alden Gardens of Waterford, LLC	Aurora	Assisted Living
Alden - Naperville Rehabilitation and Health Care Center, Inc.	Naperville	Prism Health Care Services, Inc.	Schaumburg	Nursing and Durable Equipment
Alden - Valley Ridge Rehabilitation and Health Care Center, Inc.	Bloomington	Community Physical Therapy & Associates, Ltd.	Wood Dale	Therapy Provider
Alden Village Health Facility for Children and Young Adults, Inc.	Bloomington	Alden Bennett Construction Company, Inc.	Chicago	General Contractor
Alden - Orland Park Rehabilitation and Health Care Center, Inc.	Orland Park			
Alden - Princeton Rehabilitation and Health Care Center, Inc.	Chicago			
Alden of Old Town West, Inc.	Bloomington			
Alden - Town Manor Rehabilitation and Health Care Center, Inc.	Cicero			
Alden Trails, Inc.	Bloomington			
Alden - Poplar Creek Rehabilitation and Health Care Center, Inc.	Hoffman Estates			
Alden - North Shore Rehabilitation and Health Care Center, Inc.	Skokie			
Alden - Des Plaines Rehabilitation and Health Care Center, Inc.	Des Plaines			
Alden Estates of Evanston, Inc.	Evanston			
Alden - Alma Nelson Manor, Inc.	Rockford			
Alden - Park Strathmoor, Inc.	Rockford			
Alden - Meadow Park Health Care Center, Inc.	Clinton, WI			
Alden Estates of Barrington, Inc.	Barrington			
Alden of Waterford, LLC	Aurora			
Alden Springs, Inc.	Bloomington			

Facility Name & ID Number Alden Alma Nelson Manor # 0044891 Report Period Beginning: 1/1/07 Ending: 12/31/07

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	Floyd A. Schlossberg	President	CEO	100.00	161,071	2.324	0.06	Salary	\$ 9,929	17-7	1
2	Lauren Magnusson	Dir. Of Clinical Servi	Technical Nursing	0.00	60,736	2.324	0.06	Salary	3,744	10-7	2
3	Terry Magnusson	Dir. of Purchasing	Supervise Mainten	0.00	35,756	2.324	0.06	Salary	2,204	6-7	3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 15,877		13

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

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

Facility Name & ID Number Alden Alma Nelson Manor

0044891 Report Period Beginning: 1/1/07

Ending: 12/31/07

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 Alden Management Services, Inc.
 Street Address 4200 W. Peterson
 City / State / Zip Code Chicago, IL 60646
 Phone Number (773)286-3883
 Fax Number (773)286-8038

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	Patient Days	29	\$ 66,328	\$	67,050	\$ 3,851	1
2	24	Trav & Seminar	Patient Days	29	53,403		67,050	3,101	2
3	25	Other Admin Travel	Patient Days	29	279,431		67,050	16,226	3
4	26	Insurance	Patient Days	29	4,925		67,050	286	4
5	20	Dues & Subscriptions	Patient Days	29	11,328		67,050	658	5
6	30	Depreciation	No of Providers/usage	29	93,554		1	3,226	6
7	31	Amortization	Patient Days	29	1,500		67,050	87	7
8	33	Real Estate Tax	Patient Days/ysage	29	102,244		67,050	5,937	8
9	35	Rent-Equip & Vehicle	Patient Days	29	844,835		67,050	49,057	9
10	32	Interest	Patient Days/usage	29	309,264		67,050	17,958	10
11	1	Dietary	Patient Days	29	133,965	133,965	67,050	7,779	11
12	3	Housekeeping	Patient Days	29	93,421	93,421	67,050	5,425	12
13	7	Employee Benefits -Gen'I Servs	Patient Days	29	149,914		67,050	8,705	13
14	10	Nurs & Med Records Salary	Patient Days	29	1,131,833	1,178,420	67,050	65,722	14
15	15	Employee Benefits -Health Care	Patient Days	29	197,574		67,050	11,473	15
16	17	Administrative Salary	Patient Days/usage	29	1,782,066	1,091,420	67,050	103,479	16
17	18	Directors Salary	Patient Days	29	1,154,703	855,000	67,050	0	17
18	27	Employee Benefits - Admin	Patient Days	29	1,244,181		67,050	72,246	18
19	19	Professional fees	Patient Days	29	1,010,272	531,592	67,050	58,663	19
20	21	Gen'I & Admin	Patient Days	29	5,616,348	4,942,836	67,050	326,124	20
21	6	Repair & Maint.	Patient Days	29	855,298	666,770	67,050	49,664	21
22									22
23									23
24									24
25	TOTALS				\$ 13,981,684	\$ 9,493,424		\$ 809,667	25

