

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation

0048637 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 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	<u>144</u>	Skilled (SNF)	<u>144</u>	<u>52,704</u>	1
2		Skilled Pediatric (SNF/PED)			2
3	<u>127</u>	Intermediate (ICF)	<u>127</u>	<u>46,482</u>	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>271</u>	TOTALS	<u>271</u>	<u>99,186</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>18,565</u>	<u>1,348</u>	<u>5,683</u>	<u>25,596</u>	8
9	SNF/PED					9
10	ICF	<u>48,871</u>	<u>1,795</u>	<u>236</u>	<u>50,902</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>67,436</u>	<u>3,143</u>	<u>5,919</u>	<u>76,498</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 77.13%

D. How many bed-hold days during this year were paid by the Department? 0 (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)
None

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

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

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 12/07/06

J. Was the facility purchased or leased after January 1, 1978?
YES Date 12/07/06 NO

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 71 and days of care provided 5,683

Medicare Intermediary National Government Services, Inc.

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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

Tax Year: 12/31/08 Fiscal Year: 12/31/08

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

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation # 0048637 Report Period Beginning: 1/01/2008 Ending: 12/31/2008

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	361,719	47,849	22,567	432,135		432,135		432,135		1
2	Food Purchase		475,691		475,691	(26,524)	449,167	(53,212)	395,955		2
3	Housekeeping	267,364	62,860		330,224		330,224		330,224		3
4	Laundry	123,779	26,194	11,433	161,406		161,406		161,406		4
5	Heat and Other Utilities			304,240	304,240		304,240	5,561	309,801		5
6	Maintenance	63,826	37,922	101,015	202,763		202,763	10,191	212,954		6
7	Other (specify):* Allocated Employee Benefits							526	526		7
8	TOTAL General Services	816,688	650,516	439,255	1,906,459	(26,524)	1,879,935	(36,934)	1,843,001		8
	B. Health Care and Programs										
9	Medical Director			38,400	38,400		38,400		38,400		9
10	Nursing and Medical Records	3,968,656	801,214	15,776	4,785,646		4,785,646	(184,020)	4,601,626		10
10a	Therapy	28,867	1,711	467,526	498,104		498,104	(79,597)	418,507		10a
11	Activities	135,792	6,125	1,200	143,117		143,117		143,117		11
12	Social Services	124,795		4,993	129,788		129,788		129,788		12
13	CNA Training										13
14	Program Transportation			890	890		890		890		14
15	Other (specify):* Allocated Employee Benefits							44,967	44,967		15
16	TOTAL Health Care and Programs	4,258,110	809,050	528,785	5,595,945		5,595,945	(218,650)	5,377,295		16
	C. General Administration										
17	Administrative	70,940		702,966	773,906		773,906	(645,758)	128,148		17
18	Directors Fees										18
19	Professional Services			48,043	48,043		48,043	8,759	56,802		19
20	Dues, Fees, Subscriptions & Promotions			22,952	22,952	3,550	26,502	(4,702)	21,800		20
21	Clerical & General Office Expenses	239,053	52,781	45,866	337,700	(3,550)	334,150	395,291	729,441		21
22	Employee Benefits & Payroll Taxes			737,961	737,961	26,524	764,485		764,485		22
23	Inservice Training & Education			2,310	2,310		2,310	2,415	4,725		23
24	Travel and Seminar										24
25	Other Admin. Staff Transportation			21,828	21,828	(9,225)	12,603	5,951	18,554		25
26	Insurance-Prop.Liab.Malpractice			207,941	207,941		207,941	1,931	209,872		26
27	Other (specify):* Allocated Employee Benefits							61,226	61,226		27
28	TOTAL General Administration	309,993	52,781	1,789,867	2,152,641	17,299	2,169,940	(174,887)	1,995,053		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	5,384,791	1,512,347	2,757,907	9,655,045	(9,225)	9,645,820	(430,471)	9,215,349		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			16,575	16,575		16,575	311,225	327,800			30
31	Amortization of Pre-Op. & Org.							91	91			31
32	Interest			106,636	106,636		106,636	975,843	1,082,479			32
33	Real Estate Taxes							184,006	184,006			33
34	Rent-Facility & Grounds			1,757,641	1,757,641		1,757,641	(1,757,641)				34
35	Rent-Equipment & Vehicles			45,875	45,875	9,225	55,100	6,184	61,284			35
36	Other (specify):*											36
37	TOTAL Ownership			1,926,727	1,926,727	9,225	1,935,952	(280,292)	1,655,660			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		260,322	135,797	396,119		396,119		396,119			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			148,356	148,356		148,356		148,356			42
43	Other (specify):* Non-Allowable			165,717	165,717		165,717	(165,717)				43
44	TOTAL Special Cost Centers		260,322	449,870	710,192		710,192	(165,717)	544,475			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	5,384,791	1,772,669	5,134,504	12,291,964		12,291,964	(876,480)	11,415,484			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 Glenlake Terrace Nursing & Rehabilitation

0048637

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	(3,763)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(1,081)	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	(1,557)	43		19
20	Contributions	(1,789)	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	(154,000)	43		24
25	Fund Raising, Advertising and Promotional	(3,362)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(2,414)	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule <u>See Attached Schedule F:</u>	(379,005)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (546,971)		\$	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)	(329,509)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (329,509)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (876,480)		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	130	Ln10,Col2	44
45	Other-Attach Schedule		X			45
46	Other-Attach Schedule		X			46
47	TOTAL (C): (sum of lines 38-46)			\$ 130		47

