

Facility Name & ID Number Heather Health Care Center

0023945 Report Period Beginning: 1/1/09 Ending: 12/31/09

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 _____

	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	173	Skilled (SNF)	173	63,145	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	173	TOTALS	173	63,145	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	
		3 Medicaid Recipient	Private Pay	4 Other	Total		
8	SNF	3,875		3,826	7,701	8	
9	SNF/PED					9	
10	ICF	39,818	670		40,488	10	
11	ICF/DD					11	
12	SC					12	
13	DD 16 OR LESS					13	
14	TOTALS	43,693	670	3,826	48,189	14	

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 76.31%

D. How many bed-hold days during this year were paid by the Department? N/A (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)

N/A

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 4/1/78

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 173 and days of care provided 2,246

Medicare Intermediary National Government Services, Inc.

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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

Tax Year: 12/31/09 Fiscal Year: 12/31/09

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

Facility Name & ID Number Heather Health Care Center # 0023945 Report Period Beginning: 1/1/09 Ending: 12/31/09

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	238,613	28,677	10,800	278,090	732	278,822	4,551	283,373		1
2	Food Purchase		339,300		339,300	(27,708)	311,592	(36,250)	275,342		2
3	Housekeeping	207,265	40,790		248,055	656	248,711	4,278	252,989		3
4	Laundry	61,741	31,301		93,042	172	93,214		93,214		4
5	Heat and Other Utilities			160,093	160,093		160,093	(9,142)	150,951		5
6	Maintenance	63,114		118,854	181,968	89	182,057	40,892	222,949		6
7	Other (specify):* Security/Related Party Ben			96	96		96	6,289	6,385		7
8	TOTAL General Services	570,733	440,068	289,843	1,300,644	(26,059)	1,274,585	10,618	1,285,203		8
	B. Health Care and Programs										
9	Medical Director			36,000	36,000		36,000		36,000		9
10	Nursing and Medical Records	1,698,409	98,389	7,176	1,803,974	(9,806)	1,794,168	47,916	1,842,084		10
10a	Therapy										10a
11	Activities	407,482	15,010	3,223	425,715	19	425,734		425,734		11
12	Social Services										12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Related Party Benefits							7,543	7,543		15
16	TOTAL Health Care and Programs	2,105,891	113,399	46,399	2,265,689	(9,787)	2,255,902	55,459	2,311,361		16
	C. General Administration										
17	Administrative	98,652			98,652		98,652	92,795	191,447		17
18	Directors Fees										18
19	Professional Services			524,579	524,579	(17,363)	507,216	(433,132)	74,084		19
20	Dues, Fees, Subscriptions & Promotions			74,506	74,506		74,506	(64,063)	10,443		20
21	Clerical & General Office Expenses	149,833	26,315	44,590	220,738	313	221,051	249,182	470,233		21
22	Employee Benefits & Payroll Taxes			466,851	466,851	20,034	486,885	(3,470)	483,415		22
23	Inservice Training & Education										23
24	Travel and Seminar			4,051	4,051		4,051	3,146	7,197		24
25	Other Admin. Staff Transportation			3,769	3,769		3,769	11,180	14,949		25
26	Insurance-Prop.Liab.Malpractice			188,312	188,312		188,312	4,148	192,460		26
27	Other (specify):* Related Party Benefits			275,749	275,749		275,749	(223,891)	51,858		27
28	TOTAL General Administration	248,485	26,315	1,582,407	1,857,207	2,984	1,860,191	(364,105)	1,496,086		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	2,925,109	579,782	1,918,649	5,423,540	(32,862)	5,390,678	(298,027)	5,092,651		29

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

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number

Heather Health Care Center

#0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			103,573	103,573		103,573	42,645	146,218			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			91,787	91,787		91,787	91,904	183,691			32
33	Real Estate Taxes			550,347	550,347	(550,347)		555,432	555,432			33
34	Rent-Facility & Grounds			37,991	37,991	550,347	588,338	(588,338)				34
35	Rent-Equipment & Vehicles			18,264	18,264		18,264	37,351	55,615			35
36	Other (specify):* MIP							7,074	7,074			36
37	TOTAL Ownership			801,962	801,962		801,962	146,068	948,030			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		215,616	250,978	466,594	32,862	499,456	(85,670)	413,786			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			94,718	94,718		94,718		94,718			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers		215,616	345,696	561,312	32,862	594,174	(85,670)	508,504			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	2,925,109	795,398	3,066,307	6,786,814		6,786,814	(237,630)	6,549,184			45

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

Heather Health Care Center
 Reclassifications on Pgs 3 & 4 - Column 5
 Report Period Beginning:
 Report Period Ending:

IDPH Facility ID Number: #0023945

1/1/2008
 12/31/2008

<u>From Line</u>	<u>To Line</u>	<u>Amount</u>	<u>Description</u>
2	22	(27,708.30) 27,708.30	Employee Meals Employee Meals
22	10	(7,674.00) 5,693.00	Uniforms Uniforms
	1	732.00	Uniforms
	3	656.00	Uniforms
	4	172.00	Uniforms
	6	89.00	Uniforms
	11	19.00	Uniforms
	21	313.00	Uniforms
10	39	(32,861.76) 32,861.76	Oxygen - to appropriate cost center Oxygen - to appropriate cost center
33	34	(550,347.00) 550,347.00	Rent - Real Estate Tax on associated landowner (Pg 6) Rent - Real Estate Tax on associated landowner (Pg 6)

Others, if any:

19	10	(17,362.79) 17,362.79	Reclass Clinical Coordinators to Ln 10 Reclass Clinical Coordinators to Ln 10
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Net

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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	49,365	30		9
10	Interest and Other Investment Income	(329)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(109)	2		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	(1,342)	21		17
18	Fines and Penalties	(23,548)	32		18
19	Entertainment	(1,028)	20		19
20	Contributions	(5,897)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(17,228)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(275,749)	27		24
25	Fund Raising, Advertising and Promotional	(20,292)	20		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
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (296,157)		\$	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)	35,658	Varies	34
35	Other- Attach Schedule	22,869	Pg 5A	35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ 58,527		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (237,630)		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					44
45	Other-Attach Schedule		x		45
46	Other-Attach Schedule		x		46
47	TOTAL (C): (sum of lines 38-46)			\$	47

BHF USE ONLY

48		49		50		51		52
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Heather Health Care CenterID# 0023945Report Period Beginning: 1/1/09Ending: 12/31/09

