



Facility Name & ID Number Friendship Village-Schaumburg

# 0023218 Report Period Beginning: 04/01/06 Ending: 03/31/07

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 N/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	250	Skilled (SNF)	250	91,250	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	250	TOTALS	250	91,250	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF	17,808	20,784	29,477	68,069	8
9	SNF/PED					9
10	ICF	4,996	4,321	7,531	16,848	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	22,804	25,105	37,008	84,917	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 93.06%

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

None (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)

Home Health, Clinic, Adult Day Care

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 01/01/77

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

YES  Date \_\_\_\_\_ NO

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

YES  NO  If YES, enter number of beds certified 250 and days of care provided 8,447

Medicare Intermediary Mutual of Omaha

IV. ACCOUNTING BASIS

ACCRUAL  MODIFIED CASH\*  CASH\*

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

Tax Year: 03/31/07 Fiscal Year: 03/31/07

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

Facility Name & ID Number Friendship Village-Schaumburg # 0023218 Report Period Beginning: 04/01/06 Ending: 03/31/07

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

	Operating Expenses	Costs Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	<b>A. General Services</b>											
1	Dietary	1,682,346	142,988	238,441	2,063,775		2,063,775	(952,699)	1,111,076			1
2	Food Purchase		1,657,071		1,657,071		1,657,071	(765,894)	891,177			2
3	Housekeeping	734,011	117,103	16,164	867,278		867,278	(747,275)	120,003			3
4	Laundry	186,397	47,594		233,991		233,991	(17,860)	216,131			4
5	Heat and Other Utilities			987,417	987,417		987,417	(850,791)	136,626			5
6	Maintenance	976,211	(4,762)	1,027,869	1,999,318		1,999,318	(1,725,895)	273,423			6
7	Other (specify):*			4,271	4,271		4,271	(3,680)	591			7
8	<b>TOTAL General Services</b>	<b>3,578,965</b>	<b>1,959,994</b>	<b>2,274,162</b>	<b>7,813,121</b>		<b>7,813,121</b>	<b>(5,064,094)</b>	<b>2,749,027</b>			<b>8</b>
	<b>B. Health Care and Programs</b>											
9	Medical Director			13,200	13,200		13,200		13,200			9
10	Nursing and Medical Records	5,754,886	300,059	249,260	6,304,205		6,304,205	(1,530)	6,302,675			10
10a	Therapy	83,227			83,227		83,227		83,227			10a
11	Activities	204,130	10,717		214,847		214,847		214,847			11
12	Social Services	107,348			107,348		107,348		107,348			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	<b>TOTAL Health Care and Programs</b>	<b>6,149,591</b>	<b>310,776</b>	<b>262,460</b>	<b>6,722,827</b>		<b>6,722,827</b>	<b>(1,530)</b>	<b>6,721,297</b>			<b>16</b>
	<b>C. General Administration</b>											
17	Administrative	1,429,131		2,221,325	3,650,456		3,650,456	(1,570,305)	2,080,151			17
18	Directors Fees							19,712	19,712			18
19	Professional Services			116,171	116,171		116,171	(66,360)	49,811			19
20	Dues, Fees, Subscriptions & Promotions			45,506	45,506		45,506	28,191	73,697			20
21	Clerical & General Office Expenses	1,341,022	63,404	854,673	2,259,099		2,259,099	(263,140)	1,995,959			21
22	Employee Benefits & Payroll Taxes			3,785,531	3,785,531		3,785,531	(494,417)	3,291,114			22
23	Inservice Training & Education											23
24	Travel and Seminar			19,809	19,809		19,809	25,204	45,013			24
25	Other Admin. Staff Transportation			6,279	6,279		6,279	12,395	18,674			25
26	Insurance-Prop.Liab.Malpractice			20,000	20,000		20,000	49,147	69,147			26
27	Other (specify):*											27
28	<b>TOTAL General Administration</b>	<b>2,770,153</b>	<b>63,404</b>	<b>7,069,294</b>	<b>9,902,851</b>		<b>9,902,851</b>	<b>(2,259,573)</b>	<b>7,643,278</b>			<b>28</b>
29	<b>TOTAL Operating Expense (sum of lines 8, 16 &amp; 28)</b>	<b>12,498,709</b>	<b>2,334,174</b>	<b>9,605,916</b>	<b>24,438,799</b>		<b>24,438,799</b>	<b>(7,325,197)</b>	<b>17,113,602</b>			<b>29</b>

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

SEE ACCOUNTANTS' COMPILATION REPORT

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 Friendship Village-Schaumburg #0023218 Report Period Beginning: 04/01/06 Ending: 03/31/07

## V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost 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
	<b>D. Ownership</b>										
30	Depreciation			4,006,899	4,006,899		4,006,899	(3,198,888)	808,011		30
31	Amortization of Pre-Op. & Org.										31
32	Interest			2,039,822	2,039,822		2,039,822	(1,903,947)	135,875		32
33	Real Estate Taxes							105,198	105,198		33
34	Rent-Facility & Grounds										34
35	Rent-Equipment & Vehicles			60,412	60,412		60,412		60,412		35
36	Other (specify):*			254,222	254,222		254,222	(254,222)	0		36
37	<b>TOTAL Ownership</b>			6,361,355	6,361,355		6,361,355	(5,251,859)	1,109,496		37
	<b>Ancillary Expense</b>										
	<b>E. Special Cost Centers</b>										
38	Medically Necessary Transportation										38
39	Ancillary Service Centers	427,401	373,262	750,541	1,551,204		1,551,204	(427,402)	1,123,802		39
40	Barber and Beauty Shops										40
41	Coffee and Gift Shops	34,280	31,220	6,121	71,621		71,621	(71,621)			41
42	Provider Participation Fee			138,600	138,600		138,600	(1,725)	136,875		42
43	Other (specify):*		14,282	2,577,635	2,591,917		2,591,917	(2,591,917)	0		43
44	<b>TOTAL Special Cost Centers</b>	461,681	418,764	3,472,897	4,353,342		4,353,342	(3,092,665)	1,260,677		44
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	12,960,390	2,752,938	19,440,168	35,153,496		35,153,496	(15,669,720)	19,483,776		45