BHF USE ONLY							
48		49		50		51	52

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS
 Glenlake Terrace Nursing & Rehabilitation

Page 5A

ID# 0048637

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	\$ (90,181)	10	1
2	Adjust Mgt Co. medical supplies"other" to cost	(93,839)	10	2
3	Adjust Mgt Co. food to cost	(53,231)	2	3
4	Non-allowable patient clothing	(3,988)	43	4
5	Non-allowable professional fees	(20,448)	19	5
6	Non-allowable owner interest expense	(104,471)	32	6
7	Non-allowable auto expense - marketing	(2,558)	25	7
8	Non-allowable auto expense - IL Toll violation	(154)	25	8
9	Non-allowable officers life insurance	60	43	9
10	Non-allowable Illinois Council on Long Term Care Dues	(10,195)	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				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	(379,005)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation

0048637

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	(53,231)	0	0	0	19	0	0	0	0	0	0	(53,212)	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	5,561	0	0	0	0	0	0	0	0	5,561	5
6	Maintenance	0	0	10,191	0	0	0	0	0	0	0	0	10,191	6
7	Other (specify):*	0	0	526	0	0	0	0	0	0	0	0	526	7
8	TOTAL General Services	(53,231)	0	16,278	0	19	0	0	0	0	0	0	(36,934)	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	(184,020)	0	0	0	0	0	0	0	0	0	0	(184,020)	10
10a	Therapy	0	0	0	0	(79,597)	0	0	0	0	0	0	(79,597)	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	44,967	0	0	0	0	0	0	44,967	15
16	TOTAL Health Care and Programs	(184,020)	0	0	0	(34,630)	0	0	0	0	0	0	(218,650)	16
	C. General Administration													
17	Administrative	0	0	(645,758)	0	0	0	0	0	0	0	0	(645,758)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(20,448)	0	25,698	1,800	1,709	0	0	0	0	0	0	8,759	19
20	Fees, Subscriptions & Promotions	(10,195)	0	1,113	0	4,380	0	0	0	0	0	0	(4,702)	20
21	Clerical & General Office Expenses	0	0	388,023	750	6,518	0	0	0	0	0	0	395,291	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	1,543	0	872	0	0	0	0	0	0	2,415	23
24	Travel and Seminar	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Other Admin. Staff Transportation	(2,712)	0	8,223	0	440	0	0	0	0	0	0	5,951	25
26	Insurance-Prop.Liab.Malpractice	0	0	1,931	0	0	0	0	0	0	0	0	1,931	26
27	Other (specify):*	0	0	60,652	0	574	0	0	0	0	0	0	61,226	27
28	TOTAL General Administration	(33,355)	0	(158,575)	2,550	14,493	0	0	0	0	0	0	(174,887)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(270,606)	0	(142,297)	2,550	(20,118)	0	0	0	0	0	0	(430,471)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation# 0048637

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	15,787	295,438	0	0	0	0	0	0	0	311,225	30
31	Amortization of Pre-Op. & Org.	0	0	91	0	0	0	0	0	0	0	0	91	31
32	Interest	(108,234)	0	0	1,084,077	0	0	0	0	0	0	0	975,843	32
33	Real Estate Taxes	0	0	9,009	174,997	0	0	0	0	0	0	0	184,006	33
34	Rent-Facility & Grounds	0	0	0	(1,757,641)	0	0	0	0	0	0	0	(1,757,641)	34
35	Rent-Equipment & Vehicles	0	0	6,184	0	0	0	0	0	0	0	0	6,184	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	(108,234)	0	31,071	(203,129)	0	0	0	0	0	0	0	(280,292)	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):*	(168,131)	0	0	2,414	0	0	0	0	0	0	0	(165,717)	43
44	TOTAL Special Cost Centers	(168,131)	0	0	2,414	0	0	0	0	0	0	0	(165,717)	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(546,971)	0	(111,226)	(198,165)	(20,118)	0	0	0	0	0	0	(876,480)	45

