

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre

0039321 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	142	Skilled (SNF)	142	51,972	1
2		Skilled Pediatric (SNF/PED)			2
3	152	Intermediate (ICF)	152	55,632	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	294	TOTALS	294	107,604	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	13,153	500	9,012	22,665	8
9	SNF/PED					9
10	ICF	56,484	1,791	540	58,815	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	69,637	2,291	9,552	81,480	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 75.72%

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 3/01/94

J. Was the facility purchased or leased after January 1, 1978?
YES Date 3/01/94 NO

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 127 and days of care provided 7,574

Medicare 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: 12/31/08 Fiscal Year: 12/31/08

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

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre # 0039321 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	360,393	54,488	25,665	440,546		440,546		440,546		1
2	Food Purchase		455,847		455,847	(25,027)	430,820	(43,019)	387,801		2
3	Housekeeping	267,119	76,164		343,283		343,283		343,283		3
4	Laundry	124,166	11,328	18,104	153,598		153,598		153,598		4
5	Heat and Other Utilities			292,768	292,768		292,768	5,923	298,691		5
6	Maintenance	132,889	61,117	136,365	330,371		330,371	10,854	341,225		6
7	Other (specify):* Allocated Employee Benefits							560	560		7
8	TOTAL General Services	884,567	658,944	472,902	2,016,413	(25,027)	1,991,386	(25,682)	1,965,704		8
	B. Health Care and Programs										
9	Medical Director			19,100	19,100		19,100		19,100		9
10	Nursing and Medical Records	3,698,186	1,675,377	2,220	5,375,783		5,375,783	(616,810)	4,758,973		10
10a	Therapy	301,573	11,738	892,503	1,205,814		1,205,814	(212,156)	993,658		10a
11	Activities	154,247	4,775	3,528	162,550		162,550		162,550		11
12	Social Services	79,546		4,778	84,324		84,324		84,324		12
13	CNA Training										13
14	Program Transportation			1,581	1,581		1,581		1,581		14
15	Other (specify):* Allocated Employee Benefits							78,988	78,988		15
16	TOTAL Health Care and Programs	4,233,552	1,691,890	923,710	6,849,152		6,849,152	(749,978)	6,099,174		16
	C. General Administration										
17	Administrative	136,433		2,040,058	2,176,491		2,176,491	(1,979,125)	197,366		17
18	Directors Fees										18
19	Professional Services			208,849	208,849	(15,147)	193,702	15,548	209,250		19
20	Dues, Fees, Subscriptions & Promotions			88,173	88,173	4,670	92,843	(2,986)	89,857		20
21	Clerical & General Office Expenses	367,361	70,596	43,325	481,282	(4,670)	476,612	429,197	905,809		21
22	Employee Benefits & Payroll Taxes			807,623	807,623	25,027	832,650		832,650		22
23	Inservice Training & Education			2,051	2,051		2,051	3,249	5,300		23
24	Travel and Seminar										24
25	Other Admin. Staff Transportation			8,265	8,265		8,265	9,457	17,722		25
26	Insurance-Prop.Liab.Malpractice			476,735	476,735		476,735	2,057	478,792		26
27	Other (specify):* Allocated Employee Benefits							65,611	65,611		27
28	TOTAL General Administration	503,794	70,596	3,675,079	4,249,469	9,880	4,259,349	(1,456,992)	2,802,357		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	5,621,913	2,421,430	5,071,691	13,115,034	(15,147)	13,099,887	(2,232,652)	10,867,235		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			220,653	220,653		220,653	405,613	626,266			30
31	Amortization of Pre-Op. & Org.			6,693	6,693		6,693	97	6,790			31
32	Interest			10,935	10,935		10,935	508,609	519,544			32
33	Real Estate Taxes					15,147	15,147	903,425	918,572			33
34	Rent-Facility & Grounds			2,610,789	2,610,789		2,610,789	(2,610,789)				34
35	Rent-Equipment & Vehicles			2,902	2,902		2,902	6,586	9,488			35
36	Other (specify):* Mortgage Insurance							50,060	50,060			36
37	TOTAL Ownership			2,851,972	2,851,972	15,147	2,867,119	(736,399)	2,130,720			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		398,906	250,987	649,893		649,893		649,893			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			160,968	160,968		160,968		160,968			42
43	Other (specify):* Non-Allowable			297,658	297,658		297,658	(297,658)				43
44	TOTAL Special Cost Centers		398,906	709,613	1,108,519		1,108,519	(297,658)	810,861			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	5,621,913	2,820,336	8,633,276	17,075,525		17,075,525	(3,266,709)	13,808,816			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

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	(10,671)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(1,462)	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	(907)	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	(259,513)	43		24
25	Fund Raising, Advertising and Promotional	(33,466)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule <u>See Attached Schedule F:</u>	(704,638)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (1,010,657)		\$	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)	(2,256,052)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (2,256,052)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (3,266,709)		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	306	Ln39,Co2	44
45	Other-Attach Schedule		X			45
46	Other-Attach Schedule		X			46
47	TOTAL (C): (sum of lines 38-46)			\$ 306		47

BHF USE ONLY							
48		49		50		51	52

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS
 Glenshire Nursing & Rehabilitation Centre

ID# 0039321

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	\$ (177,300)	10	1
2	Adjust Mgt Co. medical supplies"other" to cost	(439,510)	10	2
3	Adjust Mgt Co. food to cost	(43,053)	2	3
4	Non-allowable professional fees	(30,116)	19	4
5	Non-allowable patient clothing	(2,310)	43	5
6	Non-allowable IL Council on Long Term Care fee	(12,237)	20	6
7	Non-allowable auto expense - marketing	(12)	25	7
8	Non-allowable auto expense - ticket	(100)	25	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	(704,638)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre