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Late Fees on Utilities	\$ (11,747)	5	1
2	Late Fee on Telephone	(12)	21	2
3	Intercompay Interest not Allowed	(68,239)	32	3
4	Miscellaneous Income - Misc	(212)	21	4
5	Miscellaneous Income - Food Vendor Rebate	(1,052)	2	5
6	Miscellaneous Income - Medical Records	(1,115)	10	6
7	Miscellaneous Income - Jury Duty Receipt	(86)	21	7
8	Miscellaneous Income - Vending Machine Receipt	(492)	2	8
9	Marketing Manager & Aides	(21,739)	21	9
10				10
11	Back out % of Employee Benefits - Mktg Manager	(3,470)	22	11
12				12
13	Back Out 30.00% (for 2009) of PAC Dues	(2,865)	20	13
14				14
15	Back out Fines & Penalties-HHCCII	(29,045)	32	15
16	Eliminate Late Fees on Unpaid Real Estate Taxes	(4,121)	32	16
17	Reduce deprec exp on Pg 13 items under \$2,500	(5,942)	30	17
18	Reduce deprec exp on Pg 12 items under \$2,500	0	30	18
19	Expense capital items > \$2,500 on Pg 13 Items-CY	18,507	6	19
20	Expense capital items > \$2,500 on Pg 13 Items	516	6	20
21	Expense capital items > \$2,500 on Pg 12 Items	270	6	21
22	Reduce deprec exp on Pg 12 items under \$2,500	(4,979)	30	22
23	Expense capital items > \$2,500 on Pg 12 Items	3,925	6	23
24				24
25	Mortgage Interest	120,687	32	25
26	Mortgage Insurance	7,074	36	26
27				27
28				28
29	Deming Related Costs	(473)	24	29
30				30
31	Adj for ABC Related Party Profit - Pg 12	(14)	30	31
32	Adj for ABC Related Party Profit - Pg 13	(15)	30	32
33				33
34	Eliminate legal invoice credits relating to prior year	27,506	19	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	22,869		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Heather Health Care Center# 0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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	0	0	5,793	(1,242)	0	0	0	0	0	0	0	4,551	1
2	Food Purchase	(1,653)	0	0	(34,597)	0	0	0	0	0	0	0	(36,250)	2
3	Housekeeping	0	0	4,278	0	0	0	0	0	0	0	0	4,278	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	(11,747)	0	2,605	0	0	0	0	0	0	0	0	(9,142)	5
6	Maintenance	23,218	0	17,936	0	0	0	(262)	0	0	0	0	40,892	6
7	Other (specify):*	0	0	5,635	654	0	0	0	0	0	0	0	6,289	7
8	TOTAL General Services	9,818	0	36,247	(35,185)	0	0	(262)	0	0	0	0	10,618	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	(1,115)	0	45,387	1,195	2,449	0	0	0	0	0	0	47,916	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	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	7,543	0	0	0	0	0	0	0	0	7,543	15
16	TOTAL Health Care and Programs	(1,115)	0	52,930	1,195	2,449	0	0	0	0	0	0	55,459	16
	C. General Administration													
17	Administrative	0	0	92,795	0	0	0	0	0	0	0	0	92,795	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	10,278	0	(443,410)	0	0	0	0	0	0	0	0	(433,132)	19
20	Fees, Subscriptions & Promotions	(30,082)	0	(33,981)	0	0	0	0	0	0	0	0	(64,063)	20
21	Clerical & General Office Expenses	(23,391)	0	243,274	15,160	14,139	0	0	0	0	0	0	249,182	21
22	Employee Benefits & Payroll Taxes	(3,470)	0	0	0	0	0	0	0	0	0	0	(3,470)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	(473)	0	3,618	0	0	0	0	0	0	0	0	3,146	24
25	Other Admin. Staff Transportation	0	0	11,180	0	0	0	0	0	0	0	0	11,180	25
26	Insurance-Prop.Liab.Malpractice	0	3,991	157	0	0	0	0	0	0	0	0	4,148	26
27	Other (specify):*	(275,749)	0	50,262	1,880	(284)	0	0	0	0	0	0	(223,891)	27
28	TOTAL General Administration	(322,886)	3,991	(76,105)	17,040	13,855	0	0	0	0	0	0	(364,105)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(314,182)	3,991	13,072	(16,950)	16,304	0	(262)	0	0	0	0	(298,027)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Heather Health Care Center# 0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	D. Ownership													
30	Depreciation	38,415	0	2,864	0	1,366	0	0	0	0	0	0	42,645	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(4,594)	33,166	62,695	0	637	0	0	0	0	0	0	91,904	32
33	Real Estate Taxes	0	550,347	4,953	0	132	0	0	0	0	0	0	555,432	33
34	Rent-Facility & Grounds	0	(588,338)	0	0	0	0	0	0	0	0	0	(588,338)	34
35	Rent-Equipment & Vehicles	0	0	37,351	0	0	0	0	0	0	0	0	37,351	35
36	Other (specify):*	7,074	0	0	0	0	0	0	0	0	0	0	7,074	36
37	TOTAL Ownership	40,895	(4,825)	107,863	0	2,135	0	0	0	0	0	0	146,068	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	(17,800)	1,116	(68,986)	0	0	0	0	0	(85,670)	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):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	0	0	0	(17,800)	1,116	(68,986)	0	0	0	0	0	(85,670)	44
	GRAND TOTAL COST													
45	(sum of lines 29, 37 & 44)	(273,288)	(834)	120,935	(34,750)	19,555	(68,986)	(262)	0	0	0	0	(237,630)	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
The Alden Group, Ltd.	100	See Pg 6K		See Pg 6K		

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	34 Rent Income	\$ 588,338	Heather Health Care Center II, LLC	0.00%	\$	\$ (588,338)	1
2	V	32 Fines & Penalties		Heather Health Care Center II, LLC		33,166	33,166	2
3	V	33 Real Estate Tax Expense		Heather Health Care Center II, LLC		550,347	550,347	3
4	V	26 General Insurance Expense		Heather Health Care Center II, LLC		3,991	3,991	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		\$ 588,338			\$ 587,504	\$ * (834)	14