VII. RELATED PARTIES

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

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Sidney Glenner	80.00 %	GlenBridge Nursing & Rehabilitation Centre,Ltd.	Niles	SEE ATTACHED SCHEDULE A		
Joshua Ray	20.00 %	GlenCrest Nursing & Rehabilitation Centre,Ltd.	Chicago			
		Glen Elston Nursing & Rehabilitation Centre,Ltd.	Chicago			
		Glen Oaks Nursing & Rehabilitation Centre,Ltd.	Northbrook			
		GlenShire Nursing & Rehabilitation Centre,Ltd.	Richton Park			
		Brentwood North Healthcare & Rehabilitation Centre,	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	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	Total from Page 6A	\$ 702,966	Glen Health and Home Management, Inc.	A	\$ 591,740	\$	(111,226) 1
2	V							2
3	V	Total from Page 6B	1,757,641	GlenLake Terrace Realty LLC	B	1,559,476		(198,165) 3
4	V							4
5	V	Total from Page 6C	466,901	Therapy Masters, Inc.	C	446,783		(20,118) 5
6	V							6
7	V							7
8	V			OWNERSHIP REFERENCE:				8
9	V			A: Owned 100.00 % by Sidney Glenner through attribution				9
10	V			B: Owned 80.00 % by Sidney Glenner & 20.00 % by Joshua Ray				10
11	V			C: Owned 80.00 % by Sidney Glenner & 20.00 % by Barry Ray				11
12	V							12
13	V							13
14	Total		\$ 2,927,508			\$ 2,597,999	\$ *	(329,509) 14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation# 0048637Report 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	\$ 702,966	Glen Health and Home Management, Inc.	A	\$	\$ (702,966)	15
16	V	5 Utilities		Glen Health and Home Management, Inc.	A	5,561	5,561	16
17	V	6 Repairs and Maintenance		Glen Health and Home Management, Inc.	A	6,681	6,681	17
18	V	19 Professional Fees		Glen Health and Home Management, Inc.	A	25,698	25,698	18
19	V	20 Licenses, Permits and Inspection		Glen Health and Home Management, Inc.	A	1,113	1,113	19
20	V	21 Clerical		Glen Health and Home Management, Inc.	A	40,466	40,466	20
21	V	22 Employee Benefits and Payroll		Glen Health and Home Management, Inc.	A	61,178	61,178	21
22	V	23 Training and Education		Glen Health and Home Management, Inc.	A	1,543	1,543	22
23	V	25 Auto Expenses		Glen Health and Home Management, Inc.	A	8,223	8,223	23
24	V	26 Insurance		Glen Health and Home Management, Inc.	A	1,931	1,931	24
25	V	30 Depreciation		Glen Health and Home Management, Inc.	A	15,787	15,787	25
26	V	31 Amortization		Glen Health and Home Management, Inc.	A	91	91	26
27	V	33 Real Estate Taxes		Glen Health and Home Management, Inc.	A	9,009	9,009	27
28	V	35 Equipment and Vehicle Rental		Glen Health and Home Management, Inc.	A	6,184	6,184	28
29	V	6 Janitorial Salaries		Glen Health and Home Management, Inc.	A	3,510	3,510	29
30	V	17 Officer's Salaries		Glen Health and Home Management, Inc.	A	57,208	57,208	30
31	V	21 Administrative Salaries		Glen Health and Home Management, Inc.	A	347,557	347,557	31
32	V	22 Employee Benefits		Glen Health and Home Management, Inc.	A	(61,178)	(61,178)	32
33	V	7 Employee Benefits - Janitorial		Glen Health and Home Management, Inc.	A	526	526	33
34	V	27 Employee Benefits - Officer's		Glen Health and Home Management, Inc.	A	8,571	8,571	34
35	V	27 Employee Benefits - Admin		Glen Health and Home Management, Inc.	A	52,081	52,081	35
36	V							36
37	V							37
38	V							38
39	Total		\$ 702,966			\$ 591,740	\$ * (111,226)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation# 0048637Report 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	21 Clerical	\$	GlenLake Terrace Realty LLC	B	\$ 750	\$ 750	15
16	V	30 Depreciation		GlenLake Terrace Realty LLC	B	295,438	295,438	16
17	V	32 Interest Income		GlenLake Terrace Realty LLC	B	(4,483)	(4,483)	17
18	V	32 Interest Expense		GlenLake Terrace Realty LLC	B	1,083,768	1,083,768	18
19	V	33 Real Estate Taxes		GlenLake Terrace Realty LLC	B	174,997	174,997	19
20	V	34 Rental Income	1,757,641	GlenLake Terrace Realty LLC	B		(1,757,641)	20
21	V	32 Amortization of Mortgage Costs		GlenLake Terrace Realty LLC	B	4,792	4,792	21
22	V	19 Professional Fees		GlenLake Terrace Realty LLC	B	1,800	1,800	22
23	V	43 State Tax Extension		GlenLake Terrace Realty LLC	B	1,610	1,610	23
24	V	43 State Replacement Taxes		GlenLake Terrace Realty LLC	B	804	804	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		\$ 1,757,641			\$ 1,559,476	\$ * (198,165)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation# 0048637Report 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	\$ 466,901	Therapy Masters, Inc.	C	\$ 387,304	\$ (79,597)	15
16	V	19 Professional Fees		Therapy Masters, Inc.	C	1,709	1,709	16
17	V	20 Licenses, Permits and Inspection		Therapy Masters, Inc.	C	11	11	17
18	V	20 Employment Fees		Therapy Masters, Inc.	C	4,369	4,369	18
19	V	21 Clerical Salaries		Therapy Masters, Inc.	C	4,698	4,698	19
20	V	21 Clerical		Therapy Masters, Inc.	C	1,820	1,820	20
21	V	22 Employee Benefits and Payroll		Therapy Masters, Inc.	C	45,541	45,541	21
22	V	23 Training and Education		Therapy Masters, Inc.	C	872	872	22
23	V	25 Auto Expenses		Therapy Masters, Inc.	C	440	440	23
24	V	2 Food Purchase		Therapy Masters, Inc.	C	19	19	24
25	V	22 Employee Benefits		Therapy Masters, Inc.	C	(45,541)	(45,541)	25
26	V	15 Employee Benefits - Therapy		Therapy Masters, Inc.	C	44,967	44,967	26
27	V	27 Employee Benefits - Clerical		Therapy Masters, Inc.	C	574	574	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		\$ 466,901			\$ 446,783	\$ * (20,118)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation # 0048637 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	80.00 %	160,835	12	19.80 %	Salary	\$ 28,825	Ln 17,Col 7	1
2	Jonathan Glenner	Clerical	Clerical	0.00 %	46,134	8	19.80 %	Salary	8,268	Ln 21,Col 7	2
3	Daniel Glenner	Administrative	Administrative	0.00 %	25,288	8	19.80 %	Salary	4,532	Ln 21,Col 7	3
4	David Weinschneider	Administrative	Administrative	0.00 %	44,942	8	19.80 %	Salary	8,055	Ln 21,Col 7	4
5	Joshua Ray	V.P. of Operations	Administrative	20.00 %	160,835	8	19.80 %	Salary	28,825	Ln 21,Col 7	5
6	Barry Ray	Vice President	Administrative	0.00 %	158,368	8	19.80 %	Salary	28,383	Ln 17,Col 7	6
7	Daniel Glenner	Asst Administrator	Administrative	0.00 %	44,556	8	19.80 %				7
8											8
9											9
10			See Schedule B								10
11											11
12											12
13								TOTAL	\$ 106,888		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 Glenlake Terrace Nursing & Rehabilitation # 0048637 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	\$ 76,498	\$ 5,561	1
2	6	Repairs and Maintenance	Resident Days	503,336	7	43,957	76,498	6,681	2
3	19	Professional Fees	Resident Days	503,336	7	169,083	76,498	25,698	3
4	20	Licenses, Permits and Inspection	Resident Days	503,336	7	7,325	76,498	1,113	4
5	21	Clerical	Resident Days	503,336	7	266,253	76,498	40,466	5
6	22	Employee Benefits and Payroll	Resident Days	503,336	7	402,537	76,498	61,178	6
7	23	Training and Education	Resident Days	503,336	7	10,154	76,498	1,543	7
8	25	Auto Expenses	Resident Days	503,336	7	54,107	76,498	8,223	8
9	26	Insurance	Resident Days	503,336	7	12,704	76,498	1,931	9
10	30	Depreciation	Resident Days	503,336	7	103,875	76,498	15,787	10
11	31	Amortization	Resident Days	503,336	7	598	76,498	91	11
12	33	Real Estate Taxes	Resident Days	503,336	7	59,276	76,498	9,009	12
13	35	Equipment and Vehicle Rental	Resident Days	503,336	7	40,687	76,498	6,184	13
14	6	Janitorial Salaries	Resident Days	503,336	7	23,093	23,093	3,510	14
15	17	Officer's Salaries	Resident Days	503,336	7	376,410	376,410	57,208	15
16	21	Administrative Salaries	Resident Days	503,336	7	2,286,830	2,286,830	347,557	16
17	22	Employee Benefits	Payroll					(61,178)	17
18	7	Employee Benefits - Janitorial	Payroll					526	18
19	27	Employee Benefits - Officer's	Payroll					8,571	19
20	27	Employee Benefits - Admin	Payroll					52,081	20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 3,893,479	\$ 2,686,333	\$ 591,740	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			
A. Directly Facility Related																				
Long-Term																				
1	The PrivateBank		X	Mortgage		12/27/07	\$ 16,000,000	\$ 15,751,445	12/27/2010	0.0609	\$ 1,083,768	1								
2	The PrivateBank		X	Amortization of mortgage costs							4,792	2								
3												3								
4												4								
5												5								
Working Capital																				
6	Sidney Glenner	X		Working Capital		12/14/06	3,990,456	3,990,456	12/14/08	0.0712	104,471	6								
7							Non-allowable owner interest expense				(104,471)	7								
8												8								
9	TOTAL Facility Related						\$ 19,990,456	\$ 19,741,901			\$ 1,088,560	9								
B. Non-Facility Related*																				
10									Interest Income Offset:		(6,081)	10								
11												11								
12												12								
13												13								
14	TOTAL Non-Facility Related						\$	\$			\$ (6,081)	14								
15	TOTALS (line 9+line14)						\$ 19,990,456	\$ 19,741,901			\$ 1,082,479	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.)