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

**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	(1,892)	02		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		30		9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax		02		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt				24
25	Fund Raising, Advertising and Promotional				25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule	(16,464,772)			29
30	<b>SUBTOTAL (A): (Sum of lines 1-29)</b>	<b>\$ (16,466,664)</b>		<b>\$</b>	<b>30</b>

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)	796,944		34
35	Other- Attach Schedule			35
36	<b>SUBTOTAL (B): (sum of lines 31-35)</b>	<b>\$ 796,944</b>		<b>36</b>
	(sum of SUBTOTALS			
37	<b>TOTAL ADJUSTMENTS (A) and (B) )</b>	<b>\$ (15,669,720)</b>		<b>37</b>

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

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

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

BHF USE ONLY					
48		49		50	51
					52

SEE ACCOUNTANTS' COMPILATION REPORT

NON-ALLOWABLE EXPENSES	Amount	Sch. V Line
1 Vending Machines	(2,490)	02 1
2		2
3 Investment Income	(902,468)	32 3
4 Bad Debt Expense	(79,484)	43 4
5 Village State Income	(71,621)	41 5
6		6
7 Wages-All Programs/Activities	(25,094)	43 7
8 Wages-Growth Opportunities	(52,119)	43 8
9 Benefits-Vacations	(55)	43 9
10 Assisted Living-Independent Living	(937,385)	43 10
11 Wages-Sales & Marketing	(404,629)	43 11
12 Sales & Marketing Expense	(926,600)	43 12
13 Bank Fees	(18,951)	21 13
14 Community Based Programming	(6,280)	21 14
15 Amortization of Bond Costs	(25,225)	36 15
16 Remarketing Fee Loss on Advance Refunding	(16,290)	32 16
17 Investment Fees	(106,423)	21 17
18 Misc Health care Revenue	(11)	10 18
19 HC Mobility Monitor	(275)	21 19
20 HC Wheel Chair Rental	(1,107)	10 20
21 Wages-Home Health	(343,803)	39 21
22 Space/Clinic Rental	(29,684)	43 22
23 Wages-Clinic	(83,599)	39 23
24 Clinic Expense	(2,302)	43 24
25 Misc. Income - Jury Duty	(412)	10 25
26 Misc. Income - Interest Trans. Fees	(5,900)	21 26
27 Other Misc. Income	(3,131)	21 27
28 Provider Participation Fee	(1,728)	42 28
29 Non-allowable Securities	(6,039)	34 29
30		30
31 Financing of Bridgewater Place	(1,470)	21 31
32 Capitalized R&M	(23,253)	06 32
33 Out of State Travel	(1,564)	22 33
34		34
35 M/N-HCC		35
36 Dining	(952,699)	01 36
37 Food Purchase	(764,145)	02 37
38 Housekeeping	(747,275)	03 38
39 Laundry	(17,460)	04 39
40 Heat & Utilities	(859,791)	05 40
41 Maintenance	(1,762,642)	06 41
42 Other (Disposal, Waste)	(3,680)	07 42
43 Administrative	(456,149)	17 43
44 Director's Fees	(122,746)	18 44
45 Professional Services	(310,178)	19 45
46		46
47 Clerical & General	(387,542)	21 47
48 Employee Benefits	(593,394)	22 48
49 Insurance	(379,502)	26 49
50 Depreciation	(3,283,161)	30 50
51 Interest	(856,669)	32 51
52 RE Taxes	(655,080)	33 52
53		53
54		54
55 VP of Marketing Salary	(140,535)	43 55
56 VP of Marketing Salary Benefits	(9,741)	22 56
57		57
58		58
59		59
60		60
61		61
62		62
63		63
64		64
65		65
66		66
67		67
68		68
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86		86
87		87
88		88
89		89
90		90
91		91
92		92
93		93
94		94
95		95
96		96
97		97
98		98
99		99
100		100
101 Total	(16,464,772)	101

## STATE OF ILLINOIS

Summary A

Facility Name &amp; ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

## 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)	
	<b>A. General Services</b>													
1	Dietary	(952,699)											(952,699)	1
2	Food Purchase	(768,535)		2,641									(765,894)	2
3	Housekeeping	(747,275)											(747,275)	3
4	Laundry	(17,860)											(17,860)	4
5	Heat and Other Utilities	(850,791)											(850,791)	5
6	Maintenance	(1,725,895)											(1,725,895)	6
7	Other (specify):*	(3,680)											(3,680)	7
8	<b>TOTAL General Services</b>	<b>(5,066,735)</b>		<b>2,641</b>									<b>(5,064,094)</b>	<b>8</b>
	<b>B. Health Care and Programs</b>													
9	Medical Director													9
10	Nursing and Medical Records	(1,530)											(1,530)	10
10a	Therapy													10a
11	Activities													11
12	Social Services													12
13	CNA Training													13
14	Program Transportation													14
15	Other (specify):*													15
16	<b>TOTAL Health Care and Programs</b>	<b>(1,530)</b>											<b>(1,530)</b>	<b>16</b>
	<b>C. General Administration</b>													
17	Administrative	(456,149)		(1,114,156)									(1,570,305)	17
18	Directors Fees	(122,746)		142,458									19,712	18
19	Professional Services	(310,178)		243,818									(66,360)	19
20	Fees, Subscriptions & Promotions			28,191									28,191	20
21	Clerical & General Office Expenses	(498,572)		235,432									(263,140)	21
22	Employee Benefits & Payroll Taxes	(603,135)		108,718									(494,417)	22
23	Inservice Training & Education													23
24	Travel and Seminar	(6,039)		31,243									25,204	24
25	Other Admin. Staff Transportation	(1,564)		13,959									12,395	25
26	Insurance-Prop.Liab.Malpractice	(379,502)		428,649									49,147	26
27	Other (specify):*													27
28	<b>TOTAL General Administration</b>	<b>(2,377,885)</b>		<b>118,312</b>									<b>(2,259,573)</b>	<b>28</b>
29	<b>TOTAL Operating Expense (sum of lines 8,16 &amp; 28)</b>	<b>(7,446,150)</b>		<b>120,953</b>									<b>(7,325,197)</b>	<b>29</b>

