

Facility Name & ID Number Elston Nursing & Rehabilitation Centre# 0004861 Report Period Beginning: 1/01/2008 Ending: 12/31/2008

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 bedsN/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	<u>84</u>	Skilled (SNF)	<u>84</u>	<u>30,744</u>	1
2		Skilled Pediatric (SNF/PED)			2
3	<u>33</u>	Intermediate (ICF)	<u>33</u>	<u>12,078</u>	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>117</u>	TOTALS	<u>117</u>	<u>42,822</u>	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	<u>5,073</u>	<u>142</u>	<u>2,501</u>	<u>7,716</u>	8
9	SNF/PED					9
10	ICF	<u>28,450</u>	<u>1,309</u>	<u>134</u>	<u>29,893</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>33,523</u>	<u>1,451</u>	<u>2,635</u>	<u>37,609</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 87.83%

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

179 (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)

NoneF. Does the facility maintain a daily midnight census? YesG. 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 1/01/71

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 numberof beds certified 32 and days of care provided 2,383Medicare Intermediary Wisconsin Physicians Service Insurance Corporation

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH* Is your fiscal year identical to your tax year? YES NO Tax Year: 10/31/08 Fiscal Year: 12/31/08

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

SEE ACCOUNTANTS' COMPILATION REPORT

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
	A. General Services										
1	Dietary	213,003	32,308	16,001	261,312		261,312		261,312		1
2	Food Purchase		271,880		271,880	(13,139)	258,741	(46,535)	212,206		2
3	Housekeeping	110,227	29,619		139,846		139,846		139,846		3
4	Laundry	53,022	5,056	3,252	61,330		61,330		61,330		4
5	Heat and Other Utilities			102,788	102,788		102,788	2,734	105,522		5
6	Maintenance	52,828	18,962	38,998	110,788		110,788	6,744	117,532		6
7	Other (specify):* Allocated Employee Benefits							259	259		7
8	TOTAL General Services	429,080	357,825	161,039	947,944	(13,139)	934,805	(36,798)	898,007		8
	B. Health Care and Programs										
9	Medical Director			11,600	11,600		11,600		11,600		9
10	Nursing and Medical Records	1,502,009	150,424	6,851	1,659,284		1,659,284	(51,544)	1,607,740		10
10a	Therapy		158	228,020	228,178		228,178	(57,148)	171,030		10a
11	Activities	74,396	2,485	2,168	79,049		79,049		79,049		11
12	Social Services	45,214		2,965	48,179		48,179		48,179		12
13	CNA Training										13
14	Program Transportation			2,407	2,407		2,407		2,407		14
15	Other (specify):* Allocated Employee Benefits							19,619	19,619		15
16	TOTAL Health Care and Programs	1,621,619	153,067	254,011	2,028,697		2,028,697	(89,073)	1,939,624		16
	C. General Administration										
17	Administrative	135,673		375,727	511,400		511,400	(347,602)	163,798		17
18	Directors Fees										18
19	Professional Services			81,310	81,310		81,310	(16,973)	64,337		19
20	Dues, Fees, Subscriptions & Promotions			19,100	19,100	1,190	20,290	(1,842)	18,448		20
21	Clerical & General Office Expenses	37,435	34,157	15,686	87,278	(1,190)	86,088	193,925	280,013		21
22	Employee Benefits & Payroll Taxes			439,033	439,033	13,139	452,172		452,172		22
23	Inservice Training & Education			2,401	2,401		2,401	1,182	3,583		23
24	Travel and Seminar										24
25	Other Admin. Staff Transportation			33,756	33,756	(6,294)	27,462	3,567	31,029		25
26	Insurance-Prop.Liab.Malpractice			182,623	182,623		182,623	949	183,572		26
27	Other (specify):* Allocated Employee Benefits							30,068	30,068		27
28	TOTAL General Administration	173,108	34,157	1,149,636	1,356,901	6,845	1,363,746	(136,726)	1,227,020		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	2,223,807	545,049	1,564,686	4,333,542	(6,294)	4,327,248	(262,597)	4,064,651		29

*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.

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			104,200	104,200		104,200	23,859	128,059			30
31	Amortization of Pre-Op. & Org.							45	45			31
32	Interest			4,354	4,354		4,354	120,532	124,886			32
33	Real Estate Taxes							105,315	105,315			33
34	Rent-Facility & Grounds			781,873	781,873		781,873	(877,873)	(96,000)			34
35	Rent-Equipment & Vehicles			1,711	1,711	6,294	8,005	3,040	11,045			35
36	Other (specify):*											36
37	TOTAL Ownership			892,138	892,138	6,294	898,432	(625,082)	273,350			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		70,158	8,205	78,363		78,363		78,363			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			64,056	64,056		64,056		64,056			42
43	Other (specify):* Non-Allowable			147,861	147,861		147,861	(147,861)				43
44	TOTAL Special Cost Centers		70,158	220,122	290,280		290,280	(147,861)	142,419			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	2,223,807	615,207	2,676,946	5,515,960		5,515,960	(1,035,540)	4,480,420			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 Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning: 1/01/2008

Ending: 12/31/2008

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				4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income	(4,074)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(429)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions	(3,007)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(125,040)	43		24
25	Fund Raising, Advertising and Promotional	(3,730)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(15,474)	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule <u>See Attached Schedule F:</u>	(134,490)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (286,244)		\$	30

B. If there are expenses experienced by the facility which do not appear in the general ledger, they should be entered below.(See instructions.)

		1	2	
		Amount	Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	(749,296)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (749,296)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (1,035,540)		37

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

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

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

BHF USE ONLY							
48		49		50		51	52

SEE ACCOUNTANTS' COMPILATION REPORT

Elston Nursing & Rehabilitation Centre

ID# 0004861

Report Period Beginning: 1/01/2008

Ending: 12/31/2008

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	
1	Adjust Mgt Co. medical supplies"A" to cost	\$ (9,027)	10	1
2	Adjust Mgt Co. medical supplies"other" to cost	(42,517)	10	2
3	Adjust Mgt Co. food to cost	(46,544)	2	3
4	Non-allowable professional fees	(30,435)	19	4
5	Non-allowable trust fees	(585)	43	5
6	Non-allowable patient clothing	(181)	43	6
7	Non-allowable auto expense - marketing	(689)	25	7
8	Non-allowable Illinois Council on Long Term Care fees	(4,512)	20	8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(134,490)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2008

Ending:

12/31/2008

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

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(46,544)	0	0	0	9	0	0	0	0	0	0	(46,535)	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	2,734	0	0	0	0	0	0	0	0	2,734	5
6	Maintenance	0	0	5,009	1,735	0	0	0	0	0	0	0	6,744	6
7	Other (specify):*	0	0	259	0	0	0	0	0	0	0	0	259	7
8	TOTAL General Services	(46,544)	0	8,002	1,735	9	0	0	0	0	0	0	(36,798)	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	(51,544)	0	0	0	0	0	0	0	0	0	0	(51,544)	10
10a	Therapy	0	0	0	0	(57,148)	0	0	0	0	0	0	(57,148)	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	19,619	0	0	0	0	0	0	19,619	15
16	TOTAL Health Care and Programs	(51,544)	0	0	0	(37,529)	0	0	0	0	0	0	(89,073)	16
	C. General Administration													
17	Administrative	0	0	(347,602)	0	0	0	0	0	0	0	0	(347,602)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(30,435)	0	12,634	0	828	0	0	0	0	0	0	(16,973)	19
20	Fees, Subscriptions & Promotions	(4,512)	0	547	0	2,123	0	0	0	0	0	0	(1,842)	20
21	Clerical & General Office Expenses	0	0	190,765	0	3,160	0	0	0	0	0	0	193,925	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	759	0	423	0	0	0	0	0	0	1,182	23
24	Travel and Seminar	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Other Admin. Staff Transportation	(689)	0	4,043	0	213	0	0	0	0	0	0	3,567	25
26	Insurance-Prop.Liab.Malpractice	0	0	949	0	0	0	0	0	0	0	0	949	26
27	Other (specify):*	0	0	29,818	0	250	0	0	0	0	0	0	30,068	27
28	TOTAL General Administration	(35,636)	0	(108,087)	0	6,997	0	0	0	0	0	0	(136,726)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(133,724)	0	(100,085)	1,735	(30,523)	0	0	0	0	0	0	(262,597)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Elston Nursing & Rehabilitation Centre# 0004861

Report Period Beginning:

1/01/2008

Ending:

12/31/2008

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

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)
	D. Ownership												
30	Depreciation	0	0	7,761	16,098	0	0	0	0	0	0	0	23,859 30
31	Amortization of Pre-Op. & Org.	0	0	45	0	0	0	0	0	0	0	0	45 31
32	Interest	(4,074)	0	0	124,606	0	0	0	0	0	0	0	120,532 32
33	Real Estate Taxes	0	0	4,429	100,886	0	0	0	0	0	0	0	105,315 33
34	Rent-Facility & Grounds	0	0	0	(877,873)	0	0	0	0	0	0	0	(877,873) 34
35	Rent-Equipment & Vehicles	0	0	3,040	0	0	0	0	0	0	0	0	3,040 35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0 36
37	TOTAL Ownership	(4,074)	0	15,275	(636,283)	0	0	0	0	0	0	0	(625,082) 37
	Ancillary Expense												
	E. Special Cost Centers												
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0 38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0 39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0 40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0 41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0 42
43	Other (specify):*	(148,446)	0	0	585	0	0	0	0	0	0	0	(147,861) 43
44	TOTAL Special Cost Centers	(148,446)	0	0	585	0	0	0	0	0	0	0	(147,861) 44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(286,244)	0	(84,810)	(633,963)	(30,523)	0	0	0	0	0	0	(1,035,540) 45

Facility Name & ID Number Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning: 1/01/2008 Ending: 12/31/2008

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
Sidney Glenner	100.00 %	Glen Oaks Nursing & Rehabilitation Centre,Ltd.	Northbrook	SEE ATTACHED SCHEDULE A		
		GlenCrest Nursing & Rehabilitation Centre,Ltd.	Chicago			
		GlenBridge Nursing & Rehabilitation Centre,Ltd.	Niles			
		GlenShire Nursing & Rehabilitation Centre,Ltd.	Richton Park			
		GlenLake Terrace Nursing & Rehabilitation Ctr,Ltd.	Waukegan			
		Brentwood North Healthcare & Rehabilitation Ctr,Inc	Riverwoods			

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

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

1 Schedule V	2 Line	3 Cost Per General Ledger	4 Amount	5 Cost to Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V		\$			\$		1
2	V	Total from Page 6A	375,727	Glen Health and Home Management, Inc.	A	290,917	(84,810)	2
3	V							3
4	V	Total from Page 6B	877,873	Elston Real Estate & Development, L.L.C.	B	243,910	(633,963)	4
5	V							5
6	V	Total from Page 6C	226,133	Therapy Masters, Inc.	C	195,610	(30,523)	6
7	V							7
8	V							8
9	V			OWNERSHIP REFERENCE:				9
10	V			A - Owned 100.00 % by Sidney Glenner through attribution				10
11	V			B - Owned 60.00 % constructively by Sidney Glenner				11
12	V			C - Owned 80.00 % by Sidney Glenner 20.00 % by Barry Ray				12
13	V							13
14	Total		\$ 1,479,733			\$ 730,437	\$ * (749,296)	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Elston Nursing & Rehabilitation Centre# 0004861Report Period Beginning: 1/01/2008 Ending: 12/31/2008

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V	17 Management Fees	\$ 375,727	Glen Health and Home Management, Inc.	A	\$	\$ (375,727)	15
16	V	5 Utilities		Glen Health and Home Management, Inc.	A	2,734	2,734	16
17	V	6 Repairs and Maintenance		Glen Health and Home Management, Inc.	A	3,284	3,284	17
18	V	19 Professional Fees		Glen Health and Home Management, Inc.	A	12,634	12,634	18
19	V	20 Licenses, Permits and Inspection		Glen Health and Home Management, Inc.	A	547	547	19
20	V	21 Clerical		Glen Health and Home Management, Inc.	A	19,894	19,894	20
21	V	22 Employee Benefits and Payroll		Glen Health and Home Management, Inc.	A	30,077	30,077	21
22	V	23 Training and Education		Glen Health and Home Management, Inc.	A	759	759	22
23	V	25 Auto Expenses		Glen Health and Home Management, Inc.	A	4,043	4,043	23
24	V	26 Insurance		Glen Health and Home Management, Inc.	A	949	949	24
25	V	30 Depreciation		Glen Health and Home Management, Inc.	A	7,761	7,761	25
26	V	31 Amortization		Glen Health and Home Management, Inc.	A	45	45	26
27	V	33 Real Estate Taxes		Glen Health and Home Management, Inc.	A	4,429	4,429	27
28	V	35 Equipment and Vehicle Rental		Glen Health and Home Management, Inc.	A	3,040	3,040	28
29	V	6 Janitorial Salaries		Glen Health and Home Management, Inc.	A	1,725	1,725	29
30	V	17 Officer's Salaries		Glen Health and Home Management, Inc.	A	28,125	28,125	30
31	V	21 Administrative Salaries		Glen Health and Home Management, Inc.	A	170,871	170,871	31
32	V	22 Employee Benefits		Glen Health and Home Management, Inc.	A	(30,077)	(30,077)	32
33	V	7 Employee Benefits - Janitorial		Glen Health and Home Management, Inc.	A	259	259	33
34	V	27 Employee Benefits - Officer's		Glen Health and Home Management, Inc.	A	4,214	4,214	34
35	V	27 Employee Benefits - Admin		Glen Health and Home Management, Inc.	A	25,604	25,604	35
36	V							36
37	V							37
38	V							38
39	Total		\$ 375,727			\$ 290,917	\$ * (84,810)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Elston Nursing & Rehabilitation Centre# 0004861Report Period Beginning: 1/01/2008Ending: 12/31/2008