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation# 0048637 Report Period Beginning: 1/01/2008 Ending: 12/31/2008

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

B. Real Estate Taxes

1. Real Estate Tax accrual used on 2007 report.		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.	\$	105,000	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.)			\$	137,997	2
3. Under or (over) accrual (line 2 minus line 1).			\$	32,997	3
4. Real Estate Tax accrual used for 2008 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	142,000	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.			\$	174,997	7
Real Estate Tax History:					
Real Estate Tax Bill for Calendar Year:		2003	_____	8	
		2004	_____	9	
		2005	99,870	10	
		2006	101,899	11	
		2007	137,997	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:

- Please indicate a negative number by use of brackets (). Deduct any overaccrual of taxes from prior year.
- 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:** 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 Glenlake Terrace Nursing & Rehabilitation COUNTY Lake

FACILITY IDPH LICENSE NUMBER 0048637

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>08-32-109-021</u>	<u>2222 14th Street, Waukegan, IL</u>	<u>\$ 137,996.93</u>	<u>\$ 137,996.93</u>
2. <u>Allocated from Management Company:</u>		<u>\$ 59,276.00</u>	<u>\$ 9,009.00</u>
3. _____		<u>\$ _____</u>	<u>\$ _____</u>
4. _____		<u>\$ _____</u>	<u>\$ _____</u>
5. _____		<u>\$ _____</u>	<u>\$ _____</u>
6. _____		<u>\$ _____</u>	<u>\$ _____</u>
7. _____		<u>\$ _____</u>	<u>\$ _____</u>
8. _____		<u>\$ _____</u>	<u>\$ _____</u>
9. _____		<u>\$ _____</u>	<u>\$ _____</u>
10. _____		<u>\$ _____</u>	<u>\$ _____</u>
TOTALS		<u>\$ 197,272.93</u>	<u>\$ 147,005.93</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.