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06 Ending:

03/31/07

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

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
30	Depreciation	(3,203,161)		4,273									(3,198,888)	30
31	Amortization of Pre-Op. & Org.													31
32	Interest	(1,815,387)		(88,560)									(1,903,947)	32
33	Real Estate Taxes	(655,080)		760,278									105,198	33
34	Rent-Facility & Grounds													34
35	Rent-Equipment & Vehicles													35
36	Other (specify):*	(254,222)											(254,222)	36
37	<b>TOTAL Ownership</b>	<b>(5,927,850)</b>		<b>675,991</b>									<b>(5,251,859)</b>	<b>37</b>
	<b>Ancillary Expense</b>													
	<b>E. Special Cost Centers</b>													
38	Medically Necessary Transportation													38
39	Ancillary Service Centers	(427,402)											(427,402)	39
40	Barber and Beauty Shops													40
41	Coffee and Gift Shops	(71,621)											(71,621)	41
42	Provider Participation Fee	(1,725)											(1,725)	42
43	Other (specify):*	(2,591,917)											(2,591,917)	43
44	<b>TOTAL Special Cost Centers</b>	<b>(3,092,665)</b>											<b>(3,092,665)</b>	<b>44</b>
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	<b>(16,466,664)</b>		<b>796,944</b>									<b>(15,669,720)</b>	<b>45</b>

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

**VII. RELATED PARTIES**

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

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

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization		
1	V		\$			\$	\$	1
2	V							2
3	V							3
4	V							4
5	V							5
6	V							6
7	V							7
8	V							8
9	V							9
10	V							10
11	V							11
12	V							12
13	V							13
14	Total		\$			\$	\$ *	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg # 0023218 Report Period Beginning: 04/01/06 Ending: 03/31/07

## 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	32	Investment Income	\$ 88,560	Executive Portion		\$ (88,560)	15
16	V	17	Management Fees	2,221,325	Executive Portion	1,107,169	(1,114,156)	16
17	V	02	Food Requisition		Executive Portion	2,641	2,641	17
18	V	18	Director Fees		Executive Portion	142,458	142,458	18
19	V	19	Professional Fees		Executive Portion	243,818	243,818	19
20	V	20	Dues & Subscriptions		Executive Portion	28,191	28,191	20
21	V	21	Office Expenses		Executive Portion	235,432	235,432	21
22	V	22	Employee Benefits		Executive Portion	108,718	108,718	22
23	V	24	Seminars & Education		Executive Portion	31,243	31,243	23
24	V	25	Travel/Milage		Executive Portion	13,959	13,959	24
25	V	26	Insurance		Executive Portion	428,649	428,649	25
26	V	30	Depreciation		Executive Portion	4,273	4,273	26
27	V	33	Real Estate Taxes		Executive Portion	760,278	760,278	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		\$ 2,309,885			\$ 3,106,829	\$ * 796,944	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

**VII. RELATED PARTIES (continued)**

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			\$			\$		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			\$			\$	\$ *	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			\$			\$		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			\$			\$	\$ *	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			\$			\$		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			\$			\$	\$ *	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			\$			\$		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			\$			\$	\$ *	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			\$			\$		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			\$			\$	\$ *	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			\$			\$		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			\$			\$	\$ *	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			\$			\$		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			\$			\$	\$ *	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			\$			\$		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			\$			\$	\$ *	39

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

Facility Name & ID Number Friendship Village-Schaumburg # 0023218 Report Period Beginning: 04/01/06 Ending: 03/31/07

## 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									\$		1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$		13

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

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 Apartment Community  
 Street Address 350 W. Schaumburg Road  
 City / State / Zip Code Schaumburg, IL 60194  
 Phone Number ( 847) 884-5000  
 Fax Number ( 847) 884-5718

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

1	2	3	4	5	6	7	8	9		
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6		
1	1	Dietary	Meals Ratio	486,830	2	\$ 2,063,775	\$ 1,682,346	262,095	\$ 1,111,076	1
2	2	Food Purchase	Meals Ratio	486,830	2	1,655,322		262,095	891,177	2
3	3	Housekeeping	Square Feet	422,975	2	867,278	734,011	58,526	120,003	3
4	4	Laundry	Pounds	787,210	2	233,991	186,397	727,124	216,131	4
5	5	Heat & Utilities	Square Feet	422,975	2	987,417		58,526	136,626	5
6	6	Maintenance	Square Feet	422,975	2	1,976,065	976,211	58,526	273,423	6
7	7	Other (Disposal, Waste)	Square Feet	422,975	2	4,271		58,526	591	7
8	17	Administrative	Employee Ratio	410	2	3,281,071	1,537,063	353	2,824,922	8
9	18	Director's Fees	Square Feet	422,975	2	142,458		58,526	19,712	9
10	19	Professional Services	Square Feet	422,975	2	359,989		58,526	49,811	10
11	21	Clerical & General	Employee Ratio	410	2	2,608,730	1,470,981	353	2,251,188	11
12	22	Employee Benefits	Employee Ratio	410	2	3,884,508		353	3,291,114	12
13	26	Insurance	Square Feet	422,975	2	448,649		58,526	69,147	13
14	30	Depreciation	Actual	4,006,899	2	4,011,172		808,011	808,011	14
15	32	Interest	Square Feet	422,975	2	992,544		58,526	135,875	15
16	33	Real Estate Taxes	Square Feet	422,975	2	760,278		58,526	105,198	16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$ 24,277,518	\$ 6,587,009		\$ 12,304,005	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
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	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
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	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
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	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
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	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
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	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
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	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
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	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
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	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending: 03/31/07

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

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

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
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	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