Facility Name & ID Number Alden Alma Nelson Manor

0044891

Report Period Beginning:

1/1/07

Ending:

12/31/07

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	
						Original	Balance					
	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									
	A. Directly Facility Related											
	Long-Term											
1	Cambridge		X	Mortgage		09/04	\$ 12,036,800	\$ 11,505,083	09/39	5.6000	\$ 655,291	1
2	Gemino Healthcare Finance			Short-term loan			1,005,969	1,005,969			18,800	2
3												3
4												4
5	Insurance Interest-see reclass		X	Malpractice Insurance							1,217	5
	Working Capital											
6	Related Party - CPT	X		Working Capital							307	6
7	Related Party - AMS	X		Working Capital							17,958	7
8	Related Party - FECII	X		Working Capital							1,988	8
9	TOTAL Facility Related						\$ 13,042,769	\$ 12,511,052			\$ 695,561	9
	B. Non-Facility Related*											
10	Int Income on Repl Reserve	X									(4,306)	10
11	Interest and Other Investment I	X									(16,240)	11
12												12
13												13
14	TOTAL Non-Facility Related						\$	\$			\$ (20,546)	14
15	TOTALS (line 9+line14)						\$ 13,042,769	\$ 12,511,052			\$ 675,015	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 58,450 Line # 36* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
(See instructions.)** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates RE: 2006 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 2006 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2006.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2006 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 2007 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,

2006 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Alden Alma Nelson Manor COUNTY Winnebago

FACILITY IDPH LICENSE NUMBER 0044891

CONTACT PERSON REGARDING THIS REPORT Steven M. Kroll

TELEPHONE (773) 286-3883 FAX #: (773)286-8038

A. Summary of Real Estate Tax Cos

Enter the tax index number and real estate tax assessed for 2006 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 2006

(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>See Attached (12 Pg Supplement)</u>	<u>Related Party-Alden Management Ser</u>	\$ <u>241,399.00</u>	\$ <u>5,937.00</u>
2. <u>See Attached (12 Pg Supplement)</u>	<u>Related Party-Forum Professional Ce</u>	\$ <u>37,806.00</u>	\$ <u>646.00</u>
3. <u>12-27-152-001</u>	<u>Nursing home facility</u>	\$ <u>98,506.36</u>	\$ <u>98,506.00</u>
4. <u>12-27-152-002</u>	<u>Nursing home facility</u>	\$ <u>99,039.22</u>	\$ <u>99,039.00</u>
5. <u>12-27-152-003</u>	<u>Nursing home facility</u>	\$ <u>6,601.18</u>	\$ <u>6,601.00</u>
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>483,351.76</u>	\$ <u>210,729.00</u>

B. Real Estate Tax Cost Allocation:

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not direct used for nursing home services? YES x NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used)

C. Tax Bills

Attach a copy of the original 2006 tax bills which were listed in Section A to this statement. Be sure to use the 2006 tax bill which is normally paid during 2007

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 Alden Alma Nelson Manor

0044891 Report Period Beginning:

1/1/07

Ending:

12/31/07

X. BUILDING AND GENERAL INFORMATION:A. Square Feet: 60,952 B. General Construction Type: Exterior Brick Frame Steel Number of Stories 1C. 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 ground (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)

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

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

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

Nature of Costs: _____

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

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	Nursing Home	60,952	2000	\$ 835,364	1
2					2
3	TOTALS	60,952		\$ 835,364	3

Facility Name & ID Number Alden Alma Nelson Manor

0044891

Report Period Beginning:

1/1/07

Ending:

12/31/07

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	268	2000		\$ 7,000,000	\$ 222,222	31.5	\$ 222,222	\$	\$ 1,648,147	4
5										5
6										6
7										7
8	Related Party-Forum		1978	14,541		25			14,541	8
Improvement Type**										
9	GT Mechanical - replace 75 ton compressor		2000	23,550	2,355	10	2,355		17,270	9
10	Building Improvements		2000	5,142	257	20	257		1,864	10
11	Alden Design - HVAC		2000	3,089	154	20	154		1,119	11
12	Alden Bennett Const.		2001	16,737	1,674	10	1,674		11,577	12
13	Pro com systems		2001	4,055	406	10	406		2,806	13
14	Alden Bennett Const.		2001	2,098	210	10	210		1,416	14
15	New Horz. Comm		2001	1,701	170	10	170		1,134	15
16	Alden Bennett Const.		2001	1,816	182	10	182		1,212	16
17	Alden Bennett Const.		2001	2,263	226	10	226		1,489	17
18	Alden Bennett Const.		2001	2,828	283	10	283		1,839	18
19	Seams -rebuild engine		2001	4,938	494	10	494		3,169	19
20	Alden Bennett Const.		2001	1,632	163	10	163		1,047	20
21	CSI Coker - belt/heating element		2001	5,256	526	10	526		3,242	21
22	Alden Bennett Const.		2001	3,198	320	10	320		1,972	22
23	GT Mechanical - heater		2001	2,406	241	10	241		1,465	23
24	Alden Design - elect. /plumbing		2001	22,472	1,124	20	1,124		7,866	24
25	Alden Design - misc		2001	22,412	1,121	20	1,121		7,845	25
26	Alden Design - misc		2001	94,243	4,712	20	4,712		32,592	26
27	ABC - laundry room repairs		2001	11,608	580	20	580		3,820	27
28										28
29										29
30										30
31										31
32										32
33										33
34										34
35										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

STATE OF ILLINOIS

Page 12A

Facility Name & ID Number Alden Alma Nelson Manor

0044891

Report Period Beginning:

1/1/07

Ending:

12/31/07

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	GT Mechanical, Inc. - Repair Air Conditioner	2002	\$ 11,519	\$ 1,152	10	\$ 1,152		\$ 6,336		37
38	Pro Com Systems - Repair Nurse Call System	2002	1,862	186	10	186		1,055		38
39	GT Mechanical, Inc. - Repair Heater	2002	1,996	200	10	200		1,182		39
40	FE Moran - Repair - Fire Alarm System	2002	1,825	183	10	183		990		40
41	Nelson Carlson - Repair Water Main	2002	2,407	241	10	241		1,425		41
42	ABC - Carpet	2002	1,231	62	20	62		390		42
43	ABC - Chimney	2002	3,032	152	20	152		759		43
44	Medline - Window Blinds	2003	1,706	244	7	244		1,199		44
45	Tyco - installation of smoke detectors	2003	6,753	450	15	450		2,251		45
46	Code Alert - Update system	2003	5,007	334	15	334		1,503		46
47	ABC - 4 doors	2003	2,449	245	10	245		1,000		47
48	ABC - Light Fixtures	2003	2,283	456	5	456		2,283		48
49	GT Mech - Replace Pump	2003	1,532	153	10	153		715		49
50	Simplex - Repair Smoke Detector system	2003	4,238	424	10	424		1,978		50
51	ABC - Roof Repair	2003	3,953	264	15	264		1,231		51
52	CSI Coker - Repair Dishwasher	2003	3,291	470	7	470		2,076		52
53	ABC - Repair C wing main A/C power	2003	2,177	218	10	218		962		53
54	ABC - Repair Boiler	2003	23,646	1,576	15	1,576		6,436		54
55	ABC-Roof repairs	2004	3,102	310	10	310		1,111		55
56	ABC-Roof repairs	2004	3,486	349	10	349		1,337		56
57	ABC-Roof repairs	2004	4,565	457	10	457		1,675		57
58	Equipment Int'l LTD-repair laundry	2004	1,714	171	10	171		670		58
59	CSI Coker - Repair Dishwasher	2004	2,387	239	10	239		916		59
60	CSI Coker - Repair Dishwasher	2004	2,915	292	10	292		1,094		60
61	GT Mechanical-furnace repair	2004	1,765	177	10	177		648		61
62	GT Mechanical-a/c repair	2004	2,128	213	10	213		781		62
63	ABC-boiler repairs	2004	1,877	188	10	188		658		63
64	GT Mechanical-Expansion tank replacement	2004	5,925	593	10	593		1,877		64
65	GT Mechanical-heater repair	2004	5,536	554	10	554		1,708		65
66										66
67										67
68										68
69										69
70	TOTAL (lines 4 thru 69)		\$ 7,362,292	\$ 247,973		\$ 247,973	\$	\$ 1,813,678		70

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

STATE OF ILLINOIS

Page 12B

Facility Name & ID Number Alden Alma Nelson Manor

0044891

Report Period Beginning:

1/1/07

Ending:

12/31/07

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 7,362,292	\$ 247,973		\$ 247,973	\$	\$ 1,813,678	1
2	GT Mechanical-heater repairs	2005	5,310	531	10	531		1,504	2
3	GT Mech-water pump repair	2005	2,032	203	10	203		558	3
4	Long Elevator-elevator repairs	2005	2,138	214	10	214		535	4
5	Patten Ind-generator battery replacement	2005	2,735	547	5	547		1,322	5
6	GT Mech-compressor replacement	2005	1,957	196	10	196		457	6
7	ABC-boiler tube replacement	2005	4,240	424	10	424		919	7
8	GT Mech-heater motor replacement	2005	1,591	159	10	159		345	8
9	GT Mech-laundry room repairs	2005	741	74	10	74		160	9
10	Top Notch-kitchen boiler repairs	2005	3,853	385	10	385		802	10
11	ABC-fire alarm panel replacements	2005	11,532	1,152	10	1,152		2,400	11
12	ABC-door locks	2005	2,203	220	10	220		550	12
13	ABC-door locks	2005	2,203	220	10	220		532	13
14	ABC-door locks	2005	1,825	183	10	183		442	14
15	ABC-new automatic door	2006	5,644	564	10	564		564	15
16	ABC-new water heater	2006	13,771	918	15	918		918	16
17	ABC-roof & gutter repairs	2006	4,926	493	10	493		493	17
18	Gt Mechanical Inc.-HVAC repairs	2007	3,625	332	10	332		332	18
19	ABC- replace boiler tubes	2007	2,798	187	10	187		187	19
20	ABC-replace boiler tubes	2007	3,834	192	10	192		192	20
21	ABC-roof leak	2007	10,686	223	20	223		223	21
22	ABC-Boiler repair	2007	7,668	213	15	213		213	22
23	TopNotch Commrc. Kitchen-Freezer Door	2007	4,553	228	5	228		228	23
24	ABC-new paving	2007	73,725	614	10	614		614	24
25	November AMS Maint Alloc	2007	32,048	267	10	267		267	25
26	ABC Repl Plumbing Electrical Hardware & Fix	2007	4,065	42	8	42		42	26
27	ABC-New Gasketing Fire Doors	2007	2,981		10				27
28	Patten Ind-generator repairs metal.	2007	2,735	547	5	547		547	28
29	Top Notch Services- replace boiler assembly	2007	3,853	385	10	385		385	29
30	ABC -new automatic door	2007	5,644	564	10	564		564	30
31	ABC -new water heater	2007	13,771	918	15	918		918	31
32	ABC - repaire roof	2007	4,926	493	10	493		493	32
33	Paving	2007	27,958	874	8	874		874	33
34	TOTAL (lines 1 thru 33)		\$ 7,633,864	\$ 260,535		\$ 260,535	\$	\$ 1,832,258	34

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

STATE OF ILLINOIS

Facility Name & ID Number Alden Alma Nelson Manor

0044891

Report Period Beginning:

1/1/07

Ending:

12/31/07

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 7,633,864	\$ 260,535		\$ 260,535	\$	\$ 1,832,258	1
2	ABC -replace boiler tubes	2007	2,798	47	10	47		47	2
3	ABC -replace boiler tubes	2007	3,834	64	10	64		64	3
4	Top Notch -kichen appliance repairs	2007	3,452	115	5	115		115	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)		\$ 7,643,948	\$ 260,761		\$ 260,761	\$	\$ 1,832,484	34

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

Facility Name & ID Number Alden Alma Nelson Manor

0044891

Report Period Beginning:

1/1/07

Ending:

12/31/07

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 7,643,948	\$ 260,761		\$ 260,761	\$	\$ 1,832,484	1
2									2
3	Related Party-Forum Prof Center Building:								3
4	Leasehold Improvement-Remodeling	1980	11,034		15			11,034	4
5	Leasehold Improvement-Remodeling	1980	17,284		20			17,284	5
6	Leasehold Improvement-Tenant Improvem	1987	893		13			893	6
7	Leasehold Improvement-AMS Remodel	1988	14,339		10			14,339	7
8	Leasehold Improvement-Roof	1994	3,204	200	16	200		2,604	8
9	Leasehold Improvement-Build.Improv	1996	1,130	71	16	71		843	9
10	Leasehold Improvement-Asphalting	2000	88		3			88	10
11	Leasehold Improvement-DAI	2001	154	15	10	15		95	11
12	Leasehold Improvement-Bathrooms	2002	667	73	7	73		391	12
13	Leasehold Improvement-Suite Renovator	2003	1,638	164	10	164		819	13
14	Leasehold Improvement-Plumbing, Construct, Concrete, Doors, et	2004	2,050	391	7	391		1,213	14
15	Leasehold Improvement-sidewalks-City of Chic	2007	106	21	5	21		21	15
16	Leasehold Improvement-Carpet: Superior Install	2007	97	19	5	19		19	16
17	Leasehold Improvement-Condensing Unit: Suite 140	2007	841	168	5	168		168	17
18	Leasehold Improvement-Add-on Improvement, fixture bas	1980	71		23			71	18
19	Leasehold Improvement-Add-on Improvement, lighting bas	2001	123		5			123	19
20	Leasehold Improvements-fire extinguishers	2007	10	2	5	2		2	20
21									21
22									22
23									23
24	Related Party-AMS:								24
25	Leasehold Improvement-Remodeling	1993	5,938		7			5,938	25
26	Leasehold Improvement-Remodeling	2002	4,861	694	7	694		3,386	26
27	Leasehold Improvement-Remodeling	2003	5,085	726	7	726		3,525	27
28									28
29									29
30	Forum Extended Care, LLC-building/building improv	1999	10,485	266	30	266		2,420	30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 7,724,046	\$ 263,572		\$ 263,572	\$	\$ 1,897,760	34

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

Facility Name & ID Number Alden Alma Nelson Manor

0044891

Report Period Beginning:

1/1/07

Ending:

12/31/07

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	\$ 165,541	\$ 22,548	\$ 22,548	\$		\$ 110,727	71
72	Current Year Purchases	57,457	3,840	3,840			3,840	72
73	Fully Depreciated Assets	627,831	1,517	1,517			627,831	73
74								74
75	TOTALS	\$ 850,829	\$ 27,905	\$ 27,905	\$		\$ 742,398	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77										77
78										78
79	Related Party-AMS	Lumina/Chev/2004	2004	117	29	29		3	117	79
80	TOTALS			\$ 117	\$ 29	\$ 29	\$		\$ 117	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)	\$ 9,410,357	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 291,506	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 291,506	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 2,640,275	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

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

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

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

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: Related Party -Cost is Backed Out

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? YES NO
If NO, see instructions.

		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				<u>Related Party -Cost is Backed Out</u>			4
5								5
6								6
7	TOTAL				\$			7

10. Effective dates of current rental agreement:
Beginning 08/1/2000
Ending 7/31/2010

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

	Fiscal Year Ending	Annual Rent
12.	<u>/2008</u>	<u>\$ 1,046,826</u>
13.	<u>/2009</u>	<u>\$ 1,046,826</u>
14.	<u>/2010</u>	<u>\$ 1,046,826</u>

8. List separately any amortization of lease expense included on page 4, line 34.
This amount was calculated by dividing the total amount to be amortized by the length of the lease _____

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

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

15. Is Movable equipment rental included in building rental? YES NO

16. Rental Amount for movable equipment: \$ 16,258 Description: Copy Machine Lease
(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>Non-patient transport</u>		\$ <u>Varied</u>	\$ <u>9,173</u>	17
18	<u>Related Party - AMS</u>		<u>#####</u>	<u>49,057</u>	18
19					19
20					20
21	TOTAL		\$ <u>#####</u>	\$ <u>58,230</u>	21

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

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

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

B. EXPENSES

ALLOCATION OF COSTS (d)

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

- (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.

C. CONTRACTUAL INCOME

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

\$ _____

D. NUMBER OF CNAs TRAINED

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

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

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

	Service	1 Schedule V Line & Column Reference	2		4	5		6 Supplies (Actual or Allocated)	7 Total Units (Column 2 + 4)	8 Total Cost (Col. 3 + 5 + 6)	
			Staff			Outside Practitioner (other than consultant)					
			Units of Service	Cost		Units	Cost				
1	Licensed Occupational Therapist	39-3	hrs	\$		\$ 365,597	\$		\$ 365,597	1	
2	Licensed Speech and Language Development Therapist	39-3	hrs			69,601			69,601	2	
3	Licensed Recreational Therapist		hrs							3	
4	Licensed Physical Therapist	39-3	hrs			544,660			544,660	4	
5	Physician Care		visits							5	
6	Dental Care		visits							6	
7	Work Related Program		hrs							7	
8	Habilitation		hrs							8	
9	Pharmacy	See Pg 16A	# of prescripts				395,934		395,934	9	
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10	
11	Academic Education		hrs							11	
12	Exceptional Care Program	39-1, 39-3, if any								12	
13	Other (specify): See Pg 16A					222,468	255,114		477,582	13	
14	TOTAL			\$		\$ 1,202,327	\$ 651,048		\$ 1,853,375	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.