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	43	Clerical	\$	Elston Real Estate & Development, L.L.C.	B	\$ 585	\$ 585	15
16	V	32	Interest Income		Elston Real Estate & Development, L.L.C.	B	(7,262)	(7,262)	16
17	V	32	Interest Expense		Elston Real Estate & Development, L.L.C.	B	113,097	113,097	17
18	V	34	Rental Income	877,873	Elston Real Estate & Development, L.L.C.	B		(877,873)	18
19	V	33	Real Estate Taxes		Elston Real Estate & Development, L.L.C.	B	100,886	100,886	19
20	V	32	Amortization of Mortgage Costs		Elston Real Estate & Development, L.L.C.	B	2,683	2,683	20
21	V	32	Early Extinguishment of Debt		Elston Real Estate & Development, L.L.C.	B	16,088	16,088	21
22	V	30	Depreciation		Elston Real Estate & Development, L.L.C.	B	16,098	16,098	22
23	V	6	Maintenance		Elston Real Estate & Development, L.L.C.	B	1,735	1,735	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			\$ 877,873			\$ 243,910	\$ * (633,963)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Elston Nursing & Rehabilitation Centre# 0004861Report Period Beginning: 1/01/2008Ending: 12/31/2008

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	10a Therapy	\$ 226,133	Therapy Masters, Inc.	C	\$ 168,985	\$ (57,148)	15
16	V	19 Professional Fees		Therapy Masters, Inc.	C	828	828	16
17	V	20 Licenses, Permits and Inspection		Therapy Masters, Inc.	C	5	5	17
18	V	20 Employment Fees		Therapy Masters, Inc.	C	2,118	2,118	18
19	V	21 Clerical		Therapy Masters, Inc.	C	882	882	19
20	V	22 Employee Benefits and Payroll		Therapy Masters, Inc.	C	19,869	19,869	20
21	V	23 Training and Education		Therapy Masters, Inc.	C	423	423	21
22	V	25 Auto Expenses		Therapy Masters, Inc.	C	213	213	22
23	V	2 Food Purchase		Therapy Masters, Inc.	C	9	9	23
24	V	21 Clerical Salaries		Therapy Masters, Inc.	C	2,278	2,278	24
25	V	22 Employee Benefits		Therapy Masters, Inc.	C	(19,869)	(19,869)	25
26	V	15 Employee Benefits - Therapy		Therapy Masters, Inc.	C	19,619	19,619	26
27	V	27 Employee Benefits - Clerical		Therapy Masters, Inc.	C	250	250	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		\$ 226,133			\$ 195,610	\$ * (30,523)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Elston Nursing & Rehabilitation Centre # 0004861 Report Period Beginning: 1/01/2008 Ending: 12/31/2008

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	Sidney Glenner	President	Administrative	100.00 %	175,489	6	10.00 %	Salary	\$ 14,171	Ln 17, Col 7	1
2	Jonathan Glenner	Clerical	Clerical	0.00 %	50,337	4	10.00 %	Salary	4,065	Ln 21, Col 7	2
3	Daniel Glenner	Administrative	Administrative	0.00 %	27,592	4	10.00 %	Salary	2,228	Ln 21, Col 7	3
4	David Weinschneider	Administrative	Administrative	0.00 %	49,037	4	10.00 %	Salary	3,960	Ln 21, Col 7	4
5	Joshua Ray	V.P. of Operations	Administrative	0.00 %	175,489	4	10.00 %	Salary	14,171	Ln 21, Col 7	5
6	Barry Ray	Vice President	Administrative	0.00 %	172,797	4	10.00 %	Salary	13,954	Ln 17, Col 7	6
7	Daniel Glenner	Asst Administrator	Administrative	0.00 %	44,556	4	10.00 %				7
8											8
9											9
10		See Schedule B									10
11											11
12											12
13								TOTAL	\$ 52,549		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 Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2008

Ending: 2/31/2008

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 Glen Health & Home Management, Inc.
 Street Address 5454 West Fargo Avenue
 City / State / Zip Code Skokie, IL 60077
 Phone Number (847) 674-5454
 Fax Number (847) 674-8311

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	5	Utilities	Resident Days	503,336	7	\$ 36,590	\$ 37,609	\$ 2,734	1
2	6	Repairs and Maintenance	Resident Days	503,336	7	43,957	37,609	3,284	2
3	19	Professional Fees	Resident Days	503,336	7	169,083	37,609	12,634	3
4	20	Licenses, Permits and Inspection	Resident Days	503,336	7	7,325	37,609	547	4
5	21	Clerical	Resident Days	503,336	7	266,253	37,609	19,894	5
6	22	Employee Benefits and Payroll	Resident Days	503,336	7	402,537	37,609	30,077	6
7	23	Training and Education	Resident Days	503,336	7	10,154	37,609	759	7
8	25	Auto Expenses	Resident Days	503,336	7	54,107	37,609	4,043	8
9	26	Insurance	Resident Days	503,336	7	12,704	37,609	949	9
10	30	Depreciation	Resident Days	503,336	7	103,875	37,609	7,761	10
11	31	Amortization	Resident Days	503,336	7	598	37,609	45	11
12	33	Real Estate Taxes	Resident Days	503,336	7	59,276	37,609	4,429	12
13	35	Equipment and Vehicle Rental	Resident Days	503,336	7	40,687	37,609	3,040	13
14	6	Janitorial Salaries	Resident Days	503,336	7	23,093	23,093	1,725	14
15	17	Officer's Salaries	Resident Days	503,336	7	376,410	376,410	28,125	15
16	21	Administrative Salaries	Resident Days	503,336	7	2,286,830	2,286,830	170,871	16
17	22	Employee Benefits	Payroll					(30,077)	17
18	7	Employee Benefits - Janitorial	Payroll					259	18
19	27	Employee Benefits - Officer's	Payroll					4,214	19
20	27	Employee Benefits - Admin	Payroll					25,604	20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 3,893,479	\$ 2,686,333	\$ 290,917	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 Name of Lender	2 Related**		3 Purpose of Loan	4 Monthly Payment Required	5 Date of Note	6 Amount of Note		8 Maturity Date	9 Interest Rate (4 Digits)	10 Reporting Period Interest Expense	
		YES	NO				Original	Balance				
	A. Directly Facility Related											
	Long-Term											
1	JPMorgan Chase Bank, N.A.		X	Mortgage	\$27,810.37	11/4/1998	\$ 3,000,000	\$	12/26/2008	0.0750	\$ 129,185	1
2	JPMorgan Chase Bank, N.A.		X	Amortization of mortgage costs							2,683	2
3	SLG Limited Partnership	X		Mortgage	\$11,040.31	12/26/08	1,430,433	1,430,433	1/01/2034	0.0800		3
4												4
5												5
	Working Capital											
6												6
7												7
8												8
9	TOTAL Facility Related				\$38,850.68		\$ 4,430,433	\$ 1,430,433			\$ 131,868	9
	B. Non-Facility Related*											
10										Interest Income Offset:	(6,982)	10
11												11
12												12
13												13
14	TOTAL Non-Facility Related						\$	\$			(6,982)	14
15	TOTALS (line 9+line14)						\$ 4,430,433	\$ 1,430,433			\$ 124,886	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A Line # N/A