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

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning: 1/1/09

Ending: 12/31/09

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	5 Utilities	\$	Alden Management Services, Inc.	0.00%	\$ 2,605	\$	2,605	15
16	V	24 Travel & Seminar		Alden Management Services, Inc.		3,618		3,618	16
17	V	25 Other Admin Travel		Alden Management Services, Inc.		11,180		11,180	17
18	V	26 Insurance		Alden Management Services, Inc.		157		157	18
19	V	20 Dues/Subscriptions	34,512	Alden Management Services, Inc.		531		(33,981)	19
20	V	30 Depreciation		Alden Management Services, Inc.		2,864		2,864	20
21	V	33 Real Estate Tax		Alden Management Services, Inc.		4,953		4,953	21
22	V	35 Rent-Equip/Vehic		Alden Management Services, Inc.		37,351		37,351	22
23	V	32 Interest		Alden Management Services, Inc.		62,695		62,695	23
24	V	1 Dietary Aide Coordinator Salary		Alden Management Services, Inc.		5,793		5,793	24
25	V	3 Housekeeping Coordinaor Salary		Alden Management Services, Inc.		4,278		4,278	25
26	V	7 Employee Benef %- Gen'l Servs		Alden Management Services, Inc.		5,635		5,635	26
27	V	10 Nurs & Med Records Salary		Alden Management Services, Inc.		45,387		45,387	27
28	V	15 Employee Benef %-Health Care		Alden Management Services, Inc.		7,543		7,543	28
29	V	17 Administrative Salary		Alden Management Services, Inc.		92,795		92,795	29
30	V	27 Employee Benef %-Administrative		Alden Management Services, Inc.		50,262		50,262	30
31	V	19 Professional Fees	483,600	Alden Management Services, Inc.		40,190		(443,410)	31
32	V	21 Gen'l & Admin		Alden Management Services, Inc.		243,274		243,274	32
33	V	6 Repairs & Maintenance	16,870	Alden Management Services, Inc.		34,806		17,936	33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total		\$ 534,982			\$ 655,917	\$ *	120,935	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	1 Dietary Consultant	\$ 10,800	Prism Health Care Services, Inc.	0.00%	\$ 2,711	\$ (8,089)
16	V	1 Dietary Salary		Prism Health Care Services, Inc.		6,847	6,847
17	V	2 Tube Feeding	52,812	Prism Health Care Services, Inc.		18,215	(34,597)
18	V	10 Equipment Rental	6,660	Prism Health Care Services, Inc.		7,855	1,195
19	V	39 Supplies	47,022	Prism Health Care Services, Inc.		29,222	(17,800)
20	V	21 Salary G & A		Prism Health Care Services, Inc.		9,837	9,837
21	V	27 Employee Benefits		Prism Health Care Services, Inc.		1,880	1,880
22	V	7 Employee Benefits		Prism Health Care Services, Inc.		654	654
23	V	21 G & A		Prism Health Care Services, Inc.		5,323	5,323
24	V						
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 117,294			\$ 82,544	\$ * (34,750)

* 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	39 <u>Drugs</u>	\$ 104,900	<u>Forum Extended Care Services II, Inc.</u>	0.00%	\$ 143,825	\$ 38,925	15
16	V	39 <u>IV</u>	40,670	<u>Forum Extended Care Services II, Inc.</u>		5,365	(35,305)	16
17	V	39 <u>Wound Care</u>	11,847	<u>Forum Extended Care Services II, Inc.</u>		9,343	(2,504)	17
18	V	10 <u>House Stock</u>	5,149	<u>Forum Extended Care Services II, Inc.</u>		4,670	(479)	18
19	V	10 <u>Pharmacy Consultant</u>	5,124	<u>Forum Extended Care Services II, Inc.</u>		8,052	2,928	19
20	V	27 <u>Employee Vaccinations</u>	1,352	<u>Forum Extended Care Services II, Inc.</u>		1,068	(284)	20
21	V	21 <u>Employee Benefit: G & A</u>		<u>Forum Extended Care Services II, Inc.</u>		1,007	1,007	21
22	V	21 <u>Salary: G & A</u>		<u>Forum Extended Care Services II, Inc.</u>		8,373	8,373	22
23	V	21 <u>General & Administrative</u>		<u>Forum Extended Care Services II, Inc.</u>		4,759	4,759	23
24	V	32 <u>Interest</u>		<u>Forum Extended Care Services II, Inc.</u>		637	637	24
25	V	33 <u>Real Estate Tax</u>		<u>Forum Extended Care Services II, Inc.</u>		132	132	25
26	V	30 <u>Depreciation</u>		<u>Forum Extended Care Services II, Inc.</u>		1,366	1,366	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		\$ 169,042			\$ 188,597	\$ * 19,555	39

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

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning: 1/1/09

Ending: 12/31/09

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	39 Therapy Revenue	\$ 244,788	Community Physical Therapy & Associates, Ltd.	0.00%	\$ 175,802	\$ (68,986)
16	V						
17	V						
18	V						
19	V						
20	V						
21	V						
22	V						
23	V						
24	V						
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 244,788			\$ 175,802	\$ * (68,986)

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

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning: 1/1/09

Ending: 12/31/09

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	6 Repairs & Maintenance	\$ 19,786	Alden Bennett Construction Company, Inc.	0.00%	\$ 19,524	\$ (262)
16	V						
17	V						
18	V						
19	V						
20	V						
21	V						
22	V						
23	V						
24	V						
25	V						
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 19,786			\$ 19,524	\$ * (262)

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

Facility Name & ID Number Heather Health Care Center

Provider No. 0023945

Report Period Beginning:

1/1/09

Ending: 12/31/09

RELATED NURSING HOMES		OTHER RELATED BUSINESS ENTITIES		
Name	City	Name	City	Type of Business
		The Forum Professional Center, LP	Chicago	Home Office rental
Heather Health Care Center, Inc.	Harvey			
Alden-Long Grove Rehabilitation and Health Care Center, Inc.	Long Grove	Forum Extended Care Services II, Inc.	Chicago	Pharmacy
Alden-Lincoln Park Rehabilitation and Health Care Center, Inc.	Chicago	Alden Management Services, Inc.	Chicago	Management
Alden-Northmoor Rehabilitation and Health Care Center, Inc.	Chicago			
Alden-Lakeland Rehabilitation and Health Care Center, Inc.	Chicago			
Alden of Old Town East, Inc.	Bloomingtondale	Alden Garden Courts of DesPlaines, LLC	DesPlaines	Assisted Living/Alzheimers Facility
Alden Terrace of McHenry Rehabilitation and Health Care Center, Inc.	McHenry	Alden Courts of Waterford, LLC	Aurora	Alzheimers Facility
Alden - Wentworth Rehabilitation and Health Care Center, Inc.	Chicago	Alden Gardens of Waterford, LLC	Aurora	Assisted Living
Alden Estates of Naperville, Inc.	Naperville	Prism Health Care Services, Inc.	Schaumburg	Nursing and Durable Equipment
Alden - Valley Ridge Rehabilitation and Health Care Center, Inc.	Bloomingtondale	Community Physical Therapy & Associates, Ltd.	Wood Dale	Therapy Provider
Alden Village Health Facility for Children and Young Adults, Inc.	Bloomingtondale	Alden Bennett Construction Company, Inc.	Chicago	General Contractor
Alden - Orland Park Rehabilitation and Health Care Center, Inc.	Orland Park			
Alden - Princeton Rehabilitation and Health Care Center, Inc.	Chicago			
Alden of Old Town West, Inc.	Bloomingtondale			
Alden - Town Manor Rehabilitation and Health Care Center, Inc.	Cicero			
Alden Trails, Inc.	Bloomingtondale			
Alden - Poplar Creek Rehabilitation and Health Care Center, Inc.	Hoffman Estates			
Alden - North Shore Rehabilitation and Health Care Center, Inc.	Skokie			
Alden - Des Plaines Rehabilitation and Health Care Center, Inc.	Des Plaines			
Alden Estates of Evanston, Inc.	Evanston			
Alden - Alma Nelson Manor, Inc.	Rockford			
Alden - Park Strathmoor, Inc.	Rockford			
Alden - Meadow Park Health Care Center, Inc.	Clinton, WI			
Alden Estates of Barrington, Inc.	Barrington			
Alden of Waterford, LLC	Aurora			
Alden Springs, Inc.	Bloomingtondale			
Alden Village North, Inc.	Chicago			
Alden Estates of Skokie, Inc.	Skokie			