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

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

1	2	3	4	5	6	7	8	9	10											
										Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
											YES	NO				Original	Balance			
<b>A. Directly Facility Related</b>																				
<b>Long-Term</b>																				
1	Revenue Bond Series 2005	X		Bond Issuance			\$ 125,500,000	\$ 124,719,201		Variable	\$ 1,205,998	1								
2												2								
3												3								
4												4								
5	See Supplemental Schedule											5								
<b>Working Capital</b>																				
6	Line of Credit		X					7,841			777,574	6								
7												7								
8	See Supplemental Schedule											8								
9	TOTAL Facility Related						\$ 125,500,000	\$ 124,727,042			\$ 1,983,572	9								
<b>B. Non-Facility Related*</b>																				
10	Investment Income		X								(902,468)	10								
11	Allocated Executive										(88,560)	11								
12	Non-HCC Adjustment										(856,669)	12								
13	See Supplemental Schedule											13								
14	TOTAL Non-Facility Related						\$	\$			(1,847,697)	14								
15	TOTALS (line 9+line14)						\$ 125,500,000	\$ 124,727,042			\$ 135,875	15								

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg # 0023218 Report Period Beginning: 04/01/06 Ending: 03/31/07

**IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE - SUPPLEMENTAL SCHEDULE**

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

	1	2		3	4	5	6		7	8	9	10							
		Name of Lender	Related**				Purpose of Loan	Monthly Payment Required					Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
			YES											NO	Original				Balance
	<b>A. Directly Facility Related</b>																		
	<b>Long-Term</b>																		
1							\$	\$			\$	1							
2												2							
3												3							
4												4							
5												5							
6												6							
7	<b>TOTAL Long-Term</b>											7							
	<b>Working Capital</b>																		
8							\$	\$			\$	8							
9												9							
10												10							
11												11							
12												12							
13												13							
14	<b>TOTAL Working Capital</b>											14							
	<b>B. Non-Facility Related*</b>																		
15							\$	\$			\$	15							
16												16							
17												17							
18												18							
19												19							
20	<b>TOTAL Non-Facility Related</b>											20							

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

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

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

**B. Real Estate Taxes**

<p><b>Important</b>, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.</p>			
1. Real Estate Tax accrual used on 2006 report.		\$ <b>371,028</b>	<b>1</b>
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		\$ <b>651,069</b>	<b>2</b>
3. Under or (over) accrual (line 2 minus line 1).		\$ <b>280,041</b>	<b>3</b>
4. Real Estate Tax accrual used for 2007 report. (Detail and explain your calculation of this accrual on the lines below.)		\$ <b>488,304</b>	<b>4</b>
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. <b>(Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)</b>		\$	<b>5</b>
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. <b>TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)</b>		\$	<b>6</b>
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		\$ <b>768,345</b>	<b>7</b>
Real Estate Tax History:			
Real Estate Tax Bill for Calendar Year:	2002	<u>469,703</u>	<u>8</u>
	2003	<u>493,968</u>	<u>9</u>
	2004	<u>251,391</u>	<u>10</u>
	2005	<u>730,379</u>	<u>11</u>
	2006	<u>651,069</u>	<u>12</u>
<b>p.6A RE Tax \$760'278 - Allocation to Non-Care based on square footage \$655,080 = \$105,198 (Page 4, line 33)</b>			

	<b>FOR BHF USE ONLY</b>	
<b>13</b>	FROM R. E. TAX STATEMENT FOR 2006 \$	<b>13</b>
<b>14</b>	PLUS APPEAL COST FROM LINE 5 \$	<b>14</b>
<b>15</b>	LESS REFUND FROM LINE 6 \$	<b>15</b>
<b>16</b>	AMOUNT TO USE FOR RATE CALCULATION \$	<b>16</b>

**NOTES:**

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

SEE ACCOUNTANTS' COMPILATION REPORT

**IMPORTANT NOTICE**

**TO:** Long Term Care Facilities with Real Estate Tax Rates **RE:** 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, please call the Bureau of Health Finance at (217) 782-1630.

**2006 LONG TERM CARE REAL ESTATE TAX STATEMENT**

FACILITY NAME Friendship Village-Schaumburg COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0023218

CONTACT PERSON REGARDING THIS REPORT Steve Lavenda

TELEPHONE (847) 236-1111 FAX #: (847) 236-1155

**A. Summary of Real Estate Tax Cost**

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</u>	<u></u>	\$ <u>651,069.47</u>	\$ <u>90,086.87</u>
2. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
3. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
4. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
5. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
6. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
7. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
8. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
9. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
10. <u></u>	<u></u>	\$ <u></u>	\$ <u></u>
<b>TOTALS</b>		\$ <u>651,069.47</u>	\$ <u>90,086.87</u>

**B. Real Estate Tax Cost Allocations**

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

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

**C. Tax Bills**

Attach a copy of the original 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.

**IMPORTANT NOTICE**

**TO:** Long Term Care Facilities with Real Estate Tax Rates **RE:** 2000 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 2000 real estate tax costs, as well as copies of your real estate tax bills for calendar 2000.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2000 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

**Please send these items in with your completed 2001 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed.** If you have any questions, please call the Office of Health Finance at (217) 782-1630.

**2000 LONG TERM CARE REAL ESTATE TAX STATEMENT**

FACILITY NAME Friendship Village-Schaumburg COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0023218

CONTACT PERSON REGARDING THIS REPORT Steve Lavenda

TELEPHONE (847) 236-1111 FAX #: (847) 236-1155

**A. Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2000 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 2000.

(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. _____	_____	\$ _____	\$ _____
2. _____	_____	\$ _____	\$ _____
3. _____	_____	\$ _____	\$ _____
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
<b>TOTALS</b>		\$ _____	\$ _____

**B. Real Estate Tax Cost Allocations**

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

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

**C. Tax Bills**

Attach a copy of the 2000 tax bills which were listed in Section A to this statement. Be sure to use the 2000 tax bill which is normally paid during 2001.

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218 Report Period Beginning:

04/01/06 Ending:

03/31/07

**X. BUILDING AND GENERAL INFORMATION:**

A. Square Feet: 422,975 B. General Construction Type: Exterior Brick Frame Steel Number of Stories 3

C. Does the Operating Entity?  (a) Own the Facility  (b) Rent from a Related Organization.  (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity?  (a) Own the Equipment  (b) Rent equipment from a Related Organization.  (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

E. List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's grounds (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, CNA training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable).