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 48,925 B. General Construction Type: Exterior Brick Frame Concrete and steel Number of Stories Four

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).

NONE

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 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	<u>Patient Care</u>	<u>79,750</u>	<u>2006</u>	<u>\$ 502,844</u>	1
2				<u>12,911</u>	2
3	TOTALS	<u>79,750</u>		<u>\$ 515,755</u>	3

SEE ACCOUNTANTS' COMPILATION REPORT

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	271		2006	1974	\$ 7,636,686	\$ 254,556	30	\$ 254,556	\$	\$ 530,325	4
5											5
6	Alloc from				275,659			7,551	7,551		6
7	Mgt Comp										7
8	Schedule J										8
	Improvement Type**										
9	HDSI programs and installation		2006		34,305	3,431	10	3,431		8,577	9
10	Furnish and install outdoor signs		2007		10,055	1,006	10	1,006		1,509	10
11	Remove and install vinyl cove base		2007		9,986	999	10	999		1,498	11
12	Furnish and install light fixture and run new piping		2007		2,672	267	10	267		401	12
13	Replace leaking hydraulic supply lines for elevators		2007		5,000	500	10	500		750	13
14	Furnish and install motor bearings and gasket on washing machine		2008		2,535	127	10	127		127	14
15	Coil rebuilding and water heater retubing		2008		3,276	164	10	164		164	15
16	Replace tube sheet and water return pump, replace piping		2008		2,717	136	10	136		136	16
17	Satelite cable Phase I 60 channel Headend installation		2008		6,250	313	10	313		313	17
18	Satelite cable Phase II 60 channel Headend installation		2008		6,250	313	10	313		313	18
19	Indoor cameras with power supply		2008		6,889	344	10	344		344	19
20	Indoor cameras and power supply		2008		3,211	161	10	161		161	20
21											21
22											22
23											23
24	Leasehold Improvements Allocated from Management Company:				24,565			1,533	1,533	20,621	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

*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 Glenlake Terrace Nursing & Rehabilitation

0048637

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	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	
			8,030,056		262,317		271,401	9,084	
								565,239	

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation # 0048637 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	\$ 439,558	\$ 45,169	\$ 45,169	\$	10 years	\$ 90,061	71
72	Current Year Purchases	8,514	526	526		10 years	627	72
73	Fully Depreciated Assets							73
74	Allocated from Management Company:	118,673		5,772	5,772		114,692	74
75	TOTALS	\$ 566,745	\$ 45,695	\$ 51,467	\$ 5,772		\$ 205,380	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	2001 Ford Bus	2000	\$ 20,000	\$ 4,000	\$ 4,000	\$	5 years	\$ 10,000	76
77										77
78	Allocated from Management Company:			9,324		932	932		4,550	78
79										79
80	TOTALS			\$ 29,324	\$ 4,000	\$ 4,932	\$ 932		\$ 14,550	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 9,141,880	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 312,012	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 327,800	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 15,788	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 785,169	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 N/A
by the length of the lease N/A.

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

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

15. Is Movable equipment rental included in building rental?

YES NO

16. Rental Amount for movable equipment: \$ 47,515 Description: Copier \$9,727, Ice-maker \$1,176, Dishmachine \$4,139, Generator \$30,833, Mgt Co Alloc: \$1,640
(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 Chevy Tahoe</u>	\$ <u>769.00</u>	\$ <u>9,225</u>	17
18					18
19	<u>Allocated from Management Company:</u>				19
20				<u>4,544</u>	20
21	TOTAL		\$ <u>769.00</u>	\$ <u>13,769</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 Glenlake Terrace Nursing & Rehabilitation # 0048637 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 2&3	hrs	\$	4,221	\$ 191,322	\$ 748	4,221	\$ 192,070	1
2	Licensed Speech and Language Development Therapist	Ln 10a, Col 3	hrs		1,009	47,907		1,009	47,907	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	Ln10a, Col 2&3	hrs		3,329	227,672	963	3,329	228,635	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				260,322		260,322	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): <u>Exceptional Care</u>	Ln 10, Col 2					130		130	12
13	Radiology, Laboratory & Dialysis Other (specify): <u>Respiratory Therapy</u>	Ln 39, Col 3 Ln10a, Col 1	1,750 hours	28,867		135,797		1,750	135,797 28,867	13
14	TOTAL			\$ 28,867	8,559	\$ 602,698	\$ 262,163	10,309	\$ 893,728	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 Glenlake Terrace Nursing & Rehabilitation# 0048637Report 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	\$ 88,460	\$ 526,308	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>173,200</u>)	4,968,500	4,969,749	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	242,603	242,603	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	(655,101)		8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 4,644,462	\$ 5,738,660	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		515,755	13
14	Buildings, at Historical Cost		7,912,345	14
15	Leasehold Improvements, at Historical Cost	93,146	117,711	15
16	Equipment, at Historical Cost	59,260	596,069	16
17	Accumulated Depreciation (book methods)	(31,025)	(785,169)	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>Mortgage Costs (Net)</u>		136,908	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 121,381	\$ 8,493,619	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 4,765,843	\$ 14,232,279	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 901,323	\$ 901,323	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	28,581	28,581	28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	356,737	356,737	30
31	Accrued Taxes Payable (excluding real estate taxes)	(41,498)	(41,498)	31
32	Accrued Real Estate Taxes(Sch.IX-B)		142,000	32
33	Accrued Interest Payable		21,321	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>See Attached Schedule E:</u>	1,036,671	1,036,671	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 2,281,814	\$ 2,445,135	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		15,751,445	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	<u>Due to Stockholders:</u>	3,990,456	3,990,456	43
44	<u>Due to Affiliates:</u>	961,110	961,110	44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 4,951,566	\$ 20,703,011	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 7,233,380	\$ 23,148,146	46
47	TOTAL EQUITY (page 18, line 24)	\$ (2,467,537)	\$ (8,915,867)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 4,765,843	\$ 14,232,279	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (1,408,623)	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (1,408,623)	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	(1,058,914)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	()	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (1,058,914)	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)	\$ (2,467,537)	24

* Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation# 0048637Report 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	\$ 10,850,042	1
2	Discounts and Allowances for all Levels	(1,933,996)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 8,916,046	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,098,474	6
7	Oxygen	266,846	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 1,365,320	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	326,885	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	11,830	19
20	Radiology and X-Ray	6,878	20
21	Other Medical Services	581,256	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 926,849	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	3,763	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 3,763	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>Private Bedhold Income</u>	3,275	28
28a	<u>Miscellaneous Income</u>	17,797	28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 21,072	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 11,233,050	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,906,459	31
32	Health Care	5,595,945	32
33	General Administration	2,152,641	33
B. Capital Expense			
34	Ownership	1,926,727	34
C. Ancillary Expense			
35	Special Cost Centers	561,836	35
36	Provider Participation Fee	148,356	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 12,291,964	40
41	Income before Income Taxes (line 30 minus line 40)**	(1,058,914)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (1,058,914)	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 Glenlake Terrace Nursing & Rehabilitation

0048637

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	1,931	2,159	\$ 82,903	\$ 38.40	1
2	Assistant Director of Nursing	1,730	2,239	80,169	35.81	2
3	Registered Nurses	46,350	48,687	1,449,119	29.76	3
4	Licensed Practical Nurses	26,984	27,612	829,649	30.05	4
5	CNAs & Orderlies	113,535	120,732	1,281,063	10.61	5
6	CNA Trainees	15,935	16,377	128,456	7.84	6
7	Licensed Therapist	1,623	1,750	28,867	16.50	7
8	Rehab/Therapy Aides					8
9	Activity Director	1,962	2,236	35,956	16.08	9
10	Activity Assistants	10,939	11,766	99,836	8.49	10
11	Social Service Workers	11,138	11,679	124,795	10.69	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook	10,955	12,085	112,675	9.32	14
15	Cook Helpers/Assistants	25,132	26,703	249,044	9.33	15
16	Dishwashers					16
17	Maintenance Workers	3,348	3,886	63,826	16.42	17
18	Housekeepers	26,539	28,128	267,364	9.51	18
19	Laundry	14,520	15,636	123,779	7.92	19
20	Administrator	2,043	2,274	70,940	31.20	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	14,137	15,754	239,053	15.17	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>	9,990	10,790	117,297	10.87	33
34	TOTAL (lines 1 - 33)	338,791	360,493	\$ 5,384,791 *	\$ 14.94	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	\$ 22,567	Ln 1, Col 3	35
36	Medical Director	Monthly	38,400	Ln 9, Col 3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	8,058	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	24	1,200	Ln11, Col 3	44
45	Social Service Consultant	94	4,993	Ln12, Col 3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	118	\$ 75,218		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

Facility Name & ID Number Glenlake Terrace Nursing & Rehabilitation

0048637

Report Period Beginning: 1/01/2008

Ending: 12/31/2008

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	
Mary Claussen	Administrator	0.00 %	\$ 70,940	Workers' Compensation Insurance	\$ 124,502	IDPH License Fee	\$ 1,990	
				Unemployment Compensation Insurance	42,215	Advertising: Employee Recruitment	475	
				FICA Taxes	406,310	Health Care Worker Background Check		
				Employee Health Insurance	92,110	(Indicate # of checks performed)		
				Employee Meals	26,524	Patient Background Checks	355 3,550	
				Illinois Municipal Retirement Fund (IMRF)*				
				Other Employee Benefits	3,571			
				Union Health and Welfare	16,681	See Attached Schedule K:	10,292	
				Union Pension	46,486	Allocated from Therapy Masters, Inc.:	4,380	
				Uniform Allowance	(460)	Allocated from Management Company:	1,113	
				401K Match	6,546	Less: Public Relations Expense	()	
				See Attached Schedule D:	0	Non-allowable advertising	()	
						Yellow page advertising	()	
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)				TOTAL (agree to Schedule V, line 22, col.8)			TOTAL (agree to Sch. V, line 20, col. 8)	
\$ 70,940				\$ 764,485			\$ 21,800	
B. Administrative - Other				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
Description			Amount	Description	Line #	Amount	Description	Amount
Management Fees (eliminated in Column 7)			\$ 702,966				Out-of-State Travel	\$
							In-State Travel	
							Seminar Expense	
							Entertainment Expense	()
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)				TOTAL			TOTAL (agree to Sch. V, line 24, col. 8)	
\$ 702,966				\$			\$	
C. Professional Services								
Vendor/Payee	Type		Amount					
			\$					
See Attached Schedule C:			56,802					
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)								
\$ 56,802								