Facility Name & ID Number

Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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	Floyd A. Schlossberg	President	CEO	100.00	177,704	1.576	3.94	Salary	\$ 7,296	17-7	1
2	Lauren Magnusson	Dir. Of Clinical Servi	Technical Nursing	0.00	65,933	1.576	3.94	Salary	2,707	10-7	2
3	Terry Magnusson	Dir. of Purchasing	Supervise Mainten	0.00	37,961	1.576	3.94	Salary	1,559	6-7	3
4											4
5											5
6											6
7	A. Floyd Schlossberg is the President and sole stockholder of Alden Management Services, Inc.										7
8	B. Lauren Magnusson is the daughter of Floyd Schlossberg. Lauren is the Director of Clinical Services and provides technical support for the entire nursing staff.										8
9	C. Terry Magnusson is the son-in-law of Floyd Schlossberg. Terry coordinates the purchase of all building maintenance items as well as supervise building engineers.										9
10											10
11											11
12											12
13								TOTAL	\$ 11,562		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

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending: 12/31/09

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 Alden Management Services, Inc.
 Street Address 4200 W. Peterson
 City / State / Zip Code Chicago, IL 60646
 Phone Number (773) 286-3883
 Fax Number (773) 286-8038

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	Patient Days	1,221,923	31	\$ 66,061	\$ 48,189	\$ 2,605	1
2	24	Travel/Seminar	Patient Days	1,221,923	31	91,753	48,189	3,618	2
3	25	Other Admin Travel	Patient Days	1,221,923	31	283,487	48,189	11,180	3
4	26	Insurance	Patient Days	1,221,923	31	3,990	48,189	157	4
5	20	Dues/Subscriptions	Patient Days	1,221,923	31	13,454	48,189	531	5
6	30	Depreciation	No. of Providers	1,221,923	31	102,169	1	2,864	6
7	33	Real Estate Tax	Patient Days	1,221,923	31	139,876	48,189	4,953	7
8	35	Rent-Equip & Vehicles	Patient Days	1,221,923	31	947,116	48,189	37,351	8
9	32	Interest	Patient Days	1,221,923	31	1,339,694	48,189	62,695	9
10	1	Dietary Salary	Patient Days	1,221,923	31	146,892	146,892	5,793	10
11	3	Housekeeping Salary	Patient Days	1,221,923	31	108,487	108,487	4,278	11
12	7	Employee Benef-Gen'l Servs	Patient Days	1,221,923	31	142,881	48,189	5,635	12
13	10	Nurs/Med Records Salary	Patient Days	1,221,923	31	1,259,741	1,259,741	45,387	13
14	15	Employee Benef-Health Care	Patient Days	1,221,923	31	191,270	48,189	7,543	14
15	17	Administrative Salary	Patient Days	1,221,923	31	2,477,865	2,477,865	92,795	15
16	27	Employee Benef-Administrative	Patient Days	1,221,923	31	1,274,479	48,189	50,262	16
17	19	Professional Fees	Patient Days	1,221,923	31	1,019,103	624,209	40,190	17
18	21	Gen'l & Administrative	Patient Days	1,221,923	31	6,168,666	5,291,904	243,274	18
19	6	Repairs & Maintenance	Patient Days	1,221,923	31	882,577	685,666	34,806	19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 16,659,561	\$ 10,594,764	\$ 655,917	25

Facility Name & ID Number

Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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	Proforma Allocation of Mortgage									1									
2	Interest due to Sale/Leaseback	X	Mortgage	\$17,353.57	6/1/80	2,430,000	1,414,856	12/31/2019	8.2500	120,687									
3										3									
4										4									
5										5									
Working Capital																			
6	Related party-AMS	X	Working Capital							62,695									
7	Related party-FECH	X	Working Capital							637									
8										8									
9	TOTAL Facility Related			\$17,353.57		\$ 2,430,000	\$ 1,414,856			\$ 184,019									
B. Non-Facility Related*																			
10	Interest Income									(328)									
11										11									
12										12									
13										13									
14	TOTAL Non-Facility Related					\$	\$			\$ (328)									
15	TOTALS (line 9+line14)					\$ 2,430,000	\$ 1,414,856			\$ 183,691									

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 7,074 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.)

** 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

		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and			
1. Real Estate Tax accrual used on 2008 report.				\$	498,600
					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.)				\$	242,042
					2
3. Under or (over) accrual (line 2 minus line 1).				\$	(256,558)
					3
4. Real Estate Tax accrual used for 2009 report. (Detail and explain your calculation of this accrual on the lines below.)				\$	806,905
					4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)				\$	
					5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)				\$	
					6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.				\$	550,347
					7
Real Estate Tax History:				\$	5,085
					555,432
Real Estate Tax Bill for Calendar Year:	2004	356,711	8	FOR BHF USE ONLY	
	2005	454,600	9		
	2006	407,991	10		
	2007	484,085	11		
	2008	516,747	12		
The current year accrual is based on an estimated 3% increase of the prior year tax.				13	13
				14	14
				15	15
				16	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.