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

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

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

B. Real Estate Taxes

<p>Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.</p>			
1. Real Estate Tax accrual used on 2007 report.		\$ 104,000	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		\$ 99,593	2
3. Under or (over) accrual (line 2 minus line 1).		\$ (4,407)	3
4. Real Estate Tax accrual used for 2008 report. (Detail and explain your calculation of this accrual on the lines below.)		\$ 103,000	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)		\$	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)		\$	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		\$ 98,593	7
Real Estate Tax History:			
Real Estate Tax Bill for Calendar Year:	2003	96,526	8
	2004	98,670	9
	2005	99,674	10
	2006	100,667	11
	2007	99,593	12
See Attached Schedule G For Calculation Of 2008 Real Estate Tax Accrual.			
		FOR BHF USE ONLY	
	13	FROM R. E. TAX STATEMENT FOR 2007 \$	13
	14	PLUS APPEAL COST FROM LINE 5 \$	14
	15	LESS REFUND FROM LINE 6 \$	15
	16	AMOUNT TO USE FOR RATE CALCULATION \$	16

NOTES:

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

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2007 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 2007 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2007.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2007 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 2008 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,

2007 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Elston Nursing & Rehabilitation Centre COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0004861

CONTACT PERSON REGARDING THIS REPORT Charles J. Fischer

TELEPHONE (312) 634-4580 FAX #: (312) 634-5518

A. Summary of Real Estate Tax Cos

Enter the tax index number and real estate tax assessed for 2007 on the lines provided below. Enter only the portion of total 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 2007.

(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>13-15-404-035-0000</u>	<u>4340 North Keystone, Chicago IL</u>	<u>\$ 99,592.60</u>	<u>\$ 99,592.60</u>
2. <u>Allocated from Management Compe</u>	<u>Allocated portion to nursing home</u>	<u>\$ 59,276.00</u>	<u>\$ 4,429.00</u>
3. <u>Storage Building</u>	<u>4352 North Keystone, Chicago IL</u>	<u>\$ 15,466.00</u>	<u>\$ 2,293.00</u>
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>174,334.60</u>	\$ <u>106,314.60</u>

B. Real Estate Tax Cost Allocation:

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

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

C. Tax Bills

Attach a copy of the original 2007 tax bills which were listed in Section A to this statement. Be sure to use the 2007 tax bill which is normally paid during 2008

PLEASE NOTE: Payment information from the Internet or otherwise is not considered acceptable tax bill documentation. Facilities located in Cook County are required to provide copies of their original **second installment** tax bill.

Facility Name & ID Number Elston Nursing & Rehabilitation Centre# 0004861

Report Period Beginning:

1/01/2008 Ending:12/31/2008**X. BUILDING AND GENERAL INFORMATION:**A. Square Feet: 28,220 B. General Construction Type: Exterior Brick Frame Concrete & Steel Number of Stories ThreeC. 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).

ELSTON REAL ESTATE & DEVELOPMENT LLC OWNS A BUILDING AT 4352 N. KEYSTONE. THIS BUILDING IS NOT ON THE GROUND OF THE NURSING HOME NOR ADJACENT TO IT. THERE IS AN UNRELATED BUSINESS BETWEEN THE NURSING HOME AND THE 4352 N. KEYSTONE BUILDING. THE 4352 BUILDING IS USED BY THE NURSING HOME FOR STORAGE OF ITS' SUPPLIES AND EQUIPMENT AND ALSO BY AN ENTITY CALLED DOLLAR-RIFFIC DISCOUNTS ELSTON LLC THAT IS OWNED BY SIDNEY GLENNER.TOTAL SQUARE FEET 8,777, SQUARE FEET USED BY THE NURSING HOME 1,260F. 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:

	1	2	3	4	
A. Land.	Use	Square Feet	Year Acquired	Cost	
1	<u>Patient Care</u>	<u>32,580</u>	<u>1971</u>	<u>\$ 40,000</u>	1
2	<u>Allocated from Management Company:</u>			<u>6,345</u>	2
3	TOTALS	32,580		\$ 46,345	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2008

Ending:

12/31/2008

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

	1	2	3	4	5	6	7	8	9		
	Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	117		1971		\$ 1,178,900	\$	30	\$	\$	\$ 1,178,900	4
5											5
6	Alloc from										6
7	Mgt Comp				135,523			3,712	3,712		7
8	Schedule J										8
	Improvement Type**										
9	Communication system		1975		8,549		8			8,549	9
10	Fire door and wiring		1976		10,293		20			10,293	10
11	Sprinkler system and electrical wiring		1977		1,055		10			1,055	11
12	Roof project		1979		8,360		10			8,360	12
13	Sprinkler system		1980		48,000		20			48,000	13
14	Water heater		1980		886		10			886	14
15	Cabinets and countertops		1981		5,386		10			5,386	15
16	Circuit breakers		1983		5,209		10			5,209	16
17	Building Improvements		1984		18,074		10			18,074	17
18	Building Improvements		1985		19,017		10			19,017	18
19	Building Improvements		1986		18,152		10			18,152	19
20	Building Improvements		1987		17,392		10			17,392	20
21	Building Improvements		1988		18,417		10			18,417	21
22	Building Improvements		1990		11,795		10			11,795	22
23	Building Improvements		1990		4,243		10			4,243	23
24	Building Improvements		1991		19,999		10			19,999	24
25	Building Improvements		1992		18,921		10			18,921	25
26	Building Improvements		1993		53,703		10			53,703	26
27	Building Improvements		1994		10,073		10			10,073	27
28	Building Improvements		1995		48,617		10			48,617	28
29	Wall fittings		1997		1,828		10			1,828	29
30	Concrete ramp		1997		1,480		10			1,480	30
31	Building Improvements		1995		37,112		10			37,112	31
32	Sprinkler system		1996		3,000		10			3,000	32
33	Nurses call station		1996		3,641		10			3,641	33
34	Door holders		1997		1,334		10			1,334	34
35	Install circuits and outlets		1997		2,500		10			2,500	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 Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2008 Ending: 12/31/2008