XIV. Special Services (Direct Cost)		Page 16	
		Col 5: PT,OT, & ST	
		Col 6: Supplies	
Service Description	Col. 1: Ref. No.	To Pg 16: Col. No.	
1. OT	39-3	To Col 5	\$365,597.27
2. ST	39-3	To Col 5	69,600.90
3.			
4. PT	39-3	To Col 5	544,660.44
5.			
6.			
7.			
8.			
Pharmacy Supplies per GL			266,942.45
Manual Input from Related Party- Forum Drugs			128,992.00
9. Total to line 9 Pharmacy	See Pg 16A	To Col 6	395,934.45
10.			
11.			
12. Exceptional Care-Salaries:	See pg 16A	To Col. 3	0.00
12. Exceptional Care-Supplies:	See pg 16A	To Col. 6	0.00
Total Exceptional Care (Line 12, Col 8)			0.00
13. Other:	See Pg 16A		
13. Col 5: Manual Input: Related Party - CPT		To Col 5	222,468.00
Other			407,516.55
Manual Input: Related Party - Prism			(44,223.00)
Manual Input: Related Party FECII - I.V.			(201,719.00)
Manual Input: Related Party FECII - Wound Care			(2,704.00)
Oxygen, from reclass worksheet			96,243.18
13. Col 6: Supplies Total		To Col 6	255,113.73
13. Total Line 13, Column 8			477,581.73
14. Total			1,853,375

STATE OF ILLINOIS

Facility Name & ID Number Alden Alma Nelson Manor # 0044891 Report Period Beginning: 1/1/07 Ending: 12/31/07
 XV. BALANCE SHEET - Unrestricted Operating Fund. As of 12/31/07 (last day of reporting year)

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

	1	2	
	Operating	After Consolidation*	
A. Current Assets			
1	Cash on Hand and in Banks	\$ 5,384	1
2	Cash-Patient Deposits		2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance (310,000))	2,045,209	3
4	Supply Inventory (priced at)	848	4
5	Short-Term Investments		5
6	Prepaid Insurance	9,185	6
7	Other Prepaid Expenses	10,704	7
8	Accounts Receivable (owners or related parties)	6,398	8
9	Other(specify): Due From 3rd Parties	120,873	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,177,634	10
B. Long-Term Assets			
11	Long-Term Notes Receivable		11
12	Long-Term Investments		12
13	Land	700,000	13
14	Buildings, at Historical Cost	7,000,000	14
15	Leasehold Improvements, at Historical Cost	541,040	15
16	Equipment, at Historical Cost	199,936	16
17	Accumulated Depreciation (book methods)	(293,385)	17
18	Deferred Charges		18
19	Organization & Pre-Operating Costs	1,489,000	19
20	Accumulated Amortization - Organization & Pre-Operating Costs		20
21	Restricted Funds	685,188	21
22	Other Long-Term Assets (sp) Fin Fees, net	40,400	22
23	Other(specify):		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 8,891,670	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 11,244,991	25

	1	2	
	Operating	After Consolidation*	
C. Current Liabilities			
26	Accounts Payable	\$ 1,050,541	26
27	Officer's Accounts Payable		27
28	Accounts Payable-Patient Deposits	205,941	28
29	Short-Term Notes Payable	1,005,969	29
30	Accrued Salaries Payable	612,988	30
31	Accrued Taxes Payable (excluding real estate taxes)	34,361	31
32	Accrued Real Estate Taxes(Sch.IX-B)	210,300	32
33	Accrued Interest Payable	6,924	33
34	Deferred Compensation		34
35	Federal and State Income Taxes		35
Other Current Liabilities(specify):			
36	Accrued Exp &ST of LT Debt	30,235	36
37	Due to Affiliates & DHFS	4,292,569	37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 7,239,528	38
D. Long-Term Liabilities			
39	Long-Term Notes Payable		39
40	Mortgage Payable	11,505,083	40
41	Bonds Payable		41
42	Deferred Compensation		42
Other Long-Term Liabilities(specify):			
43			43
44			44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 11,505,083	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 17,849,123	46
47	TOTAL EQUITY(page 18, line 24)	\$ (4,573,903)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 11,244,991	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (2,910,874)	1
2	Restatements (describe):		2
3	external audit adjustment made after 2006 cost report was	(100,003)	3
4	submitted. These have no effect on prior years report.		4
5	Bad Debt, Medicare revenues (non allowables).		5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (3,010,877)	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	(1,563,026)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (1,563,026)	17
B. Transfers (Itemize):			
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ (4,573,903)	24 *

* This must agree with page 17, line 47.