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 48,971 B. General Construction Type: Exterior Brick/Concrete Frame Steel Number of Stories 1, Partial 2

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>62,115</u>	<u>2005</u>	<u>\$ 187,500</u>	<u>1</u>
2					<u>2</u>
3	TOTALS	62,115		\$ 187,500	3

Facility Name & ID Number Heather Health Care Center

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Report Period Beginning:

1/1/09

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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	49	1978	1975	\$ 496,626	\$	27	\$	\$	\$ 496,626	4
5	123	1980	1980	1,789,311		30	47,893	47,893	1,789,311	5
6	addition	1979	1979	38,500		30	1,283	1,283	38,072	6
7										7
8	Related Party-Forum		1978	13,669		25			13,669	8
	Improvement Type**									
9	LAND IMPROVEMENT/ROFFING/HVAC		1980	168,496		10-27	189	189	168,307	9
10	PAVING/PAINTING/DRAINAGE TILE		1981	13,153		10-30			13,153	10
11	ROOFING		1983	3,100		12			3,100	11
12	DOOR WINDOW/BEARING ASSEMBLE/WATER PUMP		1984	15,805		5			15,805	12
13	ROOFING/HEAT EXCHANGE/MOTOR/BASEBOARD		1985	17,603		8-10			17,603	13
14	ROOF REPAIR/SEAL PARKING LOT/HEAT EXCHANGE		1986	40,170		2-10			40,170	14
15	COMPRESSOR REPR/INSTLL FLOW/SWTCH/REWIRE ALARM		1988	15,385		5 &10			15,385	15
16	REPL HEAT EXCHANGE/ROOFTOP EXHST/RE-BRICK WALL		1991	22,663	486	5-25	486		21,507	16
17	HOT WATER TANK/SEWER REPAIR		1992	15,092		5 &15			15,092	17
18	SEWAGE EJECTOR/VALVE/MOTOR		1993	12,871		5&10			12,871	18
19	ROOF REPAIR/BOILEER/PUMP REPAAIR/ALARM REPAIR		1994	32,136		3			32,136	19
20	ALARM REPAIR/LOCK SET & KEYS/FLOOR REPAIR		1995	43,408		3-20			43,408	20
21	TILE INSTALLED & REPAIR CORRIDOR		1996	1,558		10			1,558	21
22	REMOVED & REPLACED NEW MOTOR		1996	3,292		10			3,292	22
23	REMOVED & INSTALLED NEW MOTOR		1996	1,714		10			1,714	23
24	ELECTRICAL REPAIR		1996	3,127	156		156		2,137	24
25	WINDOW REPAIR		1996	6,466	323	20	323		4,392	25
26	VALVE REPAIR		1996	1,523	102	15	102		1,379	26
27	BOILER LEAKING		1996	6,876	458	15	458		6,074	27
28	WINDOW REPAIR		1996	2,713	136	20	136		1,775	28
29	WINDOW REPAIR		1993	7,441		5			7,441	29
30	WINDOW REPAIR		1994	13,715		5			13,715	30
31	FLOOR TILE & BASE		1995	788	39	20	39		535	31
32	INSTALL ASPHALT		1996	16,215		10			16,215	32
33	INSTALL DOOR FRAME		1997	2,517		10			2,265	33
34	INSTALL VENT PIPE FOR DRYER		1997	6,180		5			6,180	34
35	INSTALL TILE		1997	1,706		5			1,706	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

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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	
37	REPLACE BOILER ROOM- TOP A/C	1997	\$ 6,000	\$	5	\$	\$	\$ 6,000	37
38	INSTALL GAS PIPE	1997	4,220		5			4,220	38
39	INSTALL NEW VALVE AND RECOPPER	1998	1,864		5			1,864	39
40	PIPING	1998	7,104	284	25	284		3,363	40
41	ROOF REPAIR	1998	2,920		10			2,920	41
42	REPAIR & CHECK VOLTAGE OUTPUT	1998	1,780		5			1,780	42
43	REPLACED VALVE - HOT WATER	1998	3,270		5			3,270	43
44	REMODELED & DECORATED ROOMS	1998	28,760	1,917	15	1,917		22,369	44
45	WHIRLPOOL TURBINE	1998	1,599		5			1,599	45
46	REPLACE EXHAUST FAN	1998	1,950	130	15	130		1,517	46
47	FIX FLOOR TILE	1998	3,626		10			3,626	47
48	INSTALL DOOR MONITORING SYSTEM	1998	1,587		10			1,587	48
49	INSTALL SECURITRON ANNUNCIATOR	1998	1,764	44	10	44		1,764	49
50	REPLACE BOILER ON STEAMER	1998	4,283		10			4,283	50
51	INSTALL RESET CONTROL ON BOILER	1998	3,900	195	20	195		2,226	51
52	WRAP CHILLER PIPES	1998	2,682	134	20	134		1,497	52
53	REPLACE PUMP MOTOR	1998	4,425	295	15	295		3,294	53
54	PAINT	1998	7,845	392	20	392		7,845	54
55	CLIMATE SERICE (CLEANED BOILER, VALVE)	1999	1,374	69	20	69		756	55
56	CLIMATE SERVICE (REPLACE MISING VALVE)	1999	3,317	221	15	221		2,432	56
57	CLIMATE SERVICE (INSTALLL HOT WATER HEATER)	1999	7,391	493	15	493		5,379	57
58	CLIMATE SERVICE (INSTALL ROOF TOP REPLACEMENT)	1999	9,935	83	10	83		9,935	58
59	CLIMATE SERVICE (REPAIR HEATING UNIT)	1999	1,643	110	15	110		1,187	59
60	ENVIRON VISION ENVIRONMENT	1999	2,919	24	10	24		2,919	60
61	CHICAGO COOLING CORP (SHUTDOWN BOILER & AC	1999	2,117	87	10	87		2,117	61
62	ABC CARPENTRY	1999	2,031	85	10	85		2,031	62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 2,934,125	\$ 6,263		\$ 55,628	\$ 49,365	\$ 2,908,371	70