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	Fencing	1997	\$ 2,560	\$	10	\$	\$	\$ 2,560	37
38	New brick chimney	1997	11,743		10			11,743	38
39	Install new sprinkler system	1997	2,685		10			2,685	39
40	Install alarm system	1997	2,082		10			2,082	40
41	Brick replacement - chimney	1998	5,330	178	10	178		5,330	41
42	Access control system with back-up power supply	1998	1,318	43	10	43		1,318	42
43	High pressure sodium fixtures	1998	1,900	63	10	63		1,900	43
44	Install door alarm on all three floors	1998	6,515	872	10	872		6,515	44
45	Sprinkler system for all three floors	1999	9,167	917	10	917		8,864	45
46	Fire dampers installation	1999	3,220	322	10	322		3,113	46
47	Fire alarm equipment	1999	8,000	800	10	800		7,733	47
48	Fire alarm equipment	1999	12,000	1,200	10	1,200		11,600	48
49	Concrete	1998	1,755	231	10	231		1,755	49
50	Install gate	1999	1,600	160	10	160		1,547	50
51	Fireproofing	1999	2,250	225	10	225		2,175	51
52	Relocate and rewire nurses call station	1999	2,500	250	10	250		2,417	52
53	Fire dampers installation	1999	2,062	206	10	206		1,992	53
54	Relocate boxes to 8'	1999	1,000	100	10	100		967	54
55	Fire dampers installation	1999	800	80	10	80		773	55
56	Installation of exhaust pipe for the laundry room	1998	1,300	173	10	173		1,300	56
57	Extend iron railings	1998	1,250	167	10	167		1,250	57
58	Relocate and rewire nurses call station	1999	8,800	880	10	880		8,507	58
59	Sprinkler system for all three floors	1999	9,000	900	10	900		8,700	59
60	Sprinkler system for all three floors	1999	9,333	933	10	933		9,020	60
61	Install flow switch	2000	2,300	230	10	230		1,955	61
62	Handrails, bumper guards, corner guards & accent rails	2000	4,655	466	10	466		3,961	62
63	Acoustical ceilings, grid system, lamps & exit signs	2000	29,826	2,982	10	2,982		25,347	63
64	Handrails, bumper guards, corner guards & accent rails	2000	20,387	2,038	10	2,038		17,323	64
65	Fire alarm system	2000	48,484	4,848	10	4,848		41,208	65
66	Vinyl tile installation, floor patches & stripwood	2000	6,928	692	10	692		5,882	66
67	Install handrails, bumpers, chairrails & corner guards	2000	2,600	260	10	260		2,210	67
68	Floor tiles, floor patches, cove base installation	2000	6,319	632	10	632		5,849	68
69									69
70	TOTAL (lines 4 thru 69)		\$ 1,941,128	\$ 20,848		\$ 24,560	\$ 3,712	\$ 1,785,517	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2008 Ending: 12/31/2008

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		\$ 1,941,128	\$ 20,848		\$ 24,560	\$ 3,712	\$ 1,785,517	1
2	Carpeting, vinyl tiles & cove base installation	2000	11,028	1,102	10	1,102		9,367	2
3	Bernardsville border	2000	1,575	158	10	158		1,343	3
4	Install ground clamps, remove water meter, inst. phone wires	2000	1,669	166	10	166		1,411	4
5	Emerson wall fit	2000	1,988	198	10	198		1,683	5
6	Inspect & install air-conditioner power in 3 rooms	2000	1,810	182	10	182		1,547	6
7	Concrete & piping work	2000	2,550	255	10	255		2,168	7
8	Nurses station	2000	11,070	1,107	10	1,107		9,410	8
9	Furnish & install new steel door	2000	1,875	188	10	188		1,598	9
10	Install shower valve units and faucets	2000	2,904	290	10	290		2,465	10
11	Furnish & install doors	2000	22,273	2,272	10	2,272		19,312	11
12	Elevator project	2000	1,600	160	10	160		1,360	12
13	Asphalt paving in parking lot, new catch basin	2000	57,945	5,794	10	5,794		49,249	13
14	Advantage Mechanical project	2000	6,500	650	10	650		5,525	14
15	Custom wardrobes	2001	7,438	744	10	744		5,580	15
16	Remove lobby wall and install ceiling	2001	13,864	1,386	10	1,386		10,395	16
17	Install and clean out passenger elevator pump	2001	3,750	375	10	375		2,813	17
18	Sprinkler system heads	2001	2,750	275	10	275		2,063	18
19	Tile project	2001	2,983	298	10	298		2,235	19
20	New entrance addition project	2001	20,000	2,000	10	2,000		15,000	20
21	Cabinets and shelving	2001	1,841	184	10	184		1,380	21
22	Custom wardrobes	2001	11,123	1,112	10	1,112		8,340	22
23	Illinois Improvement project	2002	12,223	1,222	10	1,222		7,943	23
24	Furnish and install automatic door equipment	2002	13,378	1,338	10	1,338		8,697	24
25	Lighting for entrance	2002	3,500	350	10	350		2,275	25
26	Grout and mortar for ceramic wall tile	2002	3,137	314	10	314		2,041	26
27	Wallcovering installation	2002	21,647	2,165	10	2,165		14,072	27
28	Wallcovering, carpeting, cove base, window treatments	2002	99,900	9,990	10	9,990		65,326	28
29	Awning	2002	5,850	585	10	585		3,802	29
30	Affiliated Customer Service project	2002	1,160	116	10	116		754	30
31	Affiliated Customer Service project	2002	1,995	200	10	200		1,300	31
32	Electrical project	2002	2,860	286	10	286		1,859	32
33									33
34	TOTAL (lines 1 thru 33)		\$ 2,295,764	\$ 56,310		\$ 60,022	\$ 3,712	\$ 2,047,830	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2008 Ending: 12/31/2008

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		\$ 2,295,764	\$ 56,310		\$ 60,022	\$ 3,712	\$ 2,047,830	1
2	Installation of one convex awning	2002	3,800	380	10	380		2,470	2
3	Elevator modernization project	2003	27,800	2,780	10	2,780		15,290	3
4	Installation of new 100amp elevator feeder line	2003	3,000	300	10	300		1,650	4
5	HVAC wall unit project	2003	1,200	120	10	120		660	5
6	Elevator modernization project	2004	3,000	300	10	300		1,350	6
7	Patch, seal and coat roof	2004	2,150	215	10	215		968	7
8	Fire protection project	2004	1,435	144	10	144		648	8
9	Installation of camera and alarm for patio door	2004	1,952	195	10	195		878	9
10	Replace upper tube on leaking boiler	2004	1,063	106	10	106		477	10
11	Installation of solid state drive assembly for elevator door	2004	1,180	118	10	118		531	11
12	Adjust restrictor on passenger elevator	2004	1,366	137	10	137		616	12
13	Storage Building	2004	58,947	1,965	30	1,965		9,825	13
14	Install pipe railing connections	2005	9,600	960	10	960		3,360	14
15	Furnish and install new roller guides to elevator	2005	3,450	345	10	345		1,208	15
16	Furnish and install vertical rod devices	2005	2,246	225	10	225		787	16
17	Install new carpet, border, cove base and reducer	2005	10,303	1,030	10	1,030		3,605	17
18	Remove and install new detector edge on elevator	2005	1,850	185	10	185		648	18
19	Build and install custom wardrobes with drawers	2005	38,868	3,887	10	3,887		13,604	19
20	Installed patch and 2 couplings in hot water storage tank	2005	1,293	129	10	129		452	20
21	Elevator modernization project	2006	3,700	370	10	370		1,665	21
22	New elevator controller and fixtures	2006	44,711	4,471	10	4,471		11,178	22
23	Furnish and install 5 ton fan coil, discharge condensing unit	2006	8,480	848	10	848		2,120	23
24	Furnish and install elevator pit ladder, gate valve & piping	2007	2,950	295	10	295		443	24
25	Reroute flood pump to outside basin	2007	2,500	250	10	250		375	25
26	Furnish and install new powerflame burner	2007	9,100	910	10	910		1,365	26
27	Remove cove base and install vinyl tile with cove base	2008	9,590	479	10	479		479	27
28	Install new soft start in elevator controller, rewire starter	2008	3,200	160	10	160		160	28
29	Automatic sprinkler project, separate lines, add signs to valves	2008	3,800	190	10	190		190	29
30	Furnish, install and program new telephone system	2008	15,860	793	10	793		793	30
31									31
32	Leasehold Improvements Allocated from Management Company:		12,077			754	754	10,138	32
33									33
34	TOTAL (lines 1 thru 33)		\$ 2,586,235	\$ 78,597		\$ 83,063	\$ 4,466	\$ 2,135,763	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Elston Nursing & Rehabilitation Centre # 0004861 Report Period Beginning: 1/01/2008 Ending: 12/31/2008

