

Facility Name & ID Number Friendship Village - Schaumburg

0023218 Report Period Beginning: 04/01/08 Ending: 03/31/09

III. STATISTICAL DATA

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

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	250	Skilled (SNF)	250	91,500	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	250	TOTALS	250	91,500	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment				5 Total	
		3 Medicaid Recipient	4 Private Pay	Other	Total		
8	SNF	15,269	15,130	35,394	65,793	8	
9	SNF/PED					9	
10	ICF	3,791	3,170	7,021	13,982	10	
11	ICF/DD					11	
12	SC					12	
13	DD 16 OR LESS					13	
14	TOTALS	19,060	18,300	42,415	79,775	14	

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 87.19%

D. How many bed-hold days during this year were paid by the Department? None (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients. (E.g., day care, "meals on wheels", outpatient therapy)

Home Health, Clinic, Adult Day Care

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

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

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

I. On what date did you start providing long term care at this location?
Date started 01/01/1977

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

K. Was the facility certified for Medicare during the reporting year?
YES NO If YES, enter number of beds certified 250 and days of care provided 13,747

Medicare Intermediary Wisconsin Physician Services

IV. ACCOUNTING BASIS

ACCRAUAL MODIFIED CASH* CASH*

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

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

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

Facility Name & ID Number Friendship Village - Schaumburg # 0023218 Report Period Beginning: 04/01/08 Ending: 03/31/09

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	1,736,884	149,785	271,335	2,158,004		2,158,004	(1,018,009)	1,139,995		1
2	Food Purchase		1,781,512		1,781,512		1,781,512	(907,409)	874,103		2
3	Housekeeping	860,526	139,930	18,486	1,018,942		1,018,942	(940,693)	78,249		3
4	Laundry	210,567	57,905		268,472		268,472	(20,698)	247,774		4
5	Heat and Other Utilities			1,890,688	1,890,688		1,890,688	(1,745,494)	145,194		5
6	Maintenance	1,379,659	17,204	1,054,314	2,451,177		2,451,177	(2,263,830)	187,347		6
7	Other (specify):*			7,035	7,035		7,035	(6,495)	540		7
8	TOTAL General Services	4,187,636	2,146,336	3,241,858	9,575,830		9,575,830	(6,902,628)	2,673,202		8
	B. Health Care and Programs										
9	Medical Director			14,400	14,400		14,400		14,400		9
10	Nursing and Medical Records	6,090,074	321,465	122,733	6,534,272		6,534,272	(2,822)	6,531,450		10
10a	Therapy	76,382			76,382		76,382		76,382		10a
11	Activities	179,564	9,766	2,075	191,405		191,405		191,405		11
12	Social Services	140,583			140,583		140,583		140,583		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	6,486,603	331,231	139,208	6,957,042		6,957,042	(2,822)	6,954,220		16
	C. General Administration										
17	Administrative	1,435,263		710,307	2,145,570		2,145,570	(915,463)	1,230,107		17
18	Directors Fees							5,489	5,489		18
19	Professional Services			23,007	23,007		23,007	4,658	27,665		19
20	Dues, Fees, Subscriptions & Promotions			65,839	65,839		65,839	(3,672)	62,167		20
21	Clerical & General Office Expenses	2,385,318	47,701	749,349	3,182,368		3,182,368	(1,621,798)	1,560,570		21
22	Employee Benefits & Payroll Taxes			4,373,294	4,373,294		4,373,294	(2,214,719)	2,158,575		22
23	Inservice Training & Education										23
24	Travel and Seminar			8,981	8,981		8,981	1,212	10,193		24
25	Other Admin. Staff Transportation			7,591	7,591		7,591	2,226	9,817		25
26	Insurance-Prop.Liab.Malpractice			517,885	517,885		517,885	(478,114)	39,771		26
27	Other (specify):*										27
28	TOTAL General Administration	3,820,581	47,701	6,456,253	10,324,535		10,324,535	(5,220,181)	5,104,354		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	14,494,820	2,525,268	9,837,319	26,857,407		26,857,407	(12,125,631)	14,731,776		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			6,539,671	6,539,671		6,539,671	(6,170,574)	369,097			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			6,074,180	6,074,180		6,074,180	(5,718,606)	355,574			32
33	Real Estate Taxes			581,342	581,342		581,342	(536,698)	44,644			33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles			94,621	94,621		94,621		94,621			35
36	Other (specify):*			199,098	199,098		199,098	(199,098)				36
37	TOTAL Ownership			13,488,912	13,488,912		13,488,912	(12,624,976)	863,936			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers	356,716	791,528	1,252,557	2,400,801		2,400,801	(356,717)	2,044,084			39
40	Barber and Beauty Shops			92,245	92,245		92,245		92,245			40
41	Coffee and Gift Shops	35,243	31,862	860	67,965		67,965	(67,965)				41
42	Provider Participation Fee			147,552	147,552		147,552	(10,302)	137,250			42
43	Other (specify):*	334,387	383,903	3,474,706	4,192,996		4,192,996	(4,192,996)	(0)			43
44	TOTAL Special Cost Centers	726,346	1,207,293	4,967,920	6,901,559		6,901,559	(4,627,980)	2,273,579			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	15,221,166	3,732,561	28,294,151	47,247,878		47,247,878	(29,378,588)	17,869,290			45