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

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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		\$ 2,934,125	\$ 6,263		\$ 55,628	\$ 49,365	\$ 2,908,371	1
2	ABC WINDOW SCREENS	1999	3,916	163	10	163		3,916	2
3	ABC INSULATION	1999	3,203	133	10	133		3,203	3
4	CLIMATE SERVICE, INC. (INSTALL CONDENSER)	1999	4,565	304	15	304		3,195	4
5	WIGDAHL ELECTRIC (RECEPTACLES INSTALLED)	1999	5,457	273	20	273		2,865	5
6	CLIMATE SERVICE, INC. (REPLACE MOTOR ON FAN)	1999	2,772	139	10	139		2,772	6
7	CLIMATED SERVICE, INC. - REPLACE FAN MOTOR	1999	1,693	85	10	85		1,693	7
8	ADVANCED PARTS -GARBAGE DISPOSAL	1999	6,515		5			6,515	8
9	THE FLOOR SOURCE -INSTALL CARPET	1999	2,469		5			2,469	9
10	FOX VALLEY FIRE & SAFETY-DOOR ALARM SYSTEM	1999	2,540	169	15	169		1,722	10
11	CLIMATE SERVICE, INC.-BOILER	1999	8,437	422	20	422		4,254	11
12	ABC - GENERAL	1999	4,099	375	10	375		4,099	12
13	ABC ROOF	1999	2,501	229	10	229		2,501	13
14	ABC HARDWARE	1999	1,793	164	10	164		1,793	14
15	CLIMATE SERVICE, INC. REPAIR BURNER	1999	1,615	148	10	148		1,615	15
16									16
17	FOX VALLEY FIRE & SAFETY -SMOKE DETECTORS	1999	7,500	750	10	750		7,500	17
18	DELETE ABOVE ITEM	2000	(7,500)	(750)	10	(750)		(7,500)	18
19	ABC-BUILDING CONSTRUCTION/VARIOUS	2000	3,244	324	10	324		2,757	19
20	FOX VALLEY -SMOKE DETECTORS	2000	7,500	750	10	750		7,500	20
21	FOX VALLEY-DOOR ALARMS	2000	1,931	193	10	193		1,931	21
22	LONG ELEVATOR-ATTACHMENTS	2000	1,751	88	20	88		876	22
23	CLIMATE SERVICES-BOILER ROOM	2000	4,422	221	20	221		2,192	23
24	CI-SERVICE DRAPES/RODS	2000	9,460		5			9,460	24
25	ADJUST 1999 TOTAL TO CORRECT AMOUNTS	2000	10	1	10	1		10	25
26	ABC-BUILDING MAINT CONSTRUCT-VARIOUS	2000	19,015	1,901	10	1,901		18,064	26
27	NEW HORIZONS-TELEPHONE SYSTEM	2000	1,670	167	10	167		1,600	27
28	ABC-SEAL & STRIPE PARK. LOT	2000	4,154	415	10	415		3,808	28
29	CSI CORKER SERVICE	2001	4,773	239	20	239		2,029	29
30	ABC-TIME & MATERIAL BILLING (JULY 2001)	2001	6,028	603	10	603		5,024	30
31	ABC-TIME & MATERIAL BILLING (OCT 2001)	2001	7,272	727	10	727		5,879	31
32	CAPPS PLUMBING	2001	12,236	1,224	10	1,224		10,091	32
33	GT MECHANICAL - WATER HEATER	2001	4,559	304	15	304		2,507	33
34	TOTAL (lines 1 thru 33)		\$ 3,073,725	\$ 16,026		\$ 65,391	\$ 49,365	\$ 3,024,709	34

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

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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		\$ 3,073,725	\$ 16,026		\$ 65,391	\$ 49,365	\$ 3,024,709	1
2	Retile Basement Corridor 1	2002	3,650	365	10	365		2,798	2
3	Retile Basement Corridor 2	2002	3,650	365	10	365		2,737	3
4	Replace 4 Windows	2002	782	78	10	78		587	4
5	Replace 10 Windows	2002	2,204	220	10	220		1,763	5
6	Repiping 15' 2" galv pipe	2002	1,165	47	25	47		357	6
7	Replace RPZ Valve main Boiler Room	2002	545	36	15	36		285	7
8	Replace RPZ Valves 1 small Boiler Room	2002	1,865	124	15	124		974	8
9	Replace 3 outside valves	2002	1,165	78	15	78		576	9
10	ABC - Replace doors	2002	4,103	410	10	410		2,907	10
11	Security Services - Keypad entry system	2002	1,575	105	15	105		744	11
12	Security Services - Door Alarm System	2002	2,035	136	15	136		961	12
13	CAPPS Replace Drain Line	2002	2,965	148	20	148		1,161	13
14	GT Mechanical - replace chiller condensor motor	2002	2,876	192	15	192		1,422	14
15	GT Mechanical - Replace Bearing assem. Big Boiler	2002	1,357	90	15	90		716	15
16	GT Mechanical - Hot water circ pump lg. Boiler room	2002	698	47	15	47		372	16
17	CSI - Replace valves, steamer & timer on ovens	2002	1,761	117	15	117		939	17
18	Healthcare Products - Repair wheelchairs	2002	2,282		3			2,282	18
19	CAPPS - Repair Sprinkler System	2002	1,165	78	15	78		576	19
20	GT Mechanical - Repair Heater	2002	1,658	111	15	111		801	20
21	A&B Custom Cabel install 21 cable outlets	2003	1,731	173	10	173		1,183	21
22	ABC - New floor in PT Room	2003	3,896	390	10	390		2,630	22
23	A&B Custom Cabel install 27 cable outlets	2003	2,318	232	10	232		1,526	23
24	A&B Custom Cabel install 97 cable outlets	2003	6,969	697	10	697		4,588	24
25	Security Service - Door alarm service	2003	2,284	152	15	152		990	25
26	Capps - Repair 1st floor drains	2003	1,553	155	10	155		1,074	26
27	GT Mech- Repair water pump	2003	1,674		5			1,674	27
28	CSI - Repair Dishwasher	2003	1,953		5			1,953	28
29	Capps - Repair Sewer	2003	3,755	250	15	250		1,648	29
30	New Horizons Comm - Repair Phone system	2003	1,908		5			1,908	30
31	Capps - New Laundry Tub 1of2	2003	1,800	180	10	180		1,170	31
32	Capps - New Laundry Tub 2of2	2003	2,214	221	10	221		1,439	32
33	New Horizons Comm - Repair Phone system	2003	2,897		5			2,897	33
34	TOTAL (lines 1 thru 33)		\$ 3,146,178	\$ 21,223		\$ 70,588	\$ 49,365	\$ 3,072,347	34