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	\$ 264,373	\$ 26,437	\$ 26,437	\$	10 years	\$ 204,864	71
72	Current Year Purchases	4,683	234	234		10 years	234	72
73	Fully Depreciated Assets	367,259	15,029	15,029		5,7,8,10yrs	367,259	73
74	Allocated from Management Co:	58,343		2,838	2,838		56,387	74
75	TOTALS	\$ 694,658	\$ 41,700	\$ 44,538	\$ 2,838		\$ 628,744	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Patient Care	1989 Pontiac	1989	\$ 12,418	\$	\$	\$	3 years	\$ 12,418	76
77	Patient Care	1993 Plymouth Van	1993	23,600				3 years	23,600	77
78										78
79	Allocated from Management Co:			4,584		458	458		2,237	79
80	TOTALS			\$ 40,602	\$	\$ 458	\$ 458		\$ 38,255	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)	\$ 3,367,840	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 120,297	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 128,059	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 7,762	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 2,802,762	85

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

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

G. Construction-in-Progress

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A

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

If NO, see instructions.

YES NO

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

10. Effective dates of current rental agreement:

Beginning _____
Ending _____

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

	Fiscal Year Ending	Annual Rent
12.	<u>/2009</u>	\$ _____
13.	<u>/2010</u>	\$ _____
14.	<u>/2011</u>	\$ _____

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

This amount was calculated by dividing the total amount to be amortized by the length of the lease

N/A

N/A

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: \$ 2,517

Description: Ice-maker \$ 1,372, Postage meter \$339, Allocated from Management Co: \$806
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	<u>Patient Care</u>	<u>2005 Jeep Cherokee</u>	\$ <u>394.17</u>	\$ <u>3,028</u>	17
18	<u>Patient Care</u>	<u>2005 Chrysler</u>	<u>350.00</u>	<u>3,266</u>	18
19					19
20	<u>Allocated from Management Company:</u>			<u>2,234</u>	20
21	TOTAL		\$ <u>744.17</u>	\$ <u>8,528</u>	21

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

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

Facility Name & ID Number Elston Nursing & Rehabilitation Centre # 0004861 Report Period Beginning: 1/01/2008 Ending: 12/31/2008

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

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

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

B. EXPENSES

ALLOCATION OF COSTS (d)

		Facility		3	4
		1	2		
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
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)	
TOTAL TRAINED	

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

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
 - (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.
- 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	Ln10a, Col 3	hrs	\$	1,345	\$ 80,972	\$	1,345	\$ 80,972	1
2	Licensed Speech and Language Development Therapist	Ln10a, Col 3	hrs		107	10,110		107	10,110	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	Ln10a, Col 2&3	hrs		2,052	135,051	158	2,052	135,209	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	Ln 39, Col 2	# of prescripts				70,158		70,158	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):									12
13	Radiology and Laboratory Other (specify): <u>Respiratory Therapy</u>	Ln 39, Col 3 Ln10a, Col 3			29	8,205 1,887		29	8,205 1,887	13
14	TOTAL			\$	3,533	\$ 236,225	\$ 70,316	3,533	\$ 306,541	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 Elston Nursing & Rehabilitation Centre# 0004861Report Period Beginning: 1/01/2008

Ending:

12/31/2008**XV. BALANCE SHEET - Unrestricted Operating Fund.**As of 12/31/2008 (last day of reporting year)

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

		1 Operating	2 After Consolidation*	
A. Current Assets				
1	Cash on Hand and in Banks	\$ 671,673	\$ 1,479,104	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>516,000</u>)	2,131,415	2,131,415	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	54,121	54,121	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	(517,778)		8
9	Other(specify): <u>Rent Receivable/Accr Rent</u>	(499,031)		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,840,400	\$ 3,664,640	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments		100,000	12
13	Land		46,345	13
14	Buildings, at Historical Cost		1,314,423	14
15	Leasehold Improvements, at Historical Cost	933,952	1,271,812	15
16	Equipment, at Historical Cost	697,157	735,260	16
17	Accumulated Depreciation (book methods)	(1,304,913)	(2,802,762)	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 (spe <u>Deposits</u>)	22,333	22,333	22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 348,529	\$ 687,411	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 2,188,929	\$ 4,352,051	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 221,213	\$ 221,213	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	110,166	110,166	30
31	Accrued Taxes Payable (excluding real estate taxes)	(1,036)	(1,036)	31
32	Accrued Real Estate Taxes(Sch.IX-B)		103,000	32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>See Attached Schedule E:</u>	237,079	237,079	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 567,422	\$ 670,422	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable		1,430,433	40
41	Bonds Payable			41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$	\$ 1,430,433	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 567,422	\$ 2,100,855	46
47	TOTAL EQUITY (page 18, line 24)	\$ 1,621,507	\$ 2,251,196	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 2,188,929	\$ 4,352,051	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 1,236,344	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 1,236,344	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	505,163	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	(120,000)	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ 385,163	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ 1,621,507	24

* Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Elston Nursing & Rehabilitation Centre# 0004861Report Period Beginning: 1/01/2008Ending: 12/31/2008**XVII. INCOME STATEMENT** (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required

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

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

		1	
Revenue		Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 5,314,889	1
2	Discounts and Allowances for all Levels	81,223	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 5,396,112	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	391,822	6
7	Oxygen	58,399	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 450,221	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	83,008	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	7,256	19
20	Radiology and X-Ray	2,400	20
21	Other Medical Services	65,112	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 157,776	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	4,074	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 4,074	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	Private Bedhold Income	540	28
28a	Public Aid Bedhold Income	12,400	28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 12,940	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 6,021,123	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	947,944	31
32	Health Care	2,028,697	32
33	General Administration	1,356,901	33
B. Capital Expense			
34	Ownership	892,138	34
C. Ancillary Expense			
35	Special Cost Centers	226,224	35
36	Provider Participation Fee	64,056	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 5,515,960	40
41	Income before Income Taxes (line 30 minus line 40)**	505,163	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 505,163	43

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.