590 Independent Living Apartments - Approximate Square Feet 364,449

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

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

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

**XI. OWNERSHIP COSTS:**

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1		<u>Approx. 50 Acres</u>	<u>1977</u>	<u>\$ 132,065</u>	1
2					2
3	<b>TOTALS</b>	<b>#VALUE!</b>		<b>\$ 132,065</b>	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

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**XI. OWNERSHIP COSTS (continued)**

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

	1 Beds*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	180		1997	1997	\$ 1,760,825	\$ 44,021	40	\$ 44,021	\$	\$	4
5	10		1993	1993	1,102,771	27,569	40	27,569			5
6	60		1998	1998	2,934,069	73,352	40	73,352			6
7											7
8											8
<b>Improvement Type**</b>											
9	Various			1977	106,955		20				9
10	Various			1986	60,910		20				10
11	Various			1988	43,130		20				11
12	Various			1989	64,518		20				12
13	Various			1990	47,446		20				13
14	Various			1991	45,448		20				14
15	Various			1992	13,719		20				15
16	Various			1993	16,879		20				16
17	Various			1994	36,357		20				17
18	Various			1995	272,667		20				18
19	Various			1996	204,229		20				19
20	Various			1997	636,288		20				20
21	Various			1998	1,051,362		20				21
22	Various			1999	274,179		20				22
23	Various			2000	266,127		20				23
24	Various			2001	1,247,924		20				24
25	Various			2002	382,381		20				25
26	Various			2003	979,836		20				26
27											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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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	
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								49
50								50
51								51
52								52
53								53
54								54
55								55
56								56
57								57
58								58
59								59
60								60
61								61
62								62
63								63
64								64
65								65
66								66
67								67
68								68
69					663,069		663,069	69
70		\$ 11,548,020	\$ 808,011		\$ 808,011	\$	\$	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

**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	<b>Totals from Page 12A, Carried Forward</b>		\$ 11,548,020	\$ 808,011		\$ 808,011	\$	\$	1
2	Lock / Panic Bar (525)	2004	73		20				2
3	Roof Repair (1707)	2004	236		20				3
4	Auto Door Lock	2004	929		20				4
5	Fire System (1203)	2004	167		20				5
6	Main Entrance Repairs (276,799)	2004	38,309		20				6
7	Electrical Auto Transfer Switch - Hcc	2004	5,249		20				7
8	Door Repair (830)	2004	115		20				8
9	Ceiling Fans (783)	2004	108		20				9
10	Fire Pump Repair (830)	2004	115		20				10
11	Faucet, Lighting, Electrical (929)	2004	129		20				11
12	Ceiling Fans (762)	2004	105		20				12
13	Faucets (1115)	2004	154		20				13
14	Door Repair (1360)	2004	188		20				14
15	Roof Repairs (1037)	2004	143		20				15
16	Entry Canopy (1400)	2004	194		20				16
17	Condensing Unit Repair (572)	2004	79		20				17
18	Hvac - Blower (627)	2004	87		20				18
19	Condensor Fan Motor (964)	2004	133		20				19
20	Hvac - Heating Elements (2068)	2004	286		20				20
21	Control Thermostat - Boiler Rm (525)	2004	73		20				21
22	Control Box (749)	2004	749		20				22
23	Wiring Ansul System (1090)	2004	151		20				23
24	Reroute Cables, Repair Pull Cord (503)	2004	70		20				24
25	Reinforcement Of A/C Platforms (5074)	2005	702		20				25
26	Natural Gas Generator (3251)	2005	450		20				26
27	Main Dining Room Renovation (112,878)	2005	15,622		20				27
28	Air Conditioners (94,218)	2005	13,040		20				28
29	Tuck Pointing / Window Replacement (135,740)	2005	18,786		20				29
30	Exterior Wood Trim Repairs (174,138)	2005	24,101		20				30
31	Pine Tree / Roger Smith Memorial Garden (1090)	2005	151		20				31
32	Water Heater Replacement - B&D Pav. (20,770)	2005	2,875		20				32
33	Sound System - Hcc	2005	14,183		20				33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 11,685,772	\$ 808,011		\$ 808,011	\$	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