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

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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 12C, Carried Forward		\$ 3,146,178	\$ 21,223		\$ 70,588	\$ 49,365	\$ 3,072,347	1
2	Forum Prof Ctr: Remodeling	1979	16,169		20			16,169	2
3	Forum Prof Ctr: Build Improv - multiple	1980	10,322		15			10,322	3
4	Forum Prof Ctr: Tennant Improv	1986	836		13			836	4
5	Forum Prof Ctr: AMS remodel	1990	5,681		10			5,681	5
6	Forum Prof Ctr: Roof	1994	2,997	187	16	187		2,811	6
7	Forum Prof Ctr: Build Improv-multiple	1995	1,057	66	16	66		921	7
8	Forum Prof Ctr: Asphalt/Design/etc.	2000	1,669	152	10	152		1,496	8
9	Forum Prof Ctr: Remodel/electrical	2001	650	36	7	36		543	9
10	Forum Prof Ctr: bathroom remodel	2002	575	54	5	54		427	10
11	Forum Prof Ctr: remodel suites/etc.	2003	739	75	9	75		516	11
12	Forum Prof Ctr: lunchroom/suites remodel/concrete/plaster/etc	2004	2,275	244	7	244		1,765	12
13	Forum Prof Ctr: Suite renovation	2005	460	83	10	83		450	13
14	Forum Prof Ctr: Superior installations, etc.	2006	91	23	4	23		77	14
15	Forum Prof Ctr: Sidewalks/major hvac/Condensor	2007	432	67	7	67		155	15
16	Forum Prof Ctr: Park. Lot/glass/maj hvac	2008	368	64	7	64		87	16
17	Forum Prof Ctr: Maj Hvac/re-stucco bldg	2009	762	15	7	15		15	17
18	Alden Mgt Servs: Remodel suites	1993	5,555		7			5,555	18
19	Alden Mgt Servs: Remodel suites	2002	318	42	7	42		309	19
20	Alden Mgt Servs: Remodel suites	2003	8,987	1,238	7	1,238		8,765	20
21									21
22	Forum Ext Care, LLC-Building	1998	6,067	152	40	152		1,732	22
23	Forum Ext Care, LLC-Build Improv	1999	4,689	117	40	117		1,230	23
24	Forum Extended Care-Maj Eq Repair	2002	31		3			31	24
25	Forum Extended Care-Maj Plumbing Repair	2003	29		3			29	25
26	Forum Extended Care-Compressor	2004	20		3			20	26
27									27
28									28
29									29
30									30
31									31
32	Adj for ABC Related Party Profit	2008	(73)	(11)		(11)		(11)	32
33	Adj for ABC Related Party Profit	2009	(86)	(3)		(3)		(3)	33
34	TOTAL (lines 1 thru 33)		\$ 3,216,798	\$ 23,824		\$ 73,189	\$ 49,365	\$ 3,132,276	34

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

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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 12D, Carried Forward		\$ 3,216,798	\$ 23,824		\$ 73,189	\$ 49,365	\$ 3,132,276	1
2	ABC - Repair Roof	2003	10,191	1,019	10	1,019		6,539	2
3	CSI - Repair Drain	2003	1,768		5			1,768	3
4	CAPPS - CLEAR BASIN & CLEAN DRAIN	2004	975	130	5	130		975	4
5	CAPPS - POWER RODDED MAIN SEWER	2004	1,720	229	5	229		1,720	5
6	CSI - WATER HEATER PARTS AND REPAIR	2004	1,760	176	5	176		1,012	6
7	ABC - REPAIR LEAKY ROOF	2004	3,203	427	5	427		3,203	7
8	TNS/TERMINX - PEST CONTROL DRVC OF 6 LOCATIONS	2004	2,028	68	5	68		2,028	8
9	ABC - HVAC WORK/INSULATION	2004	7,090	709	10	709		4,018	9
10	ABC - WATER HEATER	2004	8,891	889	10	889		5,261	10
11	Top Notch - Door & Frame w/Hardware	2005	3,595	360	10	360		1,618	11
12	ABC - Bathroom Repairs	2005	4,307	431	10	431		2,154	12
13	CAPPS - Install new Basin, backflow valave in manhole	2005	4,200	840	5	840		4,130	13
14	CAPPS - Replaced Pipe, Power Rodded	2005	2,400	480	5	480		2,360	14
15	ABC - Bathroom Repairs	2005	10,661	1,066	10	1,066		5,153	15
16	GT Mechanical - Repair Boiler	2005	4,334	433	10	433		2,059	16
17	CAPPS - New RPZ	2005	1,965	197	10	197		933	17
18	GT Mechanical - Bell and Gosset Bearing Assembly/GE Motor	2005	2,398	240	10	240		1,099	18
19	Cybor Fire Protection - Sprinkler System Pipe Work	2005	2,985	597	5	597		2,687	19
20	Oak Fire - Alarm Repair (new pit, connect Ansul to Fire Alarm, In	2005	4,980	498	10	498		2,241	20
21	ABC - Bathroom Repairs	2005	14,900	1,490	10	1,490		6,457	21
22	Long Elevator - Repairs to electric eye	2005	1,509	75	20	75		321	22
23	ABC - New Outdoor Sign Install	2005	1,637	136	12	136		557	23
24	ABC - New Mental Institution Unit	2006	32,303	1,615	20	1,615		4,845	24
25	GT MECH - new thermostats-repair	2006	3,355	671	5	671		2,069	25
26	Top Notch- Replace Sink Heater	2006	2,975	298	10	298		1,165	26
27	Roof Repairs	2006	3,060	306	10	306		1,020	27
28	GT MECH - Repair thermostat and replaced blower	2006	5,077	508	10	508		1,523	28
29	AMS-Generator Install remote Annunicator	2006	3,192	213	15	213		833	29
30	AC Compressor and Repair	2006	10,386	692	15	692		2,308	30
31	ABC - Fire ID plate and sprinkler system repairs	2006	10,563	704	15	704		2,171	31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 3,385,205	\$ 39,320		\$ 88,685	\$ 49,365	\$ 3,206,501	34

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

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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 12E, Carried Forward		\$ 3,385,205	\$ 39,320		\$ 88,685	\$ 49,365	\$ 3,206,501	1
2	New MI Unit	2007	9,497	950	10	950	(0)	2,533	2
3	Masonry	2007	43,549	2,903	15	2,903	0	6,290	3
4	Hot Water Storage	2007	5,984	598	10	598	0	1,745	4
5	Compressor Contractor	2007	7,052	470	15	470		1,371	5
6	Heating/Vent	2007	9,645	964	10	964		2,813	6
7	Cubicle Repair	2007	3,015	302	10	302		879	7
8	Lockset Replacement	2007	2,538	254	10	254		719	8
9	Roof Replacements	2007	3,556	356	10	356		978	9
10	Duct Work	2007	3,201	160	20	160		440	10
11	Fan Motor and Compressor	2007	3,696	370	10	370		955	11
12	New Paving	2007	14,960	1,870	8	1,870		4,519	12
13	New Carpet	2007	3,101	620	5	620		1,499	13
14	New Roof Installation	2007	4,956	496	10	496		1,198	14
15	Refrigeration Leak Repair	2007	5,864	586	10	586		1,417	15
16	Circulation Pump	2007	6,842	684	10	684		1,596	16
17	New Hot Water Heater	2007	8,605	861	10	861		1,864	17
18									18
19	ABC-Key Pad Replacements	2008	3,798	760	5	760		1,393	19
20	GT Mechanical-Dining Area	2008	3,933	393	10	393		721	20
21	Top Notch - Evaporator Assembly w/parts	2008	2,892	289	10	289		458	21
22	ABC - Repair south wing Roof	2008	6,404	640	10	640		961	22
23	Top Notch - Condensing Unit	2008	3,919	261	15	261		392	23
24	GT Mechanical - Dining Room Compressor Motor	2008	3,069	307	10	307		460	24
25	GT Mechanical - Motor & Bearing Assembly	2008	2,960	296	10	296		444	25
26	GT Mechanical - New Oil Pump	2008	2,802	560	5	560		701	26
27	ABC- New Plumbing Fixtures/35 New Windows	2008	2,630	132	20	132		153	27
28	ABC - New MI Unit	2009	36,050	2,403	15	2,403		2,604	28
29	ABC - New Security Fence	2009	6,519	217	15	217		217	29
30	J.D. & Sons - New Roofing Material - Partial	2009	5,000	208	10	208		208	30
31	J.D. & Sons - New Roofing Material	2009	15,000	625	10	625		625	31
32	Top Notch - New Booster	2009	5,406	721	5	721		721	32
33									33
34	TOTAL (lines 1 thru 33)		\$ 3,621,647	\$ 59,577		\$ 108,942	\$ 49,365	\$ 3,247,376	34