* Attach copy of IMRF notifications
SEE ACCOUNTANTS' COMPILATION REPORT

**See instructions.

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

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 \$9,182
- (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. \$ 4,877 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. \$ 148,356
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. \$ 26,524 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? N/A
- 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

GlenLake Terrace Nursing and Rehabilitation Centre, Ltd.
Provider I.D. # 0048637
12/31/2008

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
GlenLake Terrace Realty LLC	Skokie	Building Lessor
Fargo Real Estate & Development, LLC	Skokie	Building Lessor - Management Co.
Therapy Masters	Skokie	Therapy company

See Accountants' Compilation Report

GlenLake Terrace Nursing and Rehabilitation Centre, LTD.
 Provider I.D. # 0048637
 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.	Glen Elston Nursing & Rehab. Centre, Ltd.	GlenShire Nursing & Rehab. Centre, Ltd.	Brentwood North Healthcare & Rehabilitation	
Sidney Glenner	39,928	34,776	35,393	14,171	30,702	5,865	160,835
Jonathan Glenner	11,453	9,975	10,152	4,065	8,807	1,682	46,134
Daniel Glenner	6,278	5,468	5,565	2,228	4,827	922	25,288
Daniel Glenner	0	0	44,556	0	0	0	44,556
David Weinschneider	11,157	9,717	9,890	3,960	8,579	1,639	44,942
Joshua Ray	39,928	34,776	35,393	14,171	30,702	5,865	160,835
Barry Ray	39,316	34,242	34,850	13,954	30,231	5,775	158,368
Total compensation received from other Nursing Homes	148,060	128,954	175,799	52,549	113,848	21,748	640,958

See Accountants' Compilation Report

GlenLake Terrace Nursing and Rehabilitation Centre, Ltd.
 Provider I.D. # 0048637
 12/31/2008

SCHEDULE C

XIX. SUPPORT SCHEDULES

C. Professional Services
 Page 21

<u>Vendor/Payee</u>	<u>Type</u>	<u>AMOUNT</u>
Health Data Systems, Inc.	Computers	10,423
E Health Data Solutions	Computers	3,592
IIT Sourcedtech	Computers	279
RSM McGladrey	Accounting	24,561
ReedSmith Sachnoff & Weaver	Legal	5,901
Prospect Resources Inc	Maintenance Consulting	1,500
Personnel Planners, Inc.	Unemployment Consulting	295
Commitment Consulting	A/R Collections	1,492
Total Schedule V, Line 19, Col. 3		<u>48,043</u>
Allocated from Management Co:		
RSM McGladrey - Accounting Services		24,028
ReedSmith Sachnoff & Weaver - Legal Services		1,670
Total allocated from Management Co.		<u>25,698</u>
Allocated from GlenLake Terrace Realty LLC:		
Shapiro Surveying - Surveyor		1,800
Total allocated from GlenLake Terrace Realty LLC:		<u>1,800</u>
Total allocated from Therapy Masters:		1,709
Non-Allowable Expenses:		
Commitment Consulting - A/R Collections		-1,492
RSM McGladrey - Accounting Fees		-18,861
ReedSmith Sachnoff & Weaver - Legal Services		-95
Total Non-Allowable Expenses:		<u>-20,448</u>
Total adjustments page 21, Sch C.		<u>8,759</u>
Total Schedule V, line 19, column 8		<u>56,802</u>

See Accountants' Compilation Report

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	27,029
FUTA	400
SUTA	638
401K Match	1,858
Insurance - Hospital	24,179
Employee Benefits	4,209
Other Employee Benefits	1,694
Workers Compensation Insurance	1,171
Total allocated from Management Co.	<u>61,178</u>
Employee Benefits reclassified to Lines 7, 27	-61,178
Allocated from Therapy Masters, Inc.:	
FICA taxes	26,200
FUTA	473
SUTA	774
401K Match	2,202
Insurance - Hospital	8,278
Workers Compensation Insurance	7,264
Other Employee Benefits	240
Uniform Allowance	110
Total allocated from Therapy Masters, Inc. Co.	<u>45,541</u>
Employee Benefits reclassified to Lines 15,27	-45,541
Total allocated to Page 21	<u>0</u>

See Accountants' Compilation Report

GlenLake Terrace Nursing and Rehabilitation Centre, Ltd.
Provider I.D. # 0048637
12/31/2008

SCHEDULE E

SUPPORT SCHEDULES

Page 17, Line 36

<u>DESCRIPTION</u>	<u>AMOUNT</u>
Due to Third Party	277,724
Due To Health and Home Management	634,865
Due to Prior Owner	117,327
Accrued Union Dues	3,114
Accrued Wage Assignment	(57)
Accrued 401K	993
Accrued Management Fees	(1,206)
Refunds Exchange	3,911
Total, Page 17, Line36	<u><u>1,036,671</u></u>