**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	<b>Totals from Page 12B, Carried Forward</b>		\$ 11,685,772	\$ 808,011		\$ 808,011	\$	\$	1
2	Wanderguard Transmitters	2005	864		20				2
3	Donor Recognition Wall (11,464)	2005	1,587		20				3
4	Gas Valve (641)	2005	89		20				4
5	Gas Valve And Inducer Motor (679)	2005	94		20				5
6	Wiring For Static Pressure Control (950)	2005	131		20				6
7	Laundry Chute Door Air Seal (860)	2005	119		20				7
8	Replace Existing 4" Dry Valve	2005	612		20				8
9	Decorating - 1St Floor, Kitchen, Cooler Room	2005	443		20				9
10	A/C Compressor	2005	718		20				10
11	Replace "B" Pavilion Compressor On Trane	2005	966		20				11
12	Pneumatic Valves Replacement	2005	533		20				12
13	Replace 2Nd Stage Compressor	2005	926		20				13
14	Replace Controller	2005	576		20				14
15	Door Holders, Nurse Call Module	2005	389		20				15
16	Wing E&F Hvac Modifications For Fire Alarm System	2006	21,643		20				16
17	Windows	2006	88,630		20				17
18	Idph Survey Cap For Facilities	2006	7,141		20				18
19	Wing E Nurses Station	2006	14,071		20				19
20	Hcc Special Care Phase I	2006	504,639		20				20
21	Physical Theapy/Rehab Room Renovation	2006	15,377		20				21
22	Hvac - Briarwood	2006	11,007		20				22
23	Window Replacemants - Briarwood	2006	93,320		20				23
24	Overhead Heating For Commons Corridor (16,327)	2006	2,260		20				24
25	"E" Pavilion Shower Room And Restroom	2006	30,622		20				25
26	Briarwood Entrance Renovations	2006	11,023		20				26
27	"C","D" And "E" Pavilion Gutter Replacement (27,793)	2006	3,847		20				27
28	Commons Pump/Sprinkler Room Corridor Door (1,295)	2006	179		20				28
29	Commons Corridor Carpet (7,435)	2006	1,029		20				29
30	Clinic Carpeting (4,132)	2006	572		20				30
31	Renovations To Accomodate Dish Machine (3,406)	2006	471		20				31
32	Clinic Loks/Hardware (2,783)	2006	385		20				32
33	Cooler Door Replacement (4,967)	2006	687		20				33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 12,500,722	\$ 808,011		\$ 808,011	\$	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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		\$ 12,500,722	\$ 808,011		\$ 808,011	\$	\$	1
2	Infrared Therapy Machine	2006	10,670		20				2
3	Fire Pump Repair	2006	482		20				3
4	Install Storm/Screen Doors	2006	406		20				4
5	Hvac - Replacing Diffusers	2006	351		20				5
6	Hvac - Condenser Repairs	2006	380		20				6
7	Hvac Repairs	2006	471		20				7
8	Floor Work	2006	376		20				8
9	Install 4 New Hdtv Tuners And Mods	2007	388		20				9
10	Roof Repairs	2007	364		20				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)		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$
2							
3							
4							
5							
6							
7							
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29							
30							
31							
32							
33							
34	TOTAL (lines 1 thru 33)	\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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 12E, Carried Forward		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$	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
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16									16
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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)		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$
2							
3							
4							
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28							
29							
30							
31							
32							
33							
34	TOTAL (lines 1 thru 33)	\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$
2							
3							
4							
5							
6							
7							
8							
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26							
27							
28							
29							
30							
31							
32							
33							
34	TOTAL (lines 1 thru 33)	\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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 12H, Carried Forward		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
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12									12
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26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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 12I, Carried Forward	\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$		1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
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25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)	\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$		34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$
2							
3							
4							
5							
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27							
28							
29							
30							
31							
32							
33							
34	TOTAL (lines 1 thru 33)	\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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 12K, Carried Forward		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
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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)		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$
2							
3							
4							
5							
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7							
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26							
27							
28							
29							
30							
31							
32							
33							
34	TOTAL (lines 1 thru 33)	\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
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22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34	TOTAL (lines 1 thru 33)	\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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 12N, Carried Forward		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$	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
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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)		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$
2							
3							
4							
5							
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7							
8							
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28							
29							
30							
31							
32							
33							
34	TOTAL (lines 1 thru 33)	\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

**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		\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$
2							
3							
4							
5							
6							
7							
8							
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25							
26							
27							
28							
29							
30							
31							
32							
33							
34	TOTAL (lines 1 thru 33)	\$ 12,514,610	\$ 808,011		\$ 808,011	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

**XI. OWNERSHIP COSTS (continued)**

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

	1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4					\$	\$		\$	\$	\$	4
5											5
6											6
7											7
8											8
<b>Improvement Type**</b>											
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											34
35											35
36											36

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

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	
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								49
50								50
51								51
52								52
53								53
54								54
55								55
56								56
57								57
58								58
59								59
60								60
61								61
62								62
63								63
64								64
65								65
66								66
67								67
68								68
69								69
70	TOTAL (lines 4 thru 69)	\$	\$		\$	\$	\$	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

**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 OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4					\$	\$		\$	\$	\$	4
5											5
6											6
7											7
8											8
	<b>Improvement Type**</b>										
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											34
35											35
36											36

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

**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	
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								49
50								50
51								51
52								52
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54								54
55								55
56								56
57								57
58								58
59								59
60								60
61								61
62								62
63								63
64								64
65								65
66								66
67								67
68								68
69								69
70	<b>TOTAL (lines 4 thru 69)</b>	\$	\$		\$	\$	\$	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg # 0023218 Report Period Beginning: 04/01/06 Ending: 03/31/07

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	\$ 2,289,735	\$	\$	\$	10	\$	71
72	Current Year Purchases							72
73	Fully Depreciated Assets							73
74								74
75	TOTALS	\$ 2,289,735	\$	\$	\$		\$	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		96 Chevy Pick-Up	1996	\$ 8,996	\$	\$	\$	5	\$	76
77		Van	2005	20,852				5		77
78		Pick-Up Truck	2005	18,259				5		78
79										79
80	TOTALS			\$ 48,107	\$	\$	\$		\$	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)	\$ 14,984,516	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 808,011	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 808,011	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)	\$	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	Marketing Office (251,389) - 2002	\$ 34,792	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$ 34,792	\$	\$	91

G. Construction-in-Progress

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

**XII. RENTAL COSTS**

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

1. Name of Party Holding Lease: \_\_\_\_\_

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

If NO, see instructions.

YES  NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$ _____			3
4	Additions				_____			4
5					_____			5
6					_____			6
7	<b>TOTAL</b>				\$ _____			7

10. Effective dates of current rental agreement:

Beginning \_\_\_\_\_

Ending \_\_\_\_\_

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

Fiscal Year Ending                      Annual Rent

12.	_____ /2008	\$ _____
13.	_____ /2009	\$ _____
14.	_____ /2010	\$ _____

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: \$ 60,412 Description: See Attached Schedule

(Attach a schedule detailing the breakdown of movable equipment)

**C. Vehicle Rental (See instructions.)**

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

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

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

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

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

<p>1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD? <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>2. <u>CLASSROOM PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. <u>CLINICAL PORTION:</u></p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
--	---	--

**B. EXPENSES**

**ALLOCATION OF COSTS (d)**

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

**C. CONTRACTUAL INCOME**

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

\$

**D. NUMBER OF CNAs TRAINED**

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

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

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

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39 - 03	hrs	\$		\$ 196,160	\$		\$ 196,160	1
2	Licensed Speech and Language Development Therapist	39 - 03	hrs			38,664			38,664	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39 - 03	hrs			465,988			465,988	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39 - 02	# of prescripts				275,355		275,355	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify): <u>See Supplemental</u>			427,401		49,729	97,907		575,037	13
14	<b>TOTAL</b>			\$ 427,401		\$ 750,541	\$ 373,262		\$ 1,551,204	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg# 0023218Report Period Beginning: 04/01/06

Ending:

03/31/07

## XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 03/31/07

(last day of reporting year)