0039321

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	(43,053)	0	0	0	0	34	0	0	0	0	0	(43,019)	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	5,923	0	0	0	0	0	0	0	0	5,923	5
6	Maintenance	0	0	10,854	0	0	0	0	0	0	0	0	10,854	6
7	Other (specify):*	0	0	560	0	0	0	0	0	0	0	0	560	7
8	TOTAL General Services	(43,053)	0	17,337	0	0	34	0	0	0	0	0	(25,682)	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	(616,810)	0	0	0	0	0	0	0	0	0	0	(616,810)	10
10a	Therapy	0	0	0	0	0	(212,156)	0	0	0	0	0	(212,156)	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	0	78,988	0	0	0	0	0	78,988	15
16	TOTAL Health Care and Programs	(616,810)	0	0	0	0	(133,168)	0	0	0	0	0	(749,978)	16
	C. General Administration													
17	Administrative	0	0	(916,645)	(1,062,480)	0	0	0	0	0	0	0	(1,979,125)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(30,116)	0	27,371	0	15,147	3,146	0	0	0	0	0	15,548	19
20	Fees, Subscriptions & Promotions	(12,237)	0	1,186	0	0	8,065	0	0	0	0	0	(2,986)	20
21	Clerical & General Office Expenses	0	0	413,293	0	3,899	12,005	0	0	0	0	0	429,197	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	1,644	0	0	1,605	0	0	0	0	0	3,249	23
24	Travel and Seminar	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Other Admin. Staff Transportation	(112)	0	8,759	0	0	810	0	0	0	0	0	9,457	25
26	Insurance-Prop.Liab.Malpractice	0	0	2,057	0	0	0	0	0	0	0	0	2,057	26
27	Other (specify):*	0	0	64,603	0	0	1,008	0	0	0	0	0	65,611	27
28	TOTAL General Administration	(42,465)	0	(397,732)	(1,062,480)	19,046	26,639	0	0	0	0	0	(1,456,992)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(702,328)	0	(380,395)	(1,062,480)	19,046	(106,495)	0	0	0	0	0	(2,232,652)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre

0039321

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	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
30	Depreciation	0	0	16,815	0	388,798	0	0	0	0	0	0	405,613	30
31	Amortization of Pre-Op. & Org.	0	0	97	0	0	0	0	0	0	0	0	97	31
32	Interest	(10,671)	0	0	0	519,280	0	0	0	0	0	0	508,609	32
33	Real Estate Taxes	0	0	9,596	0	893,829	0	0	0	0	0	0	903,425	33
34	Rent-Facility & Grounds	0	0	0	0	(2,610,789)	0	0	0	0	0	0	(2,610,789)	34
35	Rent-Equipment & Vehicles	0	0	6,586	0	0	0	0	0	0	0	0	6,586	35
36	Other (specify):*	0	0	0	0	50,060	0	0	0	0	0	0	50,060	36
37	TOTAL Ownership	(10,671)	0	33,094	0	(758,822)	0	0	0	0	0	0	(736,399)	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):*	(297,658)	0	0	0	0	0	0	0	0	0	0	(297,658)	43
44	TOTAL Special Cost Centers	(297,658)	0	0	0	0	0	0	0	0	0	0	(297,658)	44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	(1,010,657)	0	(347,301)	(1,062,480)	(739,776)	(106,495)	0	0	0	0	0	(3,266,709)	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		
Barry Ray	20.00 %	GlenCrest Nursing & Rehabilitation Centre,Ltd.	Chicago			
		Glen Elston Nursing & Rehabilitation Centre,Ltd.	Chicago			
		GlenOaks Nursing & Rehabilitation Centre,Ltd.	Northbrook			
		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	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
1	V	Total from Page 6A	\$ 977,578	Glen Health and Home Management, Inc.	A	\$ 630,277	\$ (347,301)	1
2	V							2
3	V	Total from Page 6B	1,062,480	GlenBar Management Company, Ltd.	B		(1,062,480)	3
4	V							4
5	V	Total from Page 6C	2,610,789	GlenShire Real Estate and Development Limited Partnership	C	1,871,013	(739,776)	5
6	V							6
7	V	Total from Page 6D	892,503	Therapy Masters, Inc.	D	786,008	(106,495)	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 80.00 % by Sidney Glenner & 20.00 % by Barry Ray				11
12	V			C: Owned 60.00 % (constructively) by Sidney Glenner & 20.00 % by Barry Ray				12
13	V			D: Owned 80.00 % by Sidney Glenner and 20.00 % by Barry Ray				13
14	Total		\$ 5,543,350			\$ 3,287,298	\$ * (2,256,052)	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre# 0039321Report 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	\$ 977,578	Glen Health and Home Management, Inc.	A	\$	\$ (977,578)	15
16	V	5 Utilities		Glen Health and Home Management, Inc.	A	5,923	5,923	16
17	V	6 Repairs and Maintenance		Glen Health and Home Management, Inc.	A	7,116	7,116	17
18	V	19 Professional Fees		Glen Health and Home Management, Inc.	A	27,371	27,371	18
19	V	20 Licenses, Permits and Inspection		Glen Health and Home Management, Inc.	A	1,186	1,186	19
20	V	21 Clerical		Glen Health and Home Management, Inc.	A	43,101	43,101	20
21	V	22 Employee Benefits and Payroll		Glen Health and Home Management, Inc.	A	65,163	65,163	21
22	V	23 Training and Education		Glen Health and Home Management, Inc.	A	1,644	1,644	22
23	V	25 Auto Expenses		Glen Health and Home Management, Inc.	A	8,759	8,759	23
24	V	26 Insurance		Glen Health and Home Management, Inc.	A	2,057	2,057	24
25	V	30 Depreciation		Glen Health and Home Management, Inc.	A	16,815	16,815	25
26	V	31 Amortization		Glen Health and Home Management, Inc.	A	97	97	26
27	V	33 Real Estate Taxes		Glen Health and Home Management, Inc.	A	9,596	9,596	27
28	V	35 Equipment and Vehicle Rental		Glen Health and Home Management, Inc.	A	6,586	6,586	28
29	V	6 Janitorial Salaries		Glen Health and Home Management, Inc.	A	3,738	3,738	29
30	V	17 Officer's Salaries		Glen Health and Home Management, Inc.	A	60,933	60,933	30
31	V	21 Administrative Salaries		Glen Health and Home Management, Inc.	A	370,192	370,192	31
32	V	22 Employee Benefits		Glen Health and Home Management, Inc.	A	(65,163)	(65,163)	32
33	V	7 Employee Benefits - Janitorial		Glen Health and Home Management, Inc.	A	560	560	33
34	V	27 Employee Benefits - Officer's		Glen Health and Home Management, Inc.	A	9,129	9,129	34
35	V	27 Employee Benefits - Admin		Glen Health and Home Management, Inc.	A	55,474	55,474	35
36	V							36
37	V							37
38	V							38
39	Total		\$ 977,578			\$ 630,277	\$ * (347,301)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre# 0039321Report 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	17 Administrative	\$ 1,062,480	GlenBar Management Company, Ltd.	B	\$	\$ (1,062,480)	15
16	V							16
17	V							17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$ 1,062,480			\$ 0	\$ * (1,062,480)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number GlenShire Nursing & Rehabilitation Centre# 0039321Report 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 Schedule V	2 Line	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
		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	\$	GlenShire Real Estate & Development Limited Partnership	C	\$ 3,899	\$ 3,899	15
16	V	30 Depreciation		GlenShire Real Estate & Development Limited Partnership	C	388,798	388,798	16
17	V	32 Interest Income		GlenShire Real Estate & Development Limited Partnership	C	(21,882)	(21,882)	17
18	V	32 Interest Expense		GlenShire Real Estate & Development Limited Partnership	C	536,802	536,802	18
19	V	33 Real Estate Taxes		GlenShire Real Estate & Development Limited Partnership	C	893,829	893,829	19
20	V	34 Rental Income	2,610,789	GlenShire Real Estate & Development Limited Partnership	C		(2,610,789)	20
21	V	32 Amortization of Mortgage Costs		GlenShire Real Estate & Development Limited Partnership	C	4,360	4,360	21
22	V	36 Mortgage Insurance Premium		GlenShire Real Estate & Development Limited Partnership	C	50,060	50,060	22
23	V	19 Professional Fees		GlenShire Real Estate & Development Limited Partnership	C	15,147	15,147	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		\$ 2,610,789			\$ 1,871,013	\$ * (739,776)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre# 0039321Report 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	\$ 892,503	Therapy Masters, Inc.	D	\$ 680,347	\$ (212,156)	15
16	V	19 Professional Fees		Therapy Masters, Inc.	D	3,146	3,146	16
17	V	20 Licenses, Permits and Inspection		Therapy Masters, Inc.	D	20	20	17
18	V	20 Employment Fees		Therapy Masters, Inc.	D	8,045	8,045	18
19	V	21 Clerical Salaries		Therapy Masters, Inc.	D	8,652	8,652	19
20	V	21 Clerical		Therapy Masters, Inc.	D	3,353	3,353	20
21	V	22 Employee Benefits and Payroll		Therapy Masters, Inc.	D	79,996	79,996	21
22	V	23 Training and Education		Therapy Masters, Inc.	D	1,605	1,605	22
23	V	25 Auto Expenses		Therapy Masters, Inc.	D	810	810	23
24	V	2 Food Purchase		Therapy Masters, Inc.	D	34	34	24
25	V	22 Employee Benefits		Therapy Masters, Inc.	D	(79,996)	(79,996)	25
26	V	15 Employee Benefits - Therapy		Therapy Masters, Inc.	D	78,988	78,988	26
27	V	27 Employee Benefits - Clerical		Therapy Masters, Inc.	D	1,008	1,008	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		\$ 892,503			\$ 786,008	\$ * (106,495)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre # 0039321 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 %	158,958	12	19.80 %	Salary	\$ 30,702	Ln 17, Col 7	1
2	Jonathan Glenner	Clerical	Clerical	0.00 %	45,595	8	19.80 %	Salary	8,807	Ln 21, Col 7	2
3	Daniel Glenner	Administrative	Administrative	0.00 %	24,993	8	19.80 %	Salary	4,827	Ln 21, Col 7	3
4	David Weinschneider	Administrative	Administrative	0.00 %	44,418	8	19.80 %	Salary	8,579	Ln 21, Col 7	4
5	Joshua Ray	V.P. of Operations	Administrative	0.00 %	158,958	8	19.80 %	Salary	30,702	Ln 21, Col 7	5
6	Barry Ray	Vice President	Administrative	20.00 %	156,520	8	19.80 %	Salary	30,231	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	\$ 113,848		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 Glenshire Nursing & Rehabilitation Centre # 0039321 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	\$ 81,480	\$ 5,923	1	
2	6	Repairs and Maintenance	Resident Days	503,336	7	43,957	81,480	7,116	2	
3	19	Professional Fees	Resident Days	503,336	7	169,083	81,480	27,371	3	
4	20	Licenses, Permits and Inspection	Resident Days	503,336	7	7,325	81,480	1,186	4	
5	21	Clerical	Resident Days	503,336	7	266,253	81,480	43,101	5	
6	22	Employee Benefits and Payroll	Resident Days	503,336	7	402,537	81,480	65,163	6	
7	23	Training and Education	Resident Days	503,336	7	10,154	81,480	1,644	7	
8	25	Auto Expenses	Resident Days	503,336	7	54,107	81,480	8,759	8	
9	26	Insurance	Resident Days	503,336	7	12,704	81,480	2,057	9	
10	30	Depreciation	Resident Days	503,336	7	103,875	81,480	16,815	10	
11	31	Amortization	Resident Days	503,336	7	598	81,480	97	11	
12	33	Real Estate Taxes	Resident Days	503,336	7	59,276	81,480	9,596	12	
13	35	Equipment and Vehicle Rental	Resident Days	503,336	7	40,687	81,480	6,586	13	
14	6	Janitorial Salaries	Resident Days	503,336	7	23,093	23,093	81,480	3,738	14
15	17	Officer's Salaries	Resident Days	503,336	7	376,410	376,410	81,480	60,933	15
16	21	Administrative Salaries	Resident Days	503,336	7	2,286,830	2,286,830	81,480	370,192	16
17	22	Employee Benefits	Payroll						(65,163)	17
18	7	Employee Benefits - Janitorial	Payroll						560	18
19	27	Employee Benefits - Officer's	Payroll						9,129	19
20	27	Employee Benefits - Admin	Payroll						55,474	20
21										21
22										22
23										23
24										24
25	TOTALS					\$ 3,893,479	\$ 2,686,333		\$ 630,277	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	Capmark Finance		X	Mortgage	\$142,999.26	4/28/04	\$ 10,935,500	\$ 9,921,264	4/01/2030	0.0535	\$ 536,802	1	
2	Capmark Finance		X	Amortization of mortgage costs							4,360	2	
3	MB Financial Bank		X	Finance equipment purchase	\$6,820.72	12/22/03	380,930	6,349	12/22/2008	0.0725	2,336	3	
4												4	
5												5	
Working Capital													
6												6	
7												7	
8												8	
9	TOTAL Facility Related				\$149,819.98		\$ 11,316,430	\$ 9,927,613			\$ 543,498	9	
B. Non-Facility Related*													
10											Interest Income Offset:	(23,954)	10
11													11
12													12
13													13
14	TOTAL Non-Facility Related						\$	\$			\$ (23,954)	14	
15	TOTALS (line 9+line14)						\$ 11,316,430	\$ 9,927,613			\$ 519,544	15	