See Accountants' Compilation Report

GlenLake Terrace Nursing and Rehabilitation Centre, Ltd.
Provider I.D. # 0048637
12/31/2008

SCHEDULE F

SCHEDULE VI. ADJUSTMENT DETAIL

Schedule A. Nonallowable Expenses

Page 5

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
Patient clothing	-3,988	43
Non-allowable owner interest expense	-104,471	32
Non-allowable officers life insurance	60	43
Non-allowable professional fees	-20,448	19
Non-allowable auto expense - marketing	-2,558	25
Non-allowable auto expense - IL Toll Violation	-154	25
Non-allowable Illinois Council on Long Term Care Dues	-10,195	20
Adjust mgt co. med supplies - med'A' to cost	-90,181	10
Adjust mgt co. med supplies - 'other' to cost	-93,839	10
Adjust mgt co. food to cost	-53,231	2
Total	<u>-379,005</u>	

See Accountants' Compilation Report

**GlenLake Terrace Realty LLC
Accrued Real Estate Taxes
12/31/2008**

SCHEDULE G

	Accrued 1/01/08	Payments	Expense	Accrued 12/31/08
Balance @ 1/01/2008:	(105,000.00)		(105,000.00)	
2007 real estate taxes paid		137,996.93	137,996.93	
Estimated 2008 real estate taxes:				
2007 taxes	137,996.93			
Estimated increase	2.50 %			
Estimated 2008 taxes	141,446.85			
USE	142,000.00		142,000.00	142,000.00
Totals	(105,000.00)	137,996.93	174,996.93	142,000.00

Real estate tax history:

	Year	Amount	Increase	
			\$	%
	2005	99,869.61		
	2006	101,899.43	2,029.82	2.03%
	2007	137,996.93	36,097.50	35.42%

SEE ACCOUNTANTS' COMPILATION REPORT

Provider Name: Glen Lake Terrace Nursing & Rehabilitation Center
Provider I.D. #: 0048637
Year Ended: December 31, 2008

SCHEDULE H

Training & Education

Person(s) Attending	Date Attended	Location	Title Sponsor	Total Cost
Mary Claussen, Carolyn English, Wilva Bonifacio Esperanza Batac	1/17/08	Skokie	Illinois Council on Long Term Care Be Prepared for MDS Medicaid Audits	380
Mary Claussen	2/8/08	Northbrook	INR Stress Management	81
Mary Claussen, Jeff Claussen	3/26/08	Skokie	INR Alzheimers, Dementia & Parkinsons	162
Mary Claussen, Lindsey Summers	3/11/08	Skokie	Illinois Council on Long Term Care Customer Satisfaction	190
Nursing Staff	1/25,4/7,4/20 8/24 & 9/21	Facility	A-Tech Ambulance Service CPR Refresher Course	450
Mary Claussen	5/8/08	Northbrook	INR Managing Multiple Priorities	79
Mary Claussen	3/17/08	Skokie	Illinois Council on Long Term Care Road to Excellence	40
Patricia Adams, Mary Claussen	6/12/08	Skokie	Illinois Council on Long Term Care Pain Management	190
Social Service Department	6/1/08	Facility	Social Work PRN Working with Alzheimer's Patients	100
Social Service and Nursing Departments	7/15/08	Facility	George Savarese Accessing Community resources for the Elderly and Disabled	300
Leon Barnes	10/3/08	Chicago	Cynthia Chow & Associates Survey Says: No Write-ups! What Everyone Needs to Know Regarding the New Guidelines F-325	220
Patricia Adams, Carolyn English	11/6/08	Skokie	Southwest Seminars 2008 Nursing Law Focus: Best and Worst Charting	118
			Allocated From Management Company	1,543
			Allocated From Therapy Masters	872
			Total	4,725

SEE ACCOUNTANTS' COMPILATION REPORT

GlenLake Terrace Nursing and Rehabilitation Centre, Ltd.
Provider I.D. # 0048637
12/31/2008

SCHEDULE I

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

	Gasoline	Licenses/ Stickers	Mileage Reimburse	Auto Repairs	IL Tollway Violation	Total
Direct Expense	3,613	158	5,075	3,757	154	12,603
Non-allowable auto expense - IL Tollway violation						-154
Non-allowable auto expense - marketing						-2,558
Allocated from Management Company						8,223
Allocated from Therapy Masters						440
TOTAL	3,613	158	5,075			18,554

SEE ACCOUNTANTS' COMPILATION REPORT

GlenLake Terrace Nursing and Rehabilitation Centre, Ltd.
Provider I.D. # 0048637
12/31/2008

SCHEDULE K

XIX. SUPPORT SCHEDULES

Page 21

F. Dues, Fees, Subscriptions and Promotions

<u>DESCRIPTION</u>	<u>AMOUNT</u>
Illinois Council on Long Term Care Dues	19,377
City of Waukegan Elevator, Escalator/Platform Lift Inspection	450
State of Illinois Elevator Inspection	90
Lake County Health Department Food Service Permit Fee	470
Secretary of State Annual Report Fee	100
Non-allowable Illinois Council on Long Term Care Dues	-10,195
Total allocated to Page 21	<u>10,292</u>

See Accountants' Compilation Report