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number **Friendship Village - Schaumburg**

0023218

Report Period Beginning:

04/01/08

Ending:

03/31/09

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	(124,042)	02		4
5	Telephone, TV & Radio in Resident Rooms	(164,365)	21		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation		30		9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax		02		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(257,320)	43		24
25	Fund Raising, Advertising and Promotional				25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule	(29,552,964)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (30,098,691)		\$	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)	720,103		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ 720,103		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (29,378,588)		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.			\$		38
39						39
40	Gift and Coffee Shops					40
41	Barber and Beauty Shops					41
42	Laboratory and Radiology					42
43	Prescription Drugs					43
44						44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	TOTAL (C): (sum of lines 38-46)			\$		47

BHF USE ONLY							
48		49		50		51	
							52

SEE ACCOUNTANTS' COMPILATION REPORT

Friendship Village - SchaumburgID# 0023218Report Period Beginning: 04/01/08Ending: 03/31/09

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Vending Machine Revenue	\$ (3,357)	02	1
2	Miscellaneous Income	(19,241)	21	2
3	Investment Income	(1,222,734)	32	3
4	Village Store Income	(67,965)	41	4
5	Assisted Living/Independent Living	(2,160,285)	43	5
6	Growth Opportunities Wages	(78,768)	43	6
7	Marketing Wages	(599,038)	43	7
8	Marketing Expense	(937,104)	43	8
9	Bank Fees	(32,813)	21	9
10	Amortization of Bond Costs	(199,098)	36	10
11	Line of Credit Expense - AL/IL	(8,173)	32	11
12	Remarketing Fee	(49,264)	32	12
13	Rating Agency Fees	(2,500)	32	13
14	Investment Fees	(114,532)	21	14
15	HCC - Wheel Chair Revenue	(2,523)	10	15
16	Home Health Wages	(356,717)	39	16
17	Home Health Expenses	(4,031)	43	17
18	Jury Duty	(299)	10	18
19	Provider Participation Fee	(10,302)	42	19
20	Liquor License	(2,906)	20	20
21	Non-Allowable Seminar	(234)	24	21
22	VP of Marketing Salary	(156,450)	43	22
23	Marketing Employee Benefits	(169,162)	22	23
24	VP of Marketing Employee Benefits	(44,180)	22	24
25	Bridgewater Place Depreciation	(2,557,052)	30	25
26	Non-HCC Adjustment:			26
27	Dietary	(1,018,009)	01	27
28	Food Purchase	(780,569)	02	28
29	Housekeeping	(940,693)	03	29
30	Laundry	(20,698)	04	30
31	Heat & Utilities	(1,745,494)	05	31
32	Maintenance	(2,252,246)	06	32
33	Other (Disposal, Waste)	(6,495)	07	33
34	Administrative	(1,160,839)	17	34
35	Director's Fees	(65,986)	18	35
36	Professional Services	(332,589)	19	36
37	Clerical & General	(1,472,694)	21	37
38	Employee Benefits	(2,037,025)	22	38
39	Insurance	(478,114)	26	39
40	Depreciation	(3,617,739)	30	40
41	Interest	(4,274,649)	32	41
42	Real Estate Taxes	(536,698)	33	42
43	Non-Allowable Travel	(2,114)	25	43
44	Capitalized Repairs & Maintenance	(11,584)	06	44
45				45
46				46
47				47
48				48
49	Total	(29,552,964)		49

Friendship Village - Schaumburg

ID# 0023218

Report Period Beginning: 04/01/08

Ending: 03/31/09

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference
50		\$	1
51			2
52			3
53			4
54			5
55			6
56			7
57			8
58			9
59			10
60			11
61			12
62			13
63			14
64			15
65			16
66			17
67			18
68			19
69			20
70			21
71			22
72			23
73			24
74			25
75			26
76			27
77			28
78			29
79			30
80			31
81			32
82			33
83			34
84			35
85			36
86			37
87			38
88			39
89			40
90			41
91			42
92			43
93			44
94			45
95			46
96			47
97			48
98			49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Friendship Village - Schaumburg# 0023218

Report Period Beginning:

04/01/08

Ending:

03/31/09

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

	Operating Expenses	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
1	Dietary	(1,018,009)											(1,018,009)	1
2	Food Purchase	(907,968)		559									(907,409)	2
3	Housekeeping	(940,693)											(940,693)	3
4	Laundry	(20,698)											(20,698)	4
5	Heat and Other Utilities	(1,745,494)											(1,745,494)	5
6	Maintenance	(2,263,830)											(2,263,830)	6
7	Other (specify):*	(6,495)											(6,495)	7
8	TOTAL General Services	(6,903,187)		559									(6,902,628)	8
	B. Health Care and Programs													
9	Medical Director													9
10	Nursing and Medical Records	(2,822)											(2,822)	10
10a	Therapy													10a
11	Activities													11
12	Social Services													12
13	CNA Training													13
14	Program Transportation													14
15	Other (specify):*													15
16	TOTAL Health Care and Programs	(2,822)											(2,822)	16
	C. General Administration													
17	Administrative	(1,160,839)		245,376									(915,463)	17
18	Directors Fees	(65,986)		71,475									5,489	18
19	Professional Services	(332,589)		337,247									4,658	19
20	Fees, Subscriptions & Promotions	(2,906)		(766)									(3,672)	20
21	Clerical & General Office Expenses	(1,803,645)		181,847									(1,621,798)	21
22	Employee Benefits & Payroll Taxes	(2,250,367)		35,648									(2,214,719)	22
23	Inservice Training & Education													23
24	Travel and Seminar	(234)		1,446									1,212	24
25	Other Admin. Staff Transportation	(2,114)		4,340									2,226	25
26	Insurance-Prop.Liab.Malpractice	(478,114)											(478,114)	26
27	Other (specify):*													27
28	TOTAL General Administration	(6,096,794)		876,613									(5,220,181)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(13,002,803)		877,172									(12,125,631)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Friendship Village - Schaumburg# 0023218

Report Period Beginning:

04/01/08

Ending:

03/31/09

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	(6,174,791)		4,217									(6,170,574)	30
31	Amortization of Pre-Op. & Org.													31
32	Interest	(5,557,320)		(161,286)									(5,718,606)	32
33	Real Estate Taxes	(536,698)											(536,698)	33
34	Rent-Facility & Grounds													34
35	Rent-Equipment & Vehicles													35
36	Other (specify):*	(199,098)											(199,098)	36
37	TOTAL Ownership	(12,467,907)		(157,069)									(12,624,976)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation													38
39	Ancillary Service Centers	(356,717)											(356,717)	39
40	Barber and Beauty Shops													40
41	Coffee and Gift Shops	(67,965)											(67,965)	41
42	Provider Participation Fee	(10,302)											(10,302)	42
43	Other (specify):*	(4,192,996)											(4,192,996)	43
44	TOTAL Special Cost Centers	(4,627,980)											(4,627,980)	44
	GRAND TOTAL COST													
45	(sum of lines 29, 37 & 44)	(30,098,691)		720,103									(29,378,588)	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
				See Attached		

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

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

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

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

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	2 Food	\$			\$ 559	\$	559	15
16	V	32 Investment Income	161,286					(161,286)	16
17	V	17 Management Fees	907,043			1,152,419		245,376	17
18	V	18 Directors Expense				71,475		71,475	18
19	V	19 Professional Fees				337,247		337,247	19
20	V	20 Dues & Subscriptions	766					(766)	20
21	V	21 Office Expense				181,847		181,847	21
22	V	22 Employee Benefits				35,648		35,648	22
23	V	24 Seminars & Education				1,446		1,446	23
24	V	25 Travel & Mileage				4,340		4,340	24
25	V	30 Depreciation				4,217		4,217	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		\$ 1,069,095			\$ 1,789,198	\$ *	720,103	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: 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		
15	V		\$			\$	\$	15
16	V							16
17	V							17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: 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		
15	V		\$			\$	\$	15
16	V							16
17	V							17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V		\$			\$	\$	15
16	V							16
17	V							17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: 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		
15	V		\$			\$	\$	15
16	V							16
17	V							17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: 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		
15	V		\$			\$	\$	15
16	V							16
17	V							17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: 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		
15	V		\$			\$	\$	15
16	V							16
17	V							17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference: 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		
15	V		\$			\$	\$	15
16	V							16
17	V							17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$			\$	\$ *	39

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

VII. RELATED PARTIES (continued)

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V		\$			\$	\$	15
16	V							16
17	V							17
18	V							18
19	V							19
20	V							20
21	V							21
22	V							22
23	V							23
24	V							24
25	V							25
26	V							26
27	V							27
28	V							28
29	V							29
30	V							30
31	V							31
32	V							32
33	V							33
34	V							34
35	V							35
36	V							36
37	V							37
38	V							38
39	Total		\$			\$	\$ *	39

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

Facility Name & ID Number Friendship Village - Schaumburg # 0023218 Report Period Beginning: 04/01/08 Ending: 03/31/09

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	See Attached Board of Directors								\$	1
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13								TOTAL	\$	13