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 50,060 Line # 36

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

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.		\$ 844,000	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.)		\$ 853,829	2
3. Under or (over) accrual (line 2 minus line 1).		\$ 9,829	3
4. Real Estate Tax accrual used for 2008 report. (Detail and explain your calculation of this accrual on the lines below.)		\$ 884,000	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.)		\$ 15,147	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.		\$ 908,976	7
Real Estate Tax History:			
Real Estate Tax Bill for Calendar Year:	2003	<u>686,736</u>	<u>8</u>
	2004	<u>728,337</u>	<u>9</u>
	2005	<u>812,536</u>	<u>10</u>
	2006	<u>815,031</u>	<u>11</u>
	2007	<u>853,829</u>	<u>12</u>
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 Glenshire Nursing & Rehabilitation Centr COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0039321

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 tl cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursir home property which is vacant, rented to other organizations, or used for purposes other than long term care must not l 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>31-34-100-012-0000</u>	<u>22660 S. Cicero Ave, Richton Park, I</u>	<u>\$ 853,829.05</u>	<u>\$ 853,829.05</u>
2. <u>Allocated from Management Company:</u>		<u>\$ 59,276.00</u>	<u>\$ 9,596.00</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>\$ 913,105.05</u>	<u>\$ 863,425.05</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 hom (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 200 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: 91,624 B. General Construction Type: Exterior Brick Frame 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>146,800</u>	<u>1994</u>	<u>\$ 300,792</u>	1
2	<u>Allocated from Management Company:</u>			<u>13,752</u>	2
3	TOTALS	146,800		\$ 314,544	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre# 0039321

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	294		1994	1981	\$ 11,663,928	\$	30	\$ 388,798	\$ 388,798	\$ 5,767,167	4
5											5
6	Alloc from										6
7	Mgt Comp				293,611			8,042	8,042		7
8	Schedule J										8
	Improvement Type**										
9	Building Improvements		1994		78,204		10			78,204	9
10	Building Improvements		1995		107,573		10			107,573	10
11	Custom built 3rd floor nurses station		1995		6,595		10			6,595	11
12	Time delay egress locks and keypad		1995		3,550		10			3,550	12
13	Chimney		1995		1,016		10			1,016	13
14	Wall bumpers		1995		7,713		10			7,713	14
15	Room conversion - remodeling cost		1996		7,024		10			7,024	15
16	Electrical outlets and circuits		1997		18,500		10			18,500	16
17	Electrical outlets and circuits - dialysis room		1997		2,950		10			2,950	17
18	Air cleaner		1997		1,375		10			1,375	18
19	Fluorescent and incandescent lights		1997		9,775		10			9,775	19
20	Waste removal pump		1997		993		10			993	20
21	Boiler		1997		3,169		10			3,169	21
22	Food freezer floor		1997		2,700		10			2,700	22
23	New elevator clutch assembly		1997		1,644		10			1,644	23
24	Heat exchange for boiler		1997		2,392		10			2,392	24
25	Gazebo		1998		10,528	350	10	350		10,528	25
26	Fire sprinkler system repairs		1998		1,604	56	10	56		1,604	26
27	Security system		1998		1,917	62	10	62		1,917	27
28	Storage tank		1998		4,875	159	10	159		4,875	28
29	Elevator repairs		1998		2,706	87	10	87		2,706	29
30	HVAC replacements		1998		3,855	125	10	125		3,855	30
31	Hydraulic repack on all elevators		1998		2,500	83	10	83		2,500	31
32	Replace water heater		1998		2,697	88	10	88		2,697	32
33	Chain link fencing		1998		2,010	67	10	67		2,010	33
34	Elevator repairs		1998		2,747	89	10	89		2,747	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 Glenshire Nursing & Rehabilitation Centre# 0039321

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	Therapy room remodeling: drywall, electrical closet, piping	1998	\$ 8,525	\$ 1,133	10	\$ 1,133	\$	\$ 8,525	37
38	Dialysis room: kitchen area	1998	2,757	366	10	366		2,757	38
39	10-B label fire rated doors	1998	4,376	580	10	580		4,376	39
40	Install cooling units in elevator and MDS office	1998	11,649	2,231	10	2,231		11,649	40
41	Mini-blinds	1998	1,565	49	10	49		1,565	41
42	November 30, 1998 credit	1998	(1,755)	(230)	10	(230)		(1,755)	42
43	Add suction and liquid filters to compressor	2000	3,982	398	10	398		3,383	43
44	Replace wood fence	2000	2,300	230	10	230		1,955	44
45	Asphalt and striping project	2000	8,365	836	10	836		7,106	45
46	Metal doors, install lighting by staircase	2000	6,010	601	10	601		5,109	46
47	Install alarm with keypad at front door	2000	1,177	118	10	118		1,003	47
48	Furnish and install 9,000 BTU mini air-conditioning system	2000	2,200	220	10	220		1,870	48
49	Install ceramic tiles	2000	1,373	138	10	138		1,173	49
50	Power rinse tank for dish washing machine	2001	2,594	259	10	259		1,943	50
51	Rebuild condenser water pump	2001	5,198	520	10	520		3,900	51
52	Install two grey boxes and mixing valves	2001	4,111	411	10	411		3,083	52
53	Install portable chiller	2001	2,891	289	10	289		2,168	53
54	Provide panel and circuiting to feed 20 dialysis receptacles	2001	10,914	1,091	10	1,091		8,183	54
55	Circulating pump	2001	3,385	339	10	339		2,542	55
56	Exterior lock doors	2001	3,423	342	10	342		2,565	56
57	Painting project	2002	11,500	1,150	10	1,150		7,475	57
58	Vinyl blinds	2002	8,765	877	10	877		5,700	58
59	Installation of fire dampers and thermal blankets	2002	5,318	532	10	532		3,458	59
60	Dialysis room renovation	2002	14,500	1,450	10	1,450		9,425	60
61	Replace controller on air-conditioner	2002	3,570	357	10	357		2,320	61
62	Painting project	2002	9,540	954	10	954		6,201	62
63	Installation of chemical treatment system	2002	2,300	230	10	230		1,495	63
64	Roof project	2002	3,350	335	10	335		2,178	64
65	Remove and replace concrete patio	2002	1,800	180	10	180		1,170	65
66	Pro Tech Systems project	2002	1,793	179	10	179		1,164	66
67	Installation of oak fire doors	2003	2,156	216	10	216		1,188	67
68	Installation of new chandeliers and wall sconces	2003	4,635	464	10	464		2,552	68
69									69
70	TOTAL (lines 4 thru 69)		\$ 12,402,418	\$ 18,011		\$ 414,851	\$ 396,840	\$ 6,175,205	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre# 0039321