STATE OF ILLINOIS

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

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

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 10,905,368	1
2	Discounts and Allowances for all Levels	()	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,905,368	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	112,976	6
7	Oxygen	28,221	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 141,197	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop	1,691	12
13	Barber and Beauty Care	595	13
14	Non-Patient Meals	28	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	14,998	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	44	19
20	Radiology and X-Ray		20
21	Other Medical Services	2,132	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 19,488	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	16,240	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 16,240	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>See Page 19A</u>	11,819	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 11,819	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 11,094,112	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,850,241	31
32	Health Care	4,402,558	32
33	General Administration	3,325,482	33
B. Capital Expense			
34	Ownership	1,277,809	34
C. Ancillary Expense			
35	Special Cost Centers	1,654,318	35
36	Provider Participation Fee	146,730	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 12,657,138	40
41	Income before Income Taxes (line 30 minus line 40)**	(1,563,026)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (1,563,026)	43

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

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

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

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

Column 1
Amount

Page 19A

Must be submitted if there is a balance on Line 28. You need only report the info that has a balance.

Meals (private only, not offset on Schdl V)	120
Miscellaneous Income gl 4977 (describe) (is offset againts Schdl V.)	2,390
Wage Service Fee- Backed out with line reference 22 on page 5A	
Record Copies- Backed out with line reference 22 on page 5A	
Jury Duty- Backed out with line reference 22 on page 5A	
Food Rebates- Backed out with line reference 2 on page 5A	
Adjustment to prior year expense (related to prior yr, not offset on Schdl V)	(2,674)
Gain on Sale of Assets (related to prior yr, not offset on Schdl V)	11,984
Total of line 28	<u>11,819</u> =====

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Facility Name & ID Number Alden Alma Nelson Manor

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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	1,800	1,800	\$ 73,515	\$ 40.84	1
2	Assistant Director of Nursing	2,240	2,240	76,311	34.07	2
3	Registered Nurses	16,033	16,996	518,827	30.53	3
4	Licensed Practical Nurses	53,416	56,578	1,355,983	23.97	4
5	CNAs & Orderlies	111,792	121,953	1,496,315	12.27	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	5,722	6,349	90,083	14.19	8
9	Activity Director	2,144	2,144	32,256	15.04	9
10	Activity Assistants	7,476	8,099	71,191	8.79	10
11	Social Service Workers	4,896	4,900	82,479	16.83	11
12	Dietician					12
13	Food Service Supervisor	1,728	1,776	34,125	19.21	13
14	Head Cook	3,171	3,358	38,163	11.36	14
15	Cook Helpers/Assistants	26,035	28,062	278,694	9.93	15
16	Dishwashers					16
17	Maintenance Workers	3,920	3,920	93,694	23.90	17
18	Housekeepers	31,226	33,263	316,154	9.50	18
19	Laundry	8,399	9,304	92,881	9.98	19
20	Administrator	2,160	2,160	96,884	44.85	20
21	Assistant Administrator	1,952	1,952	64,494	33.04	21
22	Other Administrative	12,114	12,284	290,752	23.67	22
23	Office Manager	1,752	1,760	24,543	13.94	23
24	Clerical	6,839	6,907	70,806	10.25	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	3,625	3,633	102,249	28.14	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)	8,061	8,393	114,974	13.70	32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	316,501	337,831	\$ 5,415,373 *	\$ 16.03	34

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

** See instructions.

B. CONSULTANT SERVICES

	1	2	3		
	Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference		
35	Dietary Consultant	Monthly	\$ 12,000	1-3	35
36	Medical Director	Monthly	15,500	10-3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	6,432	10-3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	47	2,794	11-3	44
45	Social Service Consultant	12	696	11-3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	59	\$ 37,422		49

C. CONTRACT NURSES

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

XIX. SUPPORT SCHEDULES

A. Administrative Salaries	Name	Function	Ownership %	Amount
	Gillihan, Sherry M	Administrator	0	\$ 51,782
	Taylor, Gregory G	Administrator	0	47,175
	Kaminski, Lisa	Assist. Admin	0	44,746
	Parent, Georgett	Assist. Admin	0	17,675
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)				\$ 161,378