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning: 04/01/08

Ending: 03/31/09

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

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

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

1	2	3	4	5	6	7	8	9		
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6		
1	1	Dietary	Meals Ratio	458,360	2	\$ 2,158,004	\$ 1,736,884	242,135	\$ 1,139,995	1
2	2	Food Purchase	Meals Ratio	458,360	2	1,654,672		242,135	874,103	2
3	3	Housekeeping	Square Feet	737,530	2	1,018,942	860,526	56,638	78,249	3
4	4	Laundry	Pounds	786,942	2	268,472	210,567	726,272	247,774	4
5	5	Heat & Utilities	Square Feet	737,530	2	1,890,688		56,638	145,194	5
6	6	Maintenance	Square Feet	737,530	2	2,439,593	1,379,659	56,638	187,347	6
7	7	Other (Disposal, Waste)	Square Feet	737,530	2	7,035		56,638	540	7
8	17	Administrative	Employee Ratio	459	2	2,390,946	1,198,256	236	1,230,107	8
9	18	Director's Fees	Square Feet	737,530	2	71,475		56,638	5,489	9
10	19	Professional Services	Square Feet	737,530	2	360,254		56,638	27,665	10
11	21	Clerical & General	Employee Ratio	459	2	3,033,264	2,445,303	236	1,560,570	11
12	22	Employee Benefits	Employee Ratio	459	2	4,195,600		236	2,158,575	12
13	26	Insurance	Square Feet	737,530	2	517,885		56,638	39,771	13
14	30	Depreciation	Actual	737,530	2	3,986,836		56,638	369,097	14
15	32	Interest	Square Feet	737,530	2	4,630,223		56,638	355,574	15
16	33	Real Estate Taxes	Square Feet	737,530	2	581,342		56,638	44,644	16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					\$ 29,205,231	\$ 7,831,195		\$ 8,464,694	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending: 03/31/09

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

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

Name of Related Organization _____

Street Address _____

City / State / Zip Code _____

Phone Number (_____

Fax Number (_____

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1								\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending: 03/31/09

VIII. ALLOCATION OF INDIRECT COSTS

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Name of Related Organization _____

Street Address _____

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1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending: 03/31/09

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

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

Name of Related Organization _____

Street Address _____

City / State / Zip Code _____

Phone Number () _____

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1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending: 03/31/09

VIII. ALLOCATION OF INDIRECT COSTS

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Name of Related Organization _____

Street Address _____

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Phone Number () _____

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1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending: 03/31/09

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

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

Name of Related Organization _____

Street Address _____

City / State / Zip Code _____

Phone Number () _____

Fax Number () _____

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending: 03/31/09

VIII. ALLOCATION OF INDIRECT COSTS

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

Name of Related Organization _____

Street Address _____

City / State / Zip Code _____

Phone Number () _____

Fax Number () _____

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending: 03/31/09

VIII. ALLOCATION OF INDIRECT COSTS

Name of Related Organization _____

Street Address _____

City / State / Zip Code _____

Phone Number () _____

Fax Number () _____

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number **Friendship Village - Schaumburg**

0023218

Report Period Beginning:

04/01/08

Ending: **03/31/09**

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

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

Name of Related Organization _____

Street Address _____

City / State / Zip Code _____

Phone Number () _____

Fax Number () _____

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending: 03/31/09

VIII. ALLOCATION OF INDIRECT COSTS

Name of Related Organization _____

Street Address _____

City / State / Zip Code _____

Phone Number () _____

Fax Number () _____

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

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

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1					\$	\$		\$	1
2									2
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5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		\$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number

Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending:

03/31/09

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										
										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	Revenue Bond Series 2005	X		Bond Issuance			\$ 125,000,000	\$ 109,800,487	Variable	\$ 5,260,515	1								
2											2								
3											3								
4											4								
5	See Supplemental Schedule										5								
Working Capital																			
6	Line of Credit		X					394,544		753,729	6								
7											7								
8	See Supplemental Schedule										8								
9	TOTAL Facility Related						\$ 125,000,000	\$ 110,195,031		\$ 6,014,244	9								
B. Non-Facility Related*																			
10	Investment Income		X							(1,222,734)	10								
11	Executive Allocation		X							(161,286)	11								
12	Non-HCC Adjustment		X							(4,274,649)	12								
13	See Supplemental Schedule										13								
14	TOTAL Non-Facility Related						\$	\$		\$ (5,658,669)	14								
15	TOTALS (line 9+line14)						\$ 125,000,000	\$ 110,195,031		\$ 355,575	15								

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number

Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending:

03/31/09

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

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

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

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

(See instructions.)

SEE ACCOUNTANTS' COMPILATION REPORT

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

(See instructions.)

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending:

03/31/09

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 737,530 B. General Construction Type: Exterior Brick Frame Steel Number of Stories 3

C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.
(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? (a) Own the Equipment (b) Rent equipment from a Related Organization. (c) Rent equipment from Completely Unrelated Organization.
(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

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

Bridgeway Apartments - Independent Living Apartments - Buildings Separate From SNF

Bridgewater Place Apartment Homes - Independent Living Apartment Homes - Buildings Separate From SNF

Crosswell Terrace Garden Homes - Independent Living Homes - Buildings Separate From SNF

The Willows Assisted Living - Buildings Separate From SNF

Reflections - Memory Support - Buildings Separate From SNF

Clinic - 364,449 Square Feet of Space in Building Where SNF is Located

Home Care - 1,888 Square Feet of Space in Building Where SNF is Located

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:

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

SEE ACCOUNTANTS' COMPILATION REPORT

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	180	1977	1977	\$ 1,760,825	\$ 44,021	40	\$ 44,021	\$	\$
5	10	1993	1993	1,102,771	27,569	40	27,569		
6	60	1998	1998	2,934,069	73,352	40	73,352		
7									
8									
Improvement Type**									
9	Various	1977		106,955		20			
10	Various	1986		60,910		20			
11	Various	1988		43,130		20			
12	Various	1989		64,518		20			
13	Various	1990		47,446		20			
14	Various	1991		45,448		20			
15	Various	1992		13,719		20			
16	Various	1993		16,879		20			
17	Various	1994		36,357		20			
18	Various	1995		272,667		20			
19	Various	1996		204,229		20			
20	Various	1997		636,288		20			
21	Various	1998		1,051,362		20			
22	Various	1999		274,179		20			
23	Various	2000		266,127		20			
24	Various	2001		1,247,924		20			
25	Various	2002		382,382		20			
26	Various	2003		979,835		20			
27	Various	2004		47,842		20			
28	Various	2005		97,957		20			
29									
30									
31									
32									
33									
34									
35									
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

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					224,155	224,155		69
70		\$ 11,693,819	\$ 369,097		\$ 369,097	\$	\$	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village - Schaumburg# 0023218

Report Period Beginning:

04/01/08

Ending:

03/31/09**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		\$ 11,693,819	\$ 369,097		\$ 369,097	\$	\$	1
2	Wing E&F Hvac Modifications For Fire Alarm System	2006	21,643		20				2
3	Windows	2006	88,630		20				3
4	Idph Survey Cap For Facilities	2006	7,141		20				4
5	Wing E Nurses Station	2006	14,071		20				5
6	Hcc Special Care Phase I	2006	504,639		20				6
7	Physical Theapy/Rehab Room Renovation	2006	15,377		20				7
8	Hvac - Briarwood	2006	11,007		20				8
9	Window Replacemants - Briarwood	2006	93,320		20				9
10	Overhead Heating For Commons Corridor (16,327)	2006	2,260		20				10
11	E Pavilion Shower Room And Restroom	2006	30,622		20				11
12	Briarwood Entrance Renovations	2006	11,023		20				12
13	C."D" And "E" Pavilion Gutter Replacement (27,793)	2006	3,847		20				13
14	Commons Pump/Sprinkler Room Corridor Door (1,295)	2006	179		20				14
15	Commons Corridor Carpet (7,435)	2006	1,029		20				15
16	Clinic Carpeting (4,132)	2006	572		20				16
17	Renovations To Accommodate Dish Machine (3,406)	2006	471		20				17
18	Clinic Loks/Hardware (2,783)	2006	385		20				18
19	Cooler Door Replacement (4,967)	2006	687		20				19
20	Infrared Therapy Machine	2006	10,670		20				20
21	Fire Pump Repair	2006	482		20				21
22	Install Storm/Screen Doors	2006	406		20				22
23	Hvac - Replacing Diffusers	2006	351		20				23
24	Hvac - Condenser Repairs	2006	380		20				24
25	Hvac Repairs	2006	471		20				25
26	Floor Work	2006	376		20				26
27	Install 4 New Hdtv Tuners And Mods	2007	388		20				27
28	Roof Repairs	2007	364		20				28
29	Development Costs (57041)	2007	7,638		20				29
30	Village Market And Cafe (34136)	2007	4,571		20				30
31	Sheffield Dining Room Renovations (76694)	2007	10,270		20				31
32	Sheffield Dining Room Renovations (Design Only) (4995)	2007	669		20				32
33	Repair Asphalt Drive Along North Road & Striping (9160)	2007	1,227		20				33
34	TOTAL (lines 1 thru 33)		\$ 12,538,985	\$ 369,097		\$ 369,097	\$	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village - Schaumburg# 0023218

Report Period Beginning:

04/01/08

Ending:

03/31/09**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		\$ 12,538,985	\$ 369,097		\$ 369,097	\$	\$	1
2	<u>F Wing Circuit Breaker Repair</u>	2007	1,261		20				2
3	<u>Bathroom Grab Bars</u>	2007	4,288		20				3
4	<u>Install Valves, Tub & Shower</u>	2007	2,885		20				4
5	<u>Repair Broken Sprinkler Heads (2750)</u>	2007	368		20				5
6	<u>Repair Leak In Fire System Sprinklers (3069)</u>	2007	411		20				6
7	<u>Repairs To Front Entrance (4521)</u>	2007	605		20				7
8	<u>Change Combustion Motors And Farn Wheels On Hvac (2689)</u>	2007	360		20				8
9	<u>Roof Repairs (2615)</u>	2007	350		20				9
10	<u>Roof Repairs (2610)</u>	2007	349		20				10
11	<u>Renovation Of Associate Store (895)</u>	2008	69		20				11
12	<u>Sheffield Kitchen Steel Double Exterior Doors (1575)</u>	2008	121		20				12
13	<u>Tile Replacement In Kitchen And Cart Room (7000)</u>	2008	538		20				13
14	<u>Sidewalk Slab Replacements (5425)</u>	2008	417		20				14
15	<u>Garden Way To Hcc Sidewalk (4500)</u>	2008	346		20				15
16	<u>Connecting Garden Way To Pleasant Drive (2798)</u>	2008	215		20				16
17	<u>Special Care Phase Ii Design Cost</u>	2008	74,919		20				17
18	<u>Gazebo Landscaping</u>	2008	3,348		20				18
19	<u>Special Care Phase Ii Renovation</u>	2008	174,683		20				19
20	<u>Gazebo Replacement</u>	2008	15,360		20				20
21	<u>Gazebo Replacement</u>	2008	11,100		20				21
22	<u>Air Conditioner In Pantries</u>	2008	6,041		20				22
23	<u>Wanderguard Replacements</u>	2008	2,901		20				23
24	<u>Delayed Egress Magnetic Lock For E/F Vestibule Interior</u>	2008	3,052		20				24
25	<u>Automatic Door Lock For Max'S Lounge</u>	2008	3,041		20				25
26	<u>Flooring For Max'S Lounge</u>	2008	2,775		20				26
27	<u>Cieling Tiles, Repaired & Touched Up Cielings, Painting (5040)</u>	2008	667		20				27
28	<u>Plumbing And Interior Wall Replacement</u>	2008	336		20				28
29	<u>Replace Gasket And Seal Kit On Hot Water Pump #2 In Bldg G. (</u>	2008	3,240		20				29
30	<u>Replace Thermostat, Cover Plate, Motor (3006)</u>	2008	222		20				30
31	<u>Electrical To Fix Pole Lights Around Sidewalk (4373)</u>	2008	387		20				31
32	<u>Elevator Reparis (8683)</u>	2008	5,223		20				32
33	<u>Replace Compressor In Hvac Unit For Max'S Lounge</u>	2008	262		20				33
34	TOTAL (lines 1 thru 33)		\$ 12,859,125	\$ 369,097		\$ 369,097	\$	\$	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		\$ 12,859,125	\$ 369,097		\$ 369,097		\$
2	Motors, Bearing Assembly, Impeller, Sequencer, Pump (2885)	2008	231		20			
3	Shut Down Commercial Irrigation And Repair Leaks In Water Li	2008	204		20			
4	Shut Down Commercial Irrigation For Repairs (2650)	2008	277		20			
5	Fire System Repairs (6970)	2008	535		20			
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30								
31								
32								
33								
34	TOTAL (lines 1 thru 33)		\$ 12,860,372	\$ 369,097		\$ 369,097	\$	\$

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	3	4	5	6	7	8	9
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
1		\$ 12,860,372	\$ 369,097		\$ 369,097		
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34	TOTAL (lines 1 thru 33)	\$ 12,860,372	\$ 369,097		\$ 369,097		

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning:

04/01/08

Ending:

03/31/09

XI. OWNERSHIP COSTS (continued)

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

1	3	4	5	6	7	8	9	
Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
1 Building Company Information								1
2 Buildings:								2
3								3
4								4
5								5
6								6
7								7
8 Leasehold Improvements:								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

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	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		\$	\$		\$	\$	\$
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34	TOTAL (12F & 12G lines 1 thru 33)	\$	\$		\$	\$	\$

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	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 Related Party Information		\$	\$		\$	\$	\$
2 Buildings:							
3							
4							
5							
6							
7							
8 Leasehold Improvements:							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
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	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								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34	TOTAL (12H & 12I lines 1 thru 33)		\$	\$		\$	\$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 2,473,067	\$	\$	\$	10	\$	71
72	Current Year Purchases							72
73	Fully Depreciated Assets							73
74								74
75	TOTALS	\$ 2,473,067	\$	\$	\$		\$	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76		96 Chevy Pick-Up	1996	\$ 8,996	\$	\$	\$	5	\$	76
77		Van	2005	20,852				5		77
78		Pick-Up Truck	2005	18,259				5		78
79										79
80	TOTALS			\$ 48,107	\$	\$	\$		\$	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount	
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 15,513,611	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 369,097	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 369,097	83
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$	85

**

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

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86	Marketing Office (251,389) - 2002	\$ 34,792	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$ 34,792	\$	\$	91

G. Construction-in-Progress

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

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

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

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 _____.