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		\$ 12,402,418	\$ 18,011		\$ 414,851	\$ 396,840	\$ 6,175,205	1
2	Chandeliers and wall sconces	2002	3,739	374	10	374		2,431	2
3	Installation of break tank system	2003	1,892	189	10	189		1,040	3
4	Fire pump project	2003	4,270	427	10	427		2,349	4
5	Installed gauge and adjust compressor core	2004	1,557	156	10	156		702	5
6	Replace and test 120VAC timer relay on elevator car	2004	2,058	206	10	206		927	6
7	Replace relay and diode in elevator	2004	3,398	340	10	340		1,530	7
8	Installed and rewired new detector edge	2004	1,600	160	10	160		720	8
9	Installed door locks	2004	3,192	319	10	319		1,436	9
10	Installation of new detector unit on elevator	2005	2,290	229	10	229		802	10
11	Furnish and install glass frame on receptionist counter	2005	1,495	150	10	150		525	11
12	Bearing job on washing machine	2005	1,718	172	10	172		602	12
13	Installed new coils in walk-in cooler	2005	1,955	196	10	196		686	13
14	Installed and wired new detector edge on elevator	2005	2,720	272	10	272		952	14
15	Installation of drier exhaust with booster fan	2005	1,500	150	10	150		525	15
16	Keypad alarm installation	2005	1,222	122	10	122		427	16
17	Two doors with custom hinges and locks	2005	1,042	104	10	104		364	17
18	Powertron loadbank electrical test project	2006	5,652	565	10	565		1,413	18
19	Water heating boiler system and valve repair	2006	12,648	1,265	10	1,265		3,162	19
20	Trane chiller troubleshooting	2006	2,647	265	10	265		662	20
21	Replace contactors and fuses for trane chiller	2006	4,651	465	10	465		1,163	21
22	Replace controller and isolation relay on chiller	2006	5,816	582	10	582		1,455	22
23	Repair 5' cast iron plumbing drain line	2006	5,200	520	10	520		1,300	23
24	Installation of new electrical receptacles	2006	4,229	423	10	423		1,057	24
25	Valve and sprinkler head replacement	2006	5,023	502	10	502		1,255	25
26	Furnish and install elevator car station	2006	1,794	179	10	179		448	26
27	Rewire entire building for telephones	2006	27,100	2,710	10	2,710		6,775	27
28	Furnish and install elevator mount and car stations	2006	5,660	566	10	566		1,415	28
29	Remove and install border, wallcovering, cove base, and paint	2006	96,260	9,626	10	9,626		24,065	29
30	Install electrical receptacles	2006	26,565	2,657	10	2,657		6,642	30
31	Remove and repipe sanitary plumbing line	2006	9,740	974	10	974		2,435	31
32	Bumper guards, wallcovering, laminate nurses station	2006	94,212	9,421	10	9,421		23,553	32
33									33
34	TOTAL (lines 1 thru 33)		\$ 12,745,263	\$ 52,297		\$ 449,137	\$ 396,840	\$ 6,268,023	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre# 0039321

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		\$ 12,745,263	\$ 52,297		\$ 449,137	\$ 396,840	\$ 6,268,023	1
2	Remove and install cove base, vinyl and ceramic tile	2006	70,249	7,025	10	7,025		17,562	2
3	Install kitchen fire suppression system and range guard	2006	2,900	290	10	290		725	3
4	Installation of water heater pump	2006	3,342	334	10	334		835	4
5	Purchase of ceiling tile	2006	3,868	387	10	387		967	5
6	Replacement of 100 ton compressor	2006	32,280	3,228	10	3,228		8,070	6
7	Insurance refund of damaged compressor	2006	(26,597)	(2,660)	10	(2,660)		(6,650)	7
8	Furnish and install heat exchanger	2006	6,040	604	10	604		1,510	8
9	Furnish garbage disposal and mounting gasket	2006	1,319	132	10	132		330	9
10	Installation of new current sensing relay for compressor	2006	1,312	131	10	131		328	10
11	Remove and rebuild concrete block firewall	2006	1,850	185	10	185		463	11
12	Furnish and install insulated window units	2006	1,025	103	10	103		257	12
13	Remove and install border, wallcovering and paint	2006	43,740	4,374	10	4,374		10,935	13
14	Remove and install cove base	2007	8,566	857	10	857		1,285	14
15	Furnish bed wall bumper guards	2007	8,318	832	10	832		1,248	15
16	Installation of cove base, vinyl tile and corner guards	2007	57,702	5,770	10	5,770		8,655	16
17	Ceiling project and cove base installation	2007	21,610	2,161	10	2,161		3,241	17
18	Installation of wall sconces	2007	16,350	1,635	10	1,635		2,453	18
19	Installation of cove base, wallpaper, walls and ceilings	2007	26,362	2,636	10	2,636		3,954	19
20	Custom laminate work station with cabinets	2007	5,277	528	10	528		792	20
21	Remove and install carpet and cove base	2007	3,322	332	10	332		498	21
22	Remove and install ceramic tile	2007	35,238	3,524	10	3,524		5,286	22
23	Remove and relocate lighting tracks	2007	4,732	473	10	473		710	23
24	Remove and install ceiling	2007	13,500	1,350	10	1,350		2,025	24
25	Installation of bumper guards, carpet and ceramic/vinyl tile	2007	88,803	8,880	10	8,880		13,320	25
26	Remove cove base and install ceramic tile	2007	22,464	2,246	10	2,246		3,369	26
27	Painting	2007	2,367	237	10	237		355	27
28	Remove and install cove base and corner guards	2007	17,586	1,759	10	1,759		2,638	28
29	Furnish signs, crown molding and window treatments	2007	8,791	879	10	879		1,319	29
30	Furnish and install quarry tile	2007	4,575	458	10	458		687	30
31	Install fireguard FST for generator	2007	18,993	1,899	10	1,899		2,849	31
32	Drywall project	2007	3,040	304	10	304		456	32
33									33
34	TOTAL (lines 1 thru 33)		\$ 13,254,187	\$ 103,190		\$ 500,030	\$ 396,840	\$ 6,358,495	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