B. Administrative - Other	Description	Amount
	None	\$
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)		\$

C. Professional Services	Vendor/Payee	Type	Amount
	AMS	Management Fees	\$ 824,522
	BDO Seidman & Reznick Grp.	Accounting Fees	3,200
	Greenberg/Ungarett	Legal-Non Collections	5,221
	David A Aaby/KENFISH/DHFS	Legal-Collections	9,770
	Medi.Com/Pathway	Billing & Clinical Consltns	67,438
	First Advantage	Tax Credit Services	6,119
	Janet L. Herman	Legal -not allowable	379
Note: \$66,974 of the above Pathways cost was reclassified to Ln 10 on Pg 3.			
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 916,649

D. Employee Benefits and Payroll Taxes	Description	Amount
	Workers' Compensation Insurance	\$ 116,005
	Unemployment Compensation Insurance	122,808
	FICA Taxes	408,014
	Employee Health Insurance	67,179
	Employee Meals	32,969
	Illinois Municipal Retirement Fund (IMRF)*	
	Union Health & Welfare	104,139
	Dental, Life, Relations, Pension & Misc	36,282
	Tuition & Drug Test	2,819
	401k Match / Empl. Dishonesty/Emp Vaccinations	2,275
	Employee Vaccinations	3,844
	Offset Benefit Costs with Misc. Income	(782)
	Employee Benefit -Marketing	(20,910)
TOTAL (agree to Schedule V, line 22, col.8)		\$ 874,642

E. Schedule of Non-Cash Compensation Paid to Owners or Employees	Description	Line #	Amount
	Not Applicable		\$
TOTAL			\$

F. Dues, Fees, Subscriptions and Promotions	Description	Amount
	IDPH License Fee	\$ 5,012
	Advertising: Employee Recruitment	3,065
	Health Care Worker Background Check (Indicate # of checks performed 155)	1,550
	Patient Background Checks	249
	Surety Bong Fees	400
	Ill Assocn of Health Care/Other	9,341
	Related Party - AMS	658
	IHCA dues, less pac fees	9,201
	Related Party - Alma LLC	251
	Less: Public Relations Expense	()
	Non-allowable advertising	()
	Yellow page advertising	()
TOTAL (agree to Sch. V, line 20, col. 8)		\$ 31,968

G. Schedule of Travel and Seminar**	Description	Amount
	Out-of-State Travel	\$
	In-State Travel	
	Related Party - AMS	3,101
	Seminar Expense	
	Leadership Training	5,964
	Seminars/Conventions - Various	400
	Entertainment Expense	()
TOTAL (agree to Sch. V, line 24, col. 8)		\$ 9,465

* Attach copy of IMRF notifications

**See instructions.

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	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012
1	GT Mechanical - A/C	6/01	\$ 2,021	5	\$ 404	\$ 404	\$ 168	\$ 0	\$ 0	\$	\$	\$
2	GT Mechanical - Chiller	7/01	1,988	5	397	397	166	0	0			
3	CSI Corker - dishwasher	12/01	3,404	5	681	681	284	0	0			
4	no 2002 additions											
5	no 2003 additions											
6	Painting>\$1500 YTD 2004	03/04	1,753	10	146	175	175	175	175	175	175	175
7												
8	Patton-generator repairs	08/05	1,615	5		135	323	323	323	323	188	0
9	Patton-generator repairs	08/05	1,656	5		138	331	331	331	331	194	0
10	Patton-generator repairs	08/05	1,728	5		144	346	346	346	346	200	0
11												
12												
13	Sold Assets in 2006	03/05	3,000			500	250					
14												
15												
16												
17												
18												
19												
20	TOTALS		\$ 17,165		\$ 1,628	\$ 2,574	\$ 2,043	\$ 1,175	\$ 1,175	\$ 1,175	\$ 757	\$ 175

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0044891

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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. Il. Health Care Assoc. \$9,341
- (3) Did the nursing home make political contributions or payments to a political organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? _____
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 10 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 27,353 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. _____
- (9) Are you presently operating under a sublease agreement? _____ YES 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

- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 146,730
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 benefit: on Schedule V. \$ 32,969 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 221
- (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? No
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? No
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: _____ The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? No If no, please explain. Not required.
- (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 \$5,000, 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.