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

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

15. Is Movable equipment rental included in building rental?

YES NO

16. Rental Amount for movable equipment: \$ 94,621 Description: See Attached Schedule

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18					18
19					19
20					20
21	TOTAL		\$	\$	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. _____/2009 \$ _____

13. _____/2010 \$ _____

14. _____/2011 \$ _____

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

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

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

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

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

B. EXPENSES

ALLOCATION OF COSTS (d)

		Facility		Contract	Total
		1	2		
		Drop-outs	Completed		
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	1 Schedule V Line & Column Reference	2		3		4		5	6	7	8		
			Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)						Total Cost (Col. 3 + 5 + 6)
			Units of Service	Cost	Units	Cost								
1	Licensed Occupational Therapist	39 - 03	hrs	\$		\$	336,928	\$			\$	336,928	1	
2	Licensed Speech and Language Development Therapist	39 - 03	hrs				99,432					99,432	2	
3	Licensed Recreational Therapist		hrs										3	
4	Licensed Physical Therapist	39 - 03	hrs				762,949					762,949	4	
5	Physician Care		visits										5	
6	Dental Care		visits										6	
7	Work Related Program		hrs										7	
8	Habilitation		hrs										8	
9	Pharmacy	39 - 02	# of prescripts						660,314			660,314	9	
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs										10	
11	Academic Education		hrs										11	
12	Other (specify):												12	
13	Other (specify): <u>See Supplemental</u>				356,716		53,248		131,214			541,178	13	
14	TOTAL			\$	356,716		\$	1,252,557	\$	791,528		\$	2,400,801	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village - Schaumburg# 0023218Report Period Beginning: 04/01/08Ending: 03/31/09

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 03/31/09

(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	\$ 3,376,781	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance)	3,724,955		3
4	Supply Inventory (priced at)	92,100		4
5	Short-Term Investments			5
6	Prepaid Insurance	455,233		6
7	Other Prepaid Expenses	102,086		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>See Attached Schedule</u>	30,606,801		9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 38,357,956	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	5,907,711		12
13	Land	4,524,257		13
14	Buildings, at Historical Cost	119,495,715		14
15	Leasehold Improvements, at Historical Cost	35,812,576		15
16	Equipment, at Historical Cost	10,536,356		16
17	Accumulated Depreciation (book methods)	(47,642,146)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): <u>See Attached Schedule</u>	15,799,358		23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 144,433,827	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 182,791,783	\$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 5,176,737	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	875,961		30
31	Accrued Taxes Payable (excluding real estate taxes)	4,415		31
32	Accrued Real Estate Taxes(Sch.IX-B)	471,567		32
33	Accrued Interest Payable	547,495		33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>See Attached Schedule</u>	106,456,940		36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 113,533,115	\$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	110,195,031		39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	<u>See Attached Schedule</u>	5,218		43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 110,200,249	\$	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 223,733,364	\$	46
47	TOTAL EQUITY(page 18, line 24)	\$ (40,941,581)	\$	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 182,791,783	\$	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (30,966,069)	1
2	Restatements (describe):		2
3	Retained Earnings	(187,795)	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (31,153,864)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(9,787,717)	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)	\$ (9,787,717)	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)	\$ (40,941,581)	24 *

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number **Friendship Village - Schaumburg**# **0023218**Report Period Beginning: **04/01/08**Ending: **03/31/09**

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	\$ 19,277,063	1
2	Discounts and Allowances for all Levels	(3,255,278)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 16,021,785	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	2,838,560	6
7	Oxygen	123,467	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 2,962,027	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	125,704	12
13	Barber and Beauty Care	8,645	13
14	Non-Patient Meals	124,042	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	661,062	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	24,547	19
20	Radiology and X-Ray	17,465	20
21	Other Medical Services	615,530	21
22	Laundry	53,576	22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 1,630,571	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	(1,308,860)	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ (1,308,860)	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>See Supplemental Schedule</u>	18,154,638	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 18,154,638	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 37,460,161	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	9,575,830	31
32	Health Care	6,957,042	32
33	General Administration	10,324,535	33
B. Capital Expense			
34	Ownership	13,488,912	34
C. Ancillary Expense			
35	Special Cost Centers	6,754,007	35
36	Provider Participation Fee	147,552	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 47,247,878	40
41	Income before Income Taxes (line 30 minus line 40)**	(9,787,717)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (9,787,717)	43

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

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

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

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

Facility Name & ID Number **Friendship Village - Schaumburg**

0023218

Report Period Beginning: **04/01/08**

Ending:

03/31/09

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	2,080	2,080	\$ 95,896	\$ 46.10	1
2	Assistant Director of Nursing	4,160	4,160	149,154	35.85	2
3	Registered Nurses	72,276	85,750	2,476,337	28.88	3
4	Licensed Practical Nurses	12,768	15,069	294,816	19.56	4
5	CNAs & Orderlies	178,406	194,788	2,852,213	14.64	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	5,211	5,211	76,382	14.66	8
9	Activity Director					9
10	Activity Assistants	16,709	16,731	179,564	10.73	10
11	Social Service Workers	5,885	6,600	140,583	21.30	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook	1,464	1,464	26,692	18.23	14
15	Cook Helpers/Assistants	100,703	113,472	1,540,284	13.57	15
16	Dishwashers	18,587	18,617	169,908	9.13	16
17	Maintenance Workers	90,154	90,154	1,379,659	15.30	17
18	Housekeepers	76,936	84,986	860,526	10.13	18
19	Laundry	18,571	20,457	210,567	10.29	19
20	Administrator	2,080	2,080	97,316	46.79	20
21	Assistant Administrator	2,080	2,080	56,949	27.38	21
22	Other Administrative	16,640	16,640	1,280,998	76.98	22
23	Office Manager					23
24	Clerical	76,819	82,889	2,385,318	28.78	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	14,883	16,013	221,658	13.84	31
32	Other Health Care(specify)					32
33	Other(specify) <u>See Supplemental</u>	41,739	45,456	726,345	15.98	33
34	TOTAL (lines 1 - 33)	758,151	824,697	\$ 15,221,165 *	\$ 18.46	34