*** 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 Elston Nursing & Rehabilitation Centre

0004861

Report Period Beginning:

1/01/2008

Ending:

12/31/2008

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	2,018	2,200	\$ 85,373	\$ 38.81	1
2	Assistant Director of Nursing	1,946	2,162	61,747	28.56	2
3	Registered Nurses	8,693	9,072	207,730	22.90	3
4	Licensed Practical Nurses	19,455	20,567	424,403	20.64	4
5	CNAs & Orderlies	54,041	59,246	611,777	10.33	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,994	2,291	27,488	12.00	9
10	Activity Assistants	5,482	5,767	46,908	8.13	10
11	Social Service Workers	3,411	3,804	45,214	11.89	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook	6,203	6,859	77,205	11.26	14
15	Cook Helpers/Assistants	11,904	13,065	135,798	10.39	15
16	Dishwashers					16
17	Maintenance Workers	4,050	4,426	52,828	11.94	17
18	Housekeepers	8,361	9,393	110,227	11.74	18
19	Laundry	4,030	4,710	53,022	11.26	19
20	Administrator	2,010	2,131	74,945	35.17	20
21	Assistant Administrator	1,998	2,103	60,728	28.88	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	2,042	2,211	37,435	16.93	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify) <u>Ward Clerks</u>	5,591	6,137	110,979	18.08	33
34	TOTAL (lines 1 - 33)	143,229	156,144	\$ 2,223,807 *	\$ 14.24	34

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

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	Monthly	\$ 16,001	Ln 1, Col 3	35
36	Medical Director	Monthly	11,600	Ln 9, Col 3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	1,920	Ln10, Col 3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	44	2,168	Ln11, Col 3	44
45	Social Service Consultant	47	2,485	Ln12, Col 3	45
46	Other(specify)				46
47	<u>Religious Consultant</u>	Monthly	480	Ln12, Col 3	47
48					48
49	TOTAL (lines 35 - 48)	91	\$ 34,654		49

C. CONTRACT NURSES

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

SEE ACCOUNTANTS' COMPILATION REPORT

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

	1 Improvement Type	2 Month & Year Improvement Was Made	3 Total Cost	4 Useful Life	Amount of Expense Amortized Per Year								
					5 FY2005	6 FY2006	7 FY2007	8 FY2008	9 FY2009	10 FY2010	11 FY2011	12 FY2012	13 FY2013
1	N/A		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Elston Nursing & Rehabilitation Centre

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? Yes
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. Illinois Council on Long Term Care \$4,785
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 10 years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 12,052 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 64,056
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ 13,139 Has any meal income been offset against related costs? No Indicate the amount. \$ N/A
- (16) Travel and Transportation
- a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
- b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A
- c. What percent of all travel expense relates to transportation of nurses and patients? N/A
- d. Have vehicle usage logs been maintained? Yes
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? No
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes
- g. Does the facility transport residents to and from day training? No**
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$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

Glen Elston Nursing and Rehabilitation Centre, Ltd.

12/31/2008

Provider I.D. # 0004861

SCHEDULE A

SCHEDULE VII. RELATED PARTIES

Part A. Col.3

3		
OTHER RELATED BUSINESS ENTITIES		
Name	City	Type of Business
Glen Health & Home Management, Inc.	Skokie	Management Company
GlenBar Management Company, Ltd.	Skokie	Management Company
Elston Real Estate & Development LLC	Skokie	Building Lessor
Fargo Real Estate & Development, LLC	Skokie	Building Lessor - Management Company
Therapy Masters	Skokie	Therapy company

See Accountants' Compilation Report

Glen Elston Nursing and Rehabilitation Centre, LTD.
 Provider # 0004861
 12/31/2008

SCHEDULE B

SCHEDULE VII RELATED PARTIES

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

Name	Compensation Received From Other Nursing Homes						Total
	Glen Oaks Nursing & Rehab. Centre, Ltd.	GlenCrest Nursing & Rehab. Centre, Ltd.	Glen Bridge Nursing & Rehab. Centre, Ltd.	Brentwood North Healthcare & Rehabilitation	GlenShire Nursing & Rehab. Centre, Ltd.	GlenLake Terrace Nursing & Rehab. Centre, Ltd.	
Sidney Glenner	39,928	34,776	35,393	5,865	30,702	28,825	175,489
Jonathan Glenner	11,453	9,975	10,152	1,682	8,807	8,268	50,337
Daniel Glenner	6,278	5,468	5,565	922	4,827	4,532	27,592
Daniel Glenner	0	0	44,556	0	0	0	44,556
David Weinschneider	11,157	9,717	9,890	1,639	8,579	8,055	49,037
Joshua Ray	39,928	34,776	35,393	5,865	30,702	28,825	175,489
Barry Ray	39,316	34,242	34,850	5,775	30,231	28,383	172,797
Total compensation received from other Nursing Homes	148,060	128,954	175,799	21,748	113,848	106,888	695,297

See Accountants' Compilation Report

Glen Elston Nursing and Rehabilitation Centre, Ltd.
 Provider # 0004861
 12/31/2008

XIX. SUPPORT SCHEDULES

SCHEDULE C

Page 21
 C. Professional Services

<u>Vendor/Payee</u>	<u>Type</u>	<u>AMOUNT</u>
Health Data Systems, Inc.	Computers	4,500
EHealth Data Solutions	Computers	3,517
Advanced Answers on Demand	Computers	4,945
IIT Sourcetechn	Computers	870
Maxxsource Computers	Computers	879
RSM McGladrey	Accounting	12,618
Frost, Ruttenberg & Rothblatt	Accounting	440
Charles Foley and Associates	Management Consulting	6,000
ReedSmith Sachnoff & Weaver	Legal	2,579
Myers, Miller & Krauskopf	Legal	19,618
Ira I. Silverstein	Legal	2,400
Cindy Stachura	Consultant	1,200
Commitment Consulting	A/R Collections	19,895
Personnel Planners, Inc.	Unemployment Consulting	1,100
Prospect Resources, Inc.	Maintenance Consulting	750
		<u>81,311</u>
Allocated from Management Co:		
RSM McGladrey - Accounting Services		11,813
ReedSmith Sachnoff & Weaver - Legal Services		821
Total allocated from Management Co.		<u>12,634</u>
Non-Allowable Expenses:		
Commitment Consulting - A/R Collections		-19,895
RSM McGladrey - Accounting Fees		-8,140
Ira I. Silverstein - A/R Collections		-2,400
Total Non-Allowable Expenses:		<u>-30,435</u>
Total allocated from Therapy Masters, Inc.		828
Total adjustments page 21, Sch C.		<u><u>-16,973</u></u>
Total Schedule V, line 19, column 8		<u><u>64,337</u></u>

See Accountants' Compilation Report

Glen Elston Nursing and Rehabilitation Centre, Ltd.
Provider # 0004861
12/31/2008

SCHEDULE D

XIX. SUPPORT SCHEDULES

D. Employee Benefits and Payroll Taxes
Page 21

<u>DESCRIPTION</u>	<u>AMOUNT</u>
Allocated from Management Co.	
FICA taxes	13,288
FUTA	197
SUTA	314
Insurance - Hospital	11,887
Other Employee Benefits	833
Workers Compensation Insurance	576
401K Match	913
Employee Benefits	2,069
Total allocated from Management Co.	<u>30,077</u>
Allocated Employee Benefits to Line #'s 7,27	(30,077)
Allocated from Therapy Masters, Inc.	
FICA taxes	11,431
FUTA	206
SUTA	338
Insurance - Hospital	3,611
Other Employee Benefits	105
Workers Compensation Insurance	3,169
401K Match	961
Uniform Allowance	48
Total allocated from Therapy Masters, Inc.	<u>19,869</u>
Allocated Employee Benefits to Line #'s 15,27	(19,869)
Total allocated to Page 21	<u>0</u>