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

		1 Operating	2 After Consolidation*	
	<b>A. Current Assets</b>			
1	Cash on Hand and in Banks	\$ 1,742,030	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance )	2,193,837		3
4	Supply Inventory (priced at )	123,914		4
5	Short-Term Investments	20		5
6	Prepaid Insurance	427,317		6
7	Other Prepaid Expenses	115,150		7
8	Accounts Receivable (owners or related parties)	(4,473,480)		8
9	Other(specify): <u>See Attached Schedule</u>	17,491,824		9
10	<b>TOTAL Current Assets (sum of lines 1 thru 9)</b>	\$ 17,620,612	\$	10
	<b>B. Long-Term Assets</b>			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	10,240,805		12
13	Land	4,524,257		13
14	Buildings, at Historical Cost	34,280,756		14
15	Leasehold Improvements, at Historical Cost	33,724,357		15
16	Equipment, at Historical Cost	5,945,869		16
17	Accumulated Depreciation (book methods)	(35,825,764)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): <u>See Attached Schedule</u>	98,969,534		23
24	<b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>	\$ 151,859,814	\$	24
25	<b>TOTAL ASSETS (sum of lines 10 and 24)</b>	\$ 169,480,426	\$	25

		1 Operating	2 After Consolidation*	
	<b>C. Current Liabilities</b>			
26	Accounts Payable	\$ 4,787,784	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	3,498		29
30	Accrued Salaries Payable	739,532		30
31	Accrued Taxes Payable (excluding real estate taxes)	8,844		31
32	Accrued Real Estate Taxes(Sch.IX-B)	488,304		32
33	Accrued Interest Payable	679,034		33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	<b>Other Current Liabilities(specify):</b>			
36	<u>See Attached Schedule</u>	60,961,845		36
37				37
38	<b>TOTAL Current Liabilities (sum of lines 26 thru 37)</b>	\$ 67,668,841	\$	38
	<b>D. Long-Term Liabilities</b>			
39	Long-Term Notes Payable	124,723,544		39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	<b>Other Long-Term Liabilities(specify):</b>			
43	<u>See Attached Schedule</u>			43
44				44
45	<b>TOTAL Long-Term Liabilities (sum of lines 39 thru 44)</b>	\$ 124,723,544	\$	45
46	<b>TOTAL LIABILITIES (sum of lines 38 and 45)</b>	\$ 192,392,385	\$	46
47	<b>TOTAL EQUITY(page 18, line 24)</b>	\$ (22,911,959)	\$	47
48	<b>TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)</b>	\$ 169,480,426	\$	48

SEE ACCOUNTANTS' COMPILATION REPORT

\*(See instructions.)

**XVI. STATEMENT OF CHANGES IN EQUITY**

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (21,347,601)	1
2	Restatements (describe):		2
3	Increase in Perm Restricted Net Assets	987	3
4	Adjusting Entries	12,203	4
5	Rounding	10	5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (21,334,401)	6
<b>A. Additions (deductions):</b>			
7	NET Income (Loss) (from page 19, line 43)	(1,542,905)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants	219,401	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) <u>Interest Income</u>	2,689	15
16	Other (describe) <u>Net Assets Released From Restrictions</u>	(256,743)	16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (1,577,558)	17
<b>B. Transfers (Itemize):</b>			
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)	\$ (22,911,959)	24 *

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

**XVII. INCOME STATEMENT** (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required

classifications of revenue and expense must be provided on this form, even if financial statements are attached.

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

		1	
Revenue		Amount	
<b>A. Inpatient Care</b>			
1	Gross Revenue -- All Levels of Care	\$ 18,869,773	1
2	Discounts and Allowances for all Levels	(3,587,027)	2
3	<b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>	\$ 15,282,746	3
<b>B. Ancillary Revenue</b>			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,632,641	6
7	Oxygen	95,179	7
8	<b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>	\$ 1,727,820	8
<b>C. Other Operating Revenue</b>			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop	140,323	12
13	Barber and Beauty Care	(1,833)	13
14	Non-Patient Meals	1,892	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	321,496	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	12,142	19
20	Radiology and X-Ray	7,465	20
21	Other Medical Services	567,614	21
22	Laundry	56,061	22
23	<b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b>	\$ 1,105,160	23
<b>D. Non-Operating Revenue</b>			
24	Contributions		24
25	Interest and Other Investment Income***	1,711,794	25
26	<b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>	\$ 1,711,794	26
<b>E. Other Revenue (specify):****</b>			
27	<b>Settlement Income (Insurance, Legal, Etc.)</b>		27
28	<u>See Supplemental Schedule</u>	13,783,071	28
28a			28a
29	<b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>	\$ 13,783,071	29
30	<b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>	\$ 33,610,591	30

		2	
Expenses		Amount	
<b>A. Operating Expenses</b>			
31	General Services	7,813,121	31
32	Health Care	6,722,827	32
33	General Administration	9,902,851	33
<b>B. Capital Expense</b>			
34	Ownership	6,361,355	34
<b>C. Ancillary Expense</b>			
35	Special Cost Centers	4,214,742	35
36	Provider Participation Fee	138,600	36
<b>D. Other Expenses (specify):</b>			
37			37
38			38
39			39
40	<b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>	\$ 35,153,496	40
41	<b>Income before Income Taxes (line 30 minus line 40)**</b>	(1,542,905)	41
42	<b>Income Taxes</b>		42
43	<b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b>	\$ (1,542,905)	43

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

\*\* Does this agree with taxable income (loss) per Federal Income Tax Return? N/A 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. SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village-Schaumburg

# 0023218

Report Period Beginning:

04/01/06

Ending:

03/31/07

**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	1,955	2,080	\$ 109,899	\$ 52.84	1
2	Assistant Director of Nursing	3,910	4,160	153,619	36.93	2
3	Registered Nurses	61,873	65,822	2,153,281	32.71	3
4	Licensed Practical Nurses	10,968	11,668	264,823	22.70	4
5	CNAs & Orderlies	196,790	209,351	2,873,551	13.73	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	6,146	6,538	83,227	12.73	8
9	Activity Director	7,729	8,222	126,480	15.38	9
10	Activity Assistants	4,904	5,217	77,650	14.88	10
11	Social Service Workers	5,206	5,538	107,348	19.38	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	91,447	97,284	1,496,639	15.38	15
16	Dishwashers	22,504	23,940	185,707	7.76	16
17	Maintenance Workers	57,443	61,110	976,211	15.97	17
18	Housekeepers	41,655	44,314	734,011	16.56	18
19	Laundry	19,146	20,368	186,397	9.15	19
20	Administrator	1,579	1,680	80,769	48.08	20
21	Assistant Administrator	1,406	1,496	43,574	29.13	21
22	Other Administrative	23,977	25,507	1,304,788	51.15	22
23	Office Manager					23
24	Clerical	34,956	37,187	1,341,022	36.06	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	16,427	17,475	199,713	11.43	31
32	Other Health Care(specify)					32
33	Other(specify) <u>See Supplemental</u>	22,276	23,698	461,681	19.48	33
34	TOTAL (lines 1 - 33)	632,296	672,655	\$ 12,960,390 *	\$ 19.27	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		\$		35
36	Medical Director	Monthly	13,200	09-03	36
37	Medical Records Consultant	Monthly	5,120	10-03	37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	2,988	10-03	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47	<u>Dietary Outside Labor</u>		238,441	01-03	47
48					48
49	TOTAL (lines 35 - 48)		\$ 259,749		49

**C. CONTRACT NURSES**

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	4,000	\$ 217,936	10-03	50
51	Licensed Practical Nurses	529	23,216	10-03	51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)	4,529	\$ 241,152		53

SEE ACCOUNTANTS' COMPILATION REPORT

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# 0023218

Report Period Beginning: 04/01/06

Ending: 03/31/07

**XIX. SUPPORT SCHEDULES**

A. Administrative Salaries				D. Employee Benefits and Payroll Taxes			F. Dues, Fees, Subscriptions and Promotions	
Name	Function	Ownership %	Amount	Description	Amount	Description	Amount	
Lynn Kedrowski-Blakemore	Administrator	0	\$ 80,769	Workers' Compensation Insurance	\$ 251,028	IDPH License Fee	\$	
Tiffany Barton	Assistant Admin.	0	43,573	Unemployment Compensation Insurance	38,526	Advertising: Employee Recruitment	38,849	
Robert Alston	CEO, FSO	0	308,214	FICA Taxes	991,470	Health Care Worker Background Check		
Joseph Xanthopoulos	VP Planning & Adv.	0	152,959	Employee Health Insurance	1,928,831	(Indicate # of checks performed <u>242</u> )	3,630	
Stephen Yenchek	VP/COO	0	139,933	Employee Meals		Patient Background Checks		
Rebecca, Johnson	VP of HR/QI	0	122,485	Illinois Municipal Retirement Fund (IMRF)*		Subscriptions/Publications	3,027	
See Supplemental Schedule			581,196	Recruitment Physicals	14,746	Allocated Executive	28,191	
TOTAL (agree to Schedule V, line 17, col. 1)				Employee Programs / Activities	39,700			
(List each licensed administrator separately.)			\$ 1,429,129	Life Insurance	32,547			
<b>B. Administrative - Other</b>				Long Term/Short Term Disability	110,831	Less: Public Relations Expense	( )	
Description			Amount	Retirement/401K	238,549	Non-allowable advertising	( )	
Management Fee - FSO			\$ 2,221,325	Employee Relations/Employee Recognitions	5,147	Yellow page advertising	( )	
				See Supplemental Schedule	(360,261)			
				TOTAL (agree to Schedule V, line 22, col.8)		TOTAL (agree to Sch. V, line 20, col. 8)		
					\$ 3,291,114		\$ 73,697	
TOTAL (agree to Schedule V, line 17, col. 3)			\$ 2,221,325	<b>E. Schedule of Non-Cash Compensation Paid to Owners or Employees</b>				
(Attach a copy of any management service agreement)				Description	Line #	Amount		
<b>C. Professional Services</b>							<b>G. Schedule of Travel and Seminar**</b>	
Vendor/Payee	Type		Amount				Description	Amount
HR Advantage	Human Resource Consult.		\$ 26,902				Out-of-State Travel	\$
Gallagher Benefit Services	Human Resource Consult.		5,212					
Frost, Ruttenberg & Rothblatt	Consulting		15,542				In-State Travel	
Ceridian Employer Services	Payroll Processing		61,221					
See Attached	Legal Fees		7,295				Seminar Expense	13,768
							Allocated Executive	31,243
							Entertainment Expense	( )
							(agree to Sch. V, line 24, col. 8)	
TOTAL (agree to Schedule V, line 19, column 3)				TOTAL		\$	TOTAL	\$ 45,011
(If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 116,172					

\* Attach copy of IMRF notifications  
SEE ACCOUNTANTS' COMPILATION REPORT

\*\*See instructions.

Facility Name & ID Number Friendship Village-Schaumburg

Report Period Beginning: 04/01/06 Ending:

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

	1 Improvement Type	2 Month & Year Improvement Was Made	3 Total Cost	4 Useful Life	Amount of Expense Amortized Per Year								
					5 FY2004	6 FY2005	7 FY2006	8 FY2007	9 FY2008	10 FY2009	11 FY2010	12 FY2011	13 FY2012
1	N/A		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3													
4													
5													
6													
7													
8													
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SEE ACCOUNTANTS' COMPILATION REPORT

**XX. GENERAL INFORMATION:**

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes  
If YES, give association name and amount. LSN \$25,540
- (3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report? N/A
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes  
What was the average life used for new equipment added during this period? 10 Yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 127,951 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No  
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 136,875  
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? Yes (See Page 8) For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ Yes Has any meal income been offset against related costs? Yes Indicate the amount. \$ Yes
- (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? 100% In 1
- d. Have vehicle usage logs been maintained? N/A
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? N/A
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? No
- 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? Yes  
Firm Name: KPMG LLP The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? Yes If no, please explain. Yes
- (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.

SEE ACCOUNTANTS' COMPILATION REPORT