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

** See instructions.

B. CONSULTANT SERVICES

	1	2	3	
	Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	\$		35
36	Medical Director	Monthly 14,400	09-03	36
37	Medical Records Consultant	Monthly 122,222	10-03	37
38	Nurse Consultant			38
39	Pharmacist Consultant			39
40	Physical Therapy Consultant			40
41	Occupational Therapy Consultant			41
42	Respiratory Therapy Consultant			42
43	Speech Therapy Consultant			43
44	Activity Consultant	Monthly 2,075	11-03	44
45	Social Service Consultant			45
46	Other(specify)			46
47	Dietary Outside Labor	Monthly 271,334	01-02	47
48				48
49	TOTAL (lines 35 - 48)	\$ 410,031		49

C. CONTRACT NURSES

	1	2	3	
	Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	10 \$ 511	10-03	50
51	Licensed Practical Nurses			51
52	Certified Nurse Assistants/Aides			52
53	TOTAL (lines 50 - 52)	10 \$ 511		53

SEE ACCOUNTANTS' COMPILATION REPORT

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	
Robert Alston	CEO, FSO	0	\$ 300,000	Workers' Compensation Insurance	\$ 487,325	IDPH License Fee	\$	
Stephen Yenchek	VP / COO	0	169,080	Unemployment Compensation Insurance	163,487	Advertising: Employee Recruitment	15,295	
Rebecca Johnson	VP of HR / QI	0	127,166	FICA Taxes	1,113,115	Health Care Worker Background Check		
Richard K. Klockenga	VP / CFO	0	160,000	Employee Health Insurance	2,178,018	(Indicate # of checks performed <u>272</u>)	3,976	
Raymond Gerke Jr.	Dir. Of Financial Planning	0	107,800	Employee Meals		Patient Background Checks	<u>163</u> 1,630	
Helene Corcoran	Corp. Dir. Risk Mgmt	0	113,685	Illinois Municipal Retirement Fund (IMRF)*		Life Services Network	29,739	
See Supplemental Schedule			457,531	Vaccinations	6,989	Dues & Subscriptions	12,291	
TOTAL (agree to Schedule V, line 17, col. 1)				Long & Short Term Disability Insurance	100,640	Executive Allocation	(766)	
(List each licensed administrator separately.)			\$ 1,435,263	Employee Recognitions	874			
				Employee Relations	77	Less: Public Relations Expense	()	
B. Administrative - Other				Recruitment Physicals	17,375	Non-allowable advertising	()	
Description			Amount	Employee Programs	20,690	Yellow page advertising	()	
Management Fees - FSO			\$ 710,306	See Supplemental Schedule	(1,930,015)			
				TOTAL (agree to Schedule V, line 22, col.8)	\$ 2,158,575	TOTAL (agree to Sch. V, line 20, col. 8)	\$ 62,165	
TOTAL (agree to Schedule V, line 17, col. 3)			\$ 710,306	E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**	
(Attach a copy of any management service agreement)				Description	Line #	Amount	Description	Amount
C. Professional Services							Out-of-State Travel	\$
Vendor/Payee	Type		Amount					
Frost, Ruttenberg & Rothblatt	Accounting		\$ 8,550				In-State Travel	
Advanced Answers on Demand	Payroll Processing		5,064					
See Attached	Legal Fees		9,393				Seminar Expense	8,747
							Executive Allocation	1,446
							Entertainment Expense	()
							(agree to Sch. V, line 24, col. 8)	
TOTAL (agree to Schedule V, line 19, column 3)				TOTAL		\$	TOTAL	\$ 10,193
(If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 23,007					

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Village - Schaumburg

0023218

Report Period Beginning: 04/01/08

Ending: 03/31/09

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? Yes
If YES, give association name and amount. LSN \$29,739
- (3) Did the nursing home make political contributions or payments to a political action organization? No If YES, have these costs been properly adjusted out of the cost report? N/A
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 10 Years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 139,820 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. \$ 137,250
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.
- (13) Have costs for all supplies and services which are of the type that can be billed to the Department, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? Yes (See Page 8) For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.
- (15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. \$ Yes Has any meal income been offset against related costs? Yes Indicate the amount. \$ 124,042
- (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? None
- d. Have vehicle usage logs been maintained? N/A
- e. Are all vehicles stored at the nursing home during the night and all other times when not in use? N/A
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
- g. Does the facility transport residents to and from day training? No**
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? Yes
Firm Name: KPMG LLP The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? No If no, please explain. Not Available
- (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