See Accountants' Compilation Report

Glen Elston Nursing and Rehabilitation Centre, Ltd.
Provider # 0004861
12/31/2008

SCHEDULE E

XV. SUPPORT SCHEDULES

Page 17, Line 36

<u>DESCRIPTION</u>	<u>AMOUNT</u>
Accrued Union Dues	1,880
Credit Union	(32)
Accrued Wage Assignment	(124)
Accrued Profit Sharing	41,070
Refunds Exchange	(37,482)
Patient Credit Balances	5,878
Accrued 401K	892
Due Con Mutual	217
Accrued Management Fees	71,707
Due to Patient Trust Fund	(29,063)
Due to Third Party	182,136
Total, Page 17, Line36	<u><u>237,079</u></u>

See Accountants' Compilation Report

Glen Elston Nursing and Rehabilitation Centre, LTD
Provider # 0004861
12/31/2008

SCHEDULE F

PAGE 5, SCHEDULE VI. ADJUSTMENT DETAIL
Schedule A. Nonallowable Expenses
Line 29 - Other Non-allowable costs

Description	Amount	Reference
Non-allowable trust fees	(585)	43
Non-allowable patient clothing	(181)	43
Non-allowable professional fees	(30,435)	19
Non-allowable auto expense - marketing	(689)	25
Non-allowable Illinois Council on Long Term Care Fees	(4,512)	20
Adjust Mgt. Co. Med Supplies - Med 'A' to cost	(9,027)	10
Adjust Mgt. Co. Med Supplies - 'Other' to cost	(42,517)	10
Adjust Mgt. Co. Food to cost	(46,544)	2
Total	<u>(134,490)</u>	

See Accountants' Compilation Report

Elston Real Estate and Development, LLC.
Accrued Real Estate Taxes
12/31/2008

SCHEDULE G

	Accrued 1/01/08	Payments	Expense	Accrued 12/31/08
Balance @ 1/01/2008:	(104,000.00)		(104,000.00)	
2007 real estate taxes paid		99,592.60	99,592.60	
Estimated 2008 real estate taxes				
2007 taxes	99,592.60			
Estimated increase	2.50 %			
Estimated 2008 taxes	102,082.42			
USE	103,000.00		103,000.00	(103,000.00)
Totals	<u>(104,000.00)</u>	<u>99,592.60</u>	<u>98,592.60</u>	<u>(103,000.00)</u>

Real estate tax history:

	Year	Amount	Increase	
		\$	%	
	1992	91,814.91		
	1993	93,402.35	1,587.44	1.73%
	1994	96,722.55	3,320.20	3.55%
	1995	98,066.80	1,344.25	1.39%
	1996	100,479.72	2,412.92	2.46%
	1997	102,957.90	2,478.18	2.47%
	1998	104,785.68	1,827.78	1.78%
	1999	104,082.35	(703.33)	-0.67%
	2000	96,382.57	(7,699.78)	-7.40%
	2001	98,889.28	2,506.71	2.60%
	2002	100,687.92	1,798.64	1.82%
	2003	96,525.62	(4,162.30)	-4.13%
	2004	98,669.73	2,144.11	2.22%
	2005	99,674.38	1,004.65	1.02%
	2006	100,667.32	992.94	1.00%
	2007	99,592.60	(1,074.72)	-1.07%

See Accountants' Compilation Report

Provider Name: Glen Elston Nursing & Rehab Center

Provider I.D. #: 0004861

Year Ended: December 31, 2008

SCHEDULE H

Training & Education

Person(s) Attending	Date Attended	Location	Title Sponsor	Total Cost
Steven Schayer, Vivian Inglesby, Kathy Johannsen	1/17/08	Skokie	Illinois Council on Long Term Care Be Prepared for MDS Medicaid Audits	285
Carmen Rivera, Linda Garcia	3/20/08	Chicago	Heartland Health Network Skills training for Social Work Professionals	200
Steve Schayer, Vivian Inglesby	4/15/08	Skokie	Illinois Council on Long Term Care Infection Protection It's In Your Hands	190
Nursing Staff	3/7,3/12 9/1, 11/7	Facility	Pulmonary Exchange Inservices-CPR retraining	471
Linda Garcia, Carmen Rivera	4/10/08	Skokie	Heartland Training Center Introduction to Mental Illness & Psych Rehab	200
Steve Schayer, Elsa Gonzales	5/15/08	Skokie	Illinois Council on Long Term Care Wound Management	190
Steve Schayer, Elsa Gonzales	6/12/08	Skokie	Illinois Council on Long Term Care Pain Management	190
Linda Garcia	7/22-7/23	Chicago	Heartland Training Center Case Management Training	150
All Nursing and Social Work Staff	7/14/08	Facility	Social Work PRN Working with Alzheimer's Patients	100
Steve Schayer	8/13/08	Skokie	Illinois Council on Long Term Care OBRA Dietary & Sanitary Regulations	95
Maria Reyes	8/8/08	Chicago	Activity Therapist Association Exploring Fitness Programs	125
Kathy Johannsen	9/24/08	Skokie	Illinois Council on Long Term Care Marketing Effectively to Baby Boomers	95
Steve Schayer	10/3/08	Chicago	Cynthia Chow & Associates Survey Says: No Write-ups! What Everyone Needs to Know Regarding the New Guidelines F-325	110
			Allocated From Management Company	759
			Allocated From Therapy Masters	423
			Total	<u>3,583</u>

SEE ACCOUNTANTS' COMPILATION REPORT

Glen Elston Nursing and Rehabilitation Centre, LTD.
Provider #0004861
12/31/2008

SCHEDULE I

Page 3, Schedule V, Line 25, Col 8
Other Admin. Staff Transportation

	Gasoline	AAA Membership	Mileage Reimbursement	Total
Direct Expense	26,675	50	737	27,462
Non-Allowable auto expense - marketing				-689
Allocated from Therapy Masters, Inc.				213
Allocated from Management Company				4,043
TOTAL	<u>26,675</u>	<u>50</u>	<u>737</u>	<u>31,029</u>

See Accountants' Compilation Report

Glen Elston Nursing and Rehabilitation Centre, Ltd.
Provider # 0004861
12/31/2008

XIX. SUPPORT SCHEDULES

SCHEDULE K

Page 21
F. Dues, Fees, Subscriptions and Promotions

<u>Description</u>	<u>AMOUNT</u>
Illinois Council on Long Term Care Dues	9,297
Illinois Health Care Association	1,110
Polish Daily News Subscription	80
Centers for Medicare and Medicaid Revisit User Fee	168
Employment Fees	1,000
CLIA Laboratory Program Certificate of Waiver User Fee	150
Secretary of State Annual Report Fee	100
City of Chicago Boiler Inspection Fee/Commerical Driveway Fee	440
Non-allowable Illinois Council on Long Term Care Fees	-4,512
Total adjustments page 21, Sch F.	<u><u>7,833</u></u>

See Accountants' Compilation Report