XI. OWNERSHIP COSTS (continued)

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

1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1	Totals from Page 12C, Carried Forward		\$ 13,254,187	\$ 103,190		\$ 500,030	\$ 396,840	\$ 6,358,495	1
2	Relocate controller and rewire chiller	2007	2,661	266	10	266		399	2
3	Furnish and install new elevator mount stations	2007	7,177	718	10	718		1,077	3
4	Furnish and install elevator car station	2007	17,640	1,764	10	1,764		2,646	4
5	Flush mount hall elevator station	2007	2,000	200	10	200		300	5
6	Furnish and install new tramco sewage pump	2007	5,315	532	10	532		798	6
7	Furnish & install elevator key switch, provide piping & wiring	2007	4,750	475	10	475		713	7
8	Relocate sprinkler heads	2007	2,785	279	10	279		418	8
9	Plumbing project	2007	3,040	304	10	304		456	9
10	Installation of respirator monitor system	2007	3,244	324	10	324		486	10
11	Replace 2 valves on water heater	2008	2,920	146	10	146		146	11
12	Sheet vinyl for dialysis area	2008	2,966	148	10	148		148	12
13									13
14									14
15									15
16	Leasehold Improvements Allocated from Management Company:		26,165			1,633	1,633	21,963	16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 13,334,850	\$ 108,346		\$ 506,819	\$ 398,473	\$ 6,388,045	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Glenshire Nursing & Rehabilitation Centre # 0039321 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	\$ 1,071,772	\$ 107,177	\$ 107,177	\$	10 years	\$ 436,758	71
72	Current Year Purchases	3,012	151	151		10 years	151	72
73	Fully Depreciated Assets	1,266,157	2,824	2,824		5,10 years	1,266,157	73
74	Allocated from Management Company:	126,402		6,148	6,148		122,162	74
75	TOTALS	\$ 2,467,343	\$ 110,152	\$ 116,300	\$ 6,148		\$ 1,825,228	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 Toyota Camry	2004	\$ 10,770	\$ 2,154	\$ 2,154	\$	5 years	\$ 9,693	76
77										77
78										78
79	Allocated from Management Company:			9,931		993	993		4,846	79
80	TOTALS			\$ 20,701	\$ 2,154	\$ 3,147	\$ 993		\$ 14,539	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)	\$ 16,137,438	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 220,652	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 626,266	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 405,614	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 8,227,812	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

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
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: \$ 4,648 Description: Ice-maker \$2,015, Postage meter \$886, Allocated from Management Company: \$1,747
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18	<u>Allocated from Management Company:</u>			<u>4,840</u>	18
19					19
20					20
21	TOTAL		\$	\$ <u>4,840</u>	21

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>	\$ _____

* 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 Glenshire Nursing & Rehabilitation Centre # 0039321 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>
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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	\$	6,210	\$ 341,733	\$ 6,502	6,210	\$ 348,235	1
2	Licensed Speech and Language Development Therapist	Ln10a, Col 3	hrs		1,765	102,493		1,765	102,493	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	Ln10a, Col 2&3	hrs		6,497	448,277	5,236	6,497	453,513	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				398,600		398,600	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): <u>Exceptional Care Prog</u>	Ln 39, Col 2					306		306	12
13	Radiology, Laboratory & Dialysis Other (specify): <u>Respiratory Therapy</u>	Ln 39, Col 3 Ln10a, Col 1	12,221 hours	301,573		250,987		12,221	301,573	13
14	TOTAL			\$ 301,573	14,472	\$ 1,143,490	\$ 410,644	26,693	\$ 1,855,707	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 Glenshire Nursing & Rehabilitation Centre# 0039321Report 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	\$ (1,136,947)	\$ 1,394,304	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>1,049,800</u>)	6,343,909	6,343,909	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	223,364	294,230	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	7,299		8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 5,437,625	\$ 8,032,443	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		314,544	13
14	Buildings, at Historical Cost		11,957,539	14
15	Leasehold Improvements, at Historical Cost	1,347,853	1,377,311	15
16	Equipment, at Historical Cost	1,436,323	2,488,044	16
17	Accumulated Depreciation (book methods)	(1,392,342)	(8,227,812)	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>Goodwill</u>)	2,312	2,312	22
23	Other(specify): <u>Mortgage Costs (Net)</u>		93,015	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 1,394,146	\$ 8,004,953	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 6,831,771	\$ 16,037,396	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 1,480,118	\$ 1,480,118	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	29,294	29,294	28
29	Short-Term Notes Payable	6,349	6,349	29
30	Accrued Salaries Payable	410,938	410,938	30
31	Accrued Taxes Payable (excluding real estate taxes)	12,365	12,365	31
32	Accrued Real Estate Taxes(Sch.IX-B)		884,000	32
33	Accrued Interest Payable		44,232	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>See Attached Schedule E:</u>	4,587,629	4,587,629	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 6,526,693	\$ 7,454,925	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		9,921,264	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	<u>Due to GlenShire R.E. LLC.</u>	161,191		43
44	<u>Due to Officers</u>	13,265,000	13,265,000	44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 13,426,191	\$ 23,186,264	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 19,952,884	\$ 30,641,189	46
47	TOTAL EQUITY(page 18, line 24)	\$ (13,121,113)	\$ (14,603,793)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 6,831,771	\$ 16,037,396	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (11,654,018)	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (11,654,018)	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	(1,467,095)	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)	\$ (1,467,095)	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)	\$ (13,121,113)	24

* Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

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	\$ 14,586,457	1
2	Discounts and Allowances for all Levels	(3,616,946)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,969,511	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,826,790	6
7	Oxygen	785,519	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 2,612,309	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	619,565	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	76,590	19
20	Radiology and X-Ray	11,148	20
21	Other Medical Services	1,308,506	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 2,015,809	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	10,671	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 10,671	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>Miscellaneous Income</u>	130	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 130	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 15,608,430	30

		2	
		Expenses	Amount
A. Operating Expenses			
31	General Services	2,016,413	31
32	Health Care	6,849,152	32
33	General Administration	4,249,469	33
B. Capital Expense			
34	Ownership	2,851,972	34
C. Ancillary Expense			
35	Special Cost Centers	947,551	35
36	Provider Participation Fee	160,968	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 17,075,525	40
41	Income before Income Taxes (line 30 minus line 40)**	(1,467,095)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (1,467,095)	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 Glenshire Nursing & Rehabilitation Centre

0039321

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	1,312	1,349	\$ 71,476	\$ 52.98	1
2	Assistant Director of Nursing	1,802	2,046	79,941	39.07	2
3	Registered Nurses	42,005	44,416	1,135,691	25.57	3
4	Licensed Practical Nurses	53,836	56,141	1,315,784	23.44	4
5	CNAs & Orderlies	107,892	113,196	1,021,676	9.03	5
6	CNA Trainees					6
7	Licensed Therapist	11,567	12,221	301,573	24.68	7
8	Rehab/Therapy Aides	4,779	4,970	46,429	9.34	8
9	Activity Director	2,022	2,163	33,215	15.36	9
10	Activity Assistants	13,533	14,301	121,032	8.46	10
11	Social Service Workers	4,438	4,778	79,546	16.65	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook	3,824	4,160	43,599	10.48	14
15	Cook Helpers/Assistants	28,501	30,629	316,794	10.34	15
16	Dishwashers					16
17	Maintenance Workers	9,410	10,381	132,889	12.80	17
18	Housekeepers	28,044	29,955	267,119	8.92	18
19	Laundry	13,141	14,251	124,166	8.71	19
20	Administrator	1,994	2,091	95,541	45.69	20
21	Assistant Administrator	1,962	2,091	40,892	19.56	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	22,369	24,861	367,361	14.78	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>	2,561	2,876	27,189	9.45	33
34	TOTAL (lines 1 - 33)	354,992	376,876	\$ 5,621,913 *	\$ 14.92	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	\$ 25,665	Ln 1, Col 3	35
36	Medical Director	Monthly	19,100	Ln 9, Col 3	36
37	Medical Records Consultant				37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	2,220	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	72	3,528	Ln11, Col 3	44
45	Social Service Consultant	90	4,778	Ln12, Col 3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	162	\$ 55,291		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

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 \$12,124
- (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. \$ 30,431 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. \$ 160,968
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. \$ 25,027 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

GlenShire Nursing and Rehabilitation Centre, Ltd.
Provider I.D. # 0039321
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
GlenShire Real Estate & Development Limited Partnership	Skokie	Building Lessor
Fargo Real Estate & Development, LLC	Skokie	Building Lessor - Management Company
Therapy Masters	Skokie	Therapy company

See Accountants' Compilation Report

GlenShire Nursing and Rehabilitation Centre, LTD.
 Provider # 0039321
 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.	Brentwood North Healthcare & Rehabilitation	GlenLake Terrace Nursing & Rehab. Centre, Ltd.	
Sidney Glenner	39,928	34,776	35,393	14,171	5,865	28,825	158,958
Jonathan Glenner	11,453	9,975	10,152	4,065	1,682	8,268	45,595
Daniel Glenner	6,278	5,468	5,565	2,228	922	4,532	24,993
Daniel Glenner	0	0	44,556	0	0	0	44,556
David Weinschneider	11,157	9,717	9,890	3,960	1,639	8,055	44,418
Joshua Ray	39,928	34,776	35,393	14,171	5,865	28,825	158,958
Barry Ray	39,316	34,242	34,850	13,954	5,775	28,383	156,520
Total compensation received from other Nursing Homes	148,060	128,954	175,799	52,549	21,748	106,888	633,998

See Accountants' Compilation Report

GlenShire Nursing and Rehabilitation Centre, LTD.
 Provider # 0039321
 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	6,980
Advanced Answers on Demand	Computers	4,965
E Health Data Solutions	Computers	10,245
RSM McGladrey	Accounting	30,075
Frost, Ruttenberg & Rothblatt	Accounting	440
ReedSmith Sachnoff & Weaver	Legal	16,826
Ira I. Silverstein	Legal	4,789
Myers, Miller & Krauskopf	Legal	128,077
Commitment Consulting	A/R Collections	1,867
Personnel Planners, Inc.	Unemployment Consulting	3,386
Cindy Stachura	Consultant	1,200
		<u>208,849</u>
Allocated from Management Co:		
RSM McGladrey - Accounting Services		25,592
ReedSmith Sachnoff & Weaver, Ltd. - Legal Services		1,779
Total allocated from Management Co.		<u>27,371</u>
Total allocated from Therapy Masters:		3,146
GlenShire Real Estate & Development LLC:		
Fisk, Kart, Katz and Regan, Ltd-real estate tax reduction		15,147
Total allocated from GlenShire Real Estate & Development, LLC.		15,147
Reclass Fisk, Kart, Katz and Regan, Ltd. to Line 33		-15,147
Non-Allowable Expenses:		
RSM McGladrey - Accounting		-20,461
Commitment Consulting - A/R Collections		-1,867
ReedSmith Sachnoff & Weaver - out of period		-2,218
Myers, Miller, Krauskopf - out of period		-2,877
Ira I. Silverstein - A/R Collections		-2,693
		<u>-30,116</u>
Total adjustments page 21, Sch C.		<u>401</u>
Total Schedule V, line 19, column 8		<u>209,250</u>

See Accountants' Compilation Report

GlenShire Nursing and Rehabilitation Centre, Ltd.
Provider # 0039321
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	28,789
FUTA	426
SUTA	680
401K Match	1,980
Insurance - Hospital	25,753
Employee Benefits	4,483
Other Employee Benefits	1,804
Workers Compensation Insurance	1,248
Total allocated from Management Co.	<u>65,163</u>
Allocated Employee Benefits to Line #'s 7 & 27	(65,163)
Allocated from Therapy Masters, Inc.	
FICA taxes	46,022
FUTA	830
SUTA	1,360
401K Match	3,869
Insurance - Hospital	14,541
Uniform Allowance	193
Other Employee Benefits	421
Workers Compensation Insurance	12,760
Total allocated from Therapy Masters, Inc.	<u>79,996</u>
Allocated Employee Benefits to Line #'s 15 & 27	(79,996)
Total	<u>0</u>

See Accountants' Compilation Report

GlenShire Nursing and Rehabilitation Centre, Ltd.
Provider # 0039321
12/31/2008

SCHEDULE E

XV. SUPPORT SCHEDULES

Page 17, Line 36

<u>DESCRIPTION</u>	<u>AMOUNT</u>
Due Affiliates	22,569
Interco GlenBar	400
Due to Health and Home Management	168,810
Loans Rec - Employees	20,250
Accrued 401K	1,138
Refunds Exchange	-37,307
Accrued Wage Assignment	1,020
Credit Union	-431
Accrued Union Dues	2,579
Accrued Management Fees	3,678,213
Due to Third Party	729,426
Due Con. Mutual	962
Total, Page 17, Line36	<u><u>4,587,629</u></u>

See Accountants' Compilation Report

GlenShire Nursing and Rehabilitation Centre, Ltd.
Provider # 0039321
12/31/2008

SCHEDULE F

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

<u>Description</u>	<u>Amount</u>	<u>Reference</u>
Patient Clothing	(2,310)	43
Non-allowable IL Council on Long Term Care fee	(12,237)	20
Non-allowable professional fees	(30,116)	19
Adjust Mgt. Co. Med Supplies - Med'A' to cost	(177,300)	10
Adjust Mgt. Co. Med Supplies - 'Other' to cost	(439,510)	10
Adjust Mgt. Co. Food to cost	(43,053)	2
Non-allowable auto expense - marketing	(12)	25
Non-allowable auto expense - ticket	(100)	25
Total	<u>(704,638)</u>	

See Accountants' Compilation Report

GlenShire Real Estate & Development, LLC
Accrued Real Estate Taxes
12/31/2008

SCHEDULE G

	Accrued 1/1/2008	Payments	Expense	Accrued 12/31/2008
Balance @ 1/01/08:	(844,000.00)		(844,000.00)	
2007 real estate taxes paid		853,829.05	853,829.05	
Estimated 2008 real estate taxes:				
2007 taxes	853,829.05			
Estimated increase	3.50%			
Estimated 2008 taxes	883,713.07			
USE	884,000.00		884,000.00	(884,000.00)
Totals	(844,000.00)	853,829.05	893,829.05	(884,000.00)

Real estate tax history:

Year	Amount	Increase	
		\$	%
1991	443,164.00		
1992	465,682.00	22,518.00	5.08%
1993	529,742.00	64,060.00	13.76%
1994	545,165.38	15,423.38	2.91%
1995	582,936.44	37,771.06	6.93%
1996	601,796.63	18,860.19	3.24%
1997	624,000.41	22,203.78	3.69%
1998	642,857.87	18,857.46	3.02%
1999	648,110.27	5,252.40	0.82%
2000	658,314.50	10,204.23	1.57%
2001	703,338.03	45,023.53	6.84%
2002	667,742.79	(35,595.24)	-5.06%
2003	686,735.80	18,993.01	2.84%
2004	728,336.76	41,600.96	6.06%
2005	812,535.50	84,198.74	11.56%
2006	815,030.99	2,495.49	0.31%
2007	853,829.05	38,798.06	4.76%

See Accountants' Compilation Report

Provider Name: Glen Shire Nursing & Rehab Ctr.

Provider I.D. #: 0039321

Year Ended: December 31, 2008

SCHEDULE H

Training & Education

Person(s) Attending	Date Attended	Location	Title Sponsor	Total Cost
David Zaruba, Gil Hofilena, Matt Carlson, Sherely McClain Chris Kozminski	1/17/08	Skokie	Illinois Council on Long Term Care Be Prepared for MDS Medicaid Audits	475
Kimberly Miles	6/17/08	Chicago	Alzheimer's Association The Best Friends Approach to Dementia Care in Illinois	250
David Zaruba, Matt Carlson, Linda Rave	6/12/08	Skokie	Illinois Council on Long Term Care Pain Management	250
Mary O'Connor, David Zaruba	10/3/08	Chicago	Cynthia Chow & Associates Survey Says: No Write-ups! What Everyone Needs to Know Regarding the New Guidelines F-325	220
Nursing Department	10/30/08	Facility	Pulmonary Exchange Suctioning, Trach Care and Trach tube replacement	601
Matt Carlson	11/10/08	Chicago	Continental Testing Service Administrator Licensure Exam	255
			Allocated From Management Company	1,644
			Allocated From Therapy Masters	1,605
			Total	5,300

SEE ACCOUNTANTS' COMPILATION REPORT

GlenShire Nursing and Rehabilitation Centre, LTD.
Provider #0039321
12/31/2008

SCHEDULE I

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

	Gasoline	Repairs	Mileage Reimb.	Licenses/ Stickers	City of Chicago Ticket	Total
Direct Expense	4,800	865	2,421	78	100	8,265
Non-allowable auto expense - ticket						-100
Non-allowable auto expense - marketing						-12
Allocated from Therapy Masters, Inc.						810
Allocated from Management Company						8,759
TOTAL	<u>4,800</u>	<u>865</u>	<u>2,421</u>	<u>78</u>		<u>17,722</u>

See Accountants' Compilation Report

GlenShire Nursing and Rehabilitation Centre, Ltd.
Provider # 0039321
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	24,361
Employment Fees	57,124
Joint Commission Fees	1,070
Sam's Club Annual Membership Fee	163
Secretary of State Annual Report Fee	175
Cook County Certificate of Operation Fee	448
Management Network Services Annual Fee	550
Village of Richton Park Inspection Fee	225
State Fire Marshall Elevator Inspection Fee	90
Non-allowable Illinois Council on Long Term Care Fees	(12,237)
Total	<u><u>71,969</u></u>

See Accountants' Compilation Report