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

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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	\$ 324,401	\$ 32,030	\$ 32,030	\$		\$ 148,392	71
72	Current Year Purchases	39,432	2,807	2,807			2,807	72
73	Fully Depreciated Assets	359,385	2,439	2,439			359,385	73
74								74
75	TOTALS	\$ 723,218	\$ 37,276	\$ 37,276	\$		\$ 510,584	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				\$	\$	\$	\$		\$	76
77										77
78										78
79	Related Party - AMS	Various	'98 - '02	4,415				3	4,415	79
80	TOTALS			\$ 4,415	\$	\$	\$		\$ 4,415	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)	\$ 4,536,780	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 96,853	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 146,218	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 49,365	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 3,762,375	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	N/A	\$	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: Related Party Cost is backed out

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:		<u>173</u>		\$			3
4	Additions							4
5								5
6								6
7	TOTAL		<u>173</u>		\$			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: \$ 16,792 Description: copy mach gl 6861, postage meter gl 6850, & office equip gl 6859

(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	<u>related party- Pg 6A</u>	<u>various</u>	\$ <u>#####</u>	\$ <u>23,319</u>	17
18					18
19	<u>Auto lease GL 6890</u>	<u>various</u>	<u>529.00</u>	<u>6,348</u>	19
20					20
21	TOTAL		\$ <u>#####</u>	\$ <u>29,667</u>	21

10. Effective dates of current rental agreement:

Beginning 7/1/2005

Ending 6/30/2015

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

Fiscal Year Ending Annual Rent

12. /2010 \$ Varies

13. /2011 \$ Varies

14. /2012 \$ Varies

* 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><u>Skilled nursing on site</u></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 Drop-outs	2 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.

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39-3	hrs	\$		\$ 120,380	\$		\$ 120,380	1
2	Licensed Speech and Language Development Therapist	39-3	hrs			8,036			8,036	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39-3	hrs			116,373			116,373	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	See Pg 16A	# of prescripts			143,825			143,825	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify): <u>Except Care Prgrm</u>	39-1, 39-3, if any								12
13	Other (specify): <u>See Pg 16A</u>					(68,986)	94,159		25,173	13
14	TOTAL			\$		\$ 319,627	\$ 94,159		\$ 413,786	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.

XIV. Special Services (Direct Cost)

Page 16
 Col 5: PT,OT, & ST
 Col 6: Supplies

Line	Service	Col. 1: Ref. No.	To Pg 16: Col. No.		
1.	OT	39-3	To Col 5	\$0.00	\$120,379.64
2.	ST	39-3	To Col 5	0.00	8,035.99
3.					
4.	PT	39-3	To Col 5	0.00	116,372.66
5.					
6.					
7.					
8.	Pharmacy Supplies per GL			0.00	104,899.70
	Manual Input from Related Party- Forum Drugs				38,925.00
9.	Total to line 9 Pharmacy	See Pg 16A	To Col 6	0.00	143,824.70
10.					
11.					
12.	Exceptional Care-Salaries:	See pg 16A	To Col. 3	0.00	0.00
12.	Exceptional Care-Supplies:	See pg 16A	To Col. 6	0.00	0.00
	Total Exceptional Care (Line 12, Col 8)			0.00	0.00
13.	Other:	See Pg 16A			
13.	Col 5: Manual Input: Related Party - CPT		To Col 5		(68,986.00)
	Other			0.00	116,905.66
	Manual Input: Related Party - Prism				(17,799.91)
	Manual Input: Related Party FECII - I.V.				(35,304.50)
	Manual Input: Related Party FECII - Wound Care				(2,504.50)
	Oxygen, from reclass worksheet (Pg 4A)				32,861.76
13.	Col 6: Supplies Total		To Col 6	0.00	94,158.51
13.	Total Line 13, Column 8			0.00	25,172.51
14.	Total			0.00	413,785.50

Facility Name & ID Number **Heather Health Care Center**

0023945

Report Period Beginning: **1/1/09**

Ending: **12/31/09**

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of **12/31/09** (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	\$	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 109,910)	953,711	953,711	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance		3,737	6
7	Other Prepaid Expenses	4,064	4,064	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Due from 3rd parties	71,673	71,673	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,029,448	\$ 1,033,185	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		197,659	13
14	Buildings, at Historical Cost			14
15	Leasehold Improvements, at Historical Cost	1,162,694	1,162,694	15
16	Equipment, at Historical Cost	696,632	696,632	16
17	Accumulated Depreciation (book methods)	(1,212,914)	(1,212,914)	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 CIP,ReplResrvs,S/holders)			22
23	Other(specify): Due from Affiliates			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 646,412	\$ 844,071	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,675,860	\$ 1,877,256	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 562,434	\$ 562,434	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	165,599	165,599	28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	239,465	239,465	30
31	Accrued Taxes Payable (excluding real estate taxes)	38,742	38,742	31
32	Accrued Real Estate Taxes(Sch.IX-B)		804,391	32
33	Accrued Interest Payable			33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	Accr Exp/Insur, Due State, Sales Tax, etc.	43,520	62,424	36
37	Due to Affiliates			37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 1,049,760	\$ 1,873,055	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable			39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43	Due to Affiliates	12,264,652	11,409,846	43
44	S/holder loans, Others			44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 12,264,652	\$ 11,409,846	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 13,314,412	\$ 13,282,902	46
47	TOTAL EQUITY(page 18, line 24)	\$ (11,638,552)	\$ (11,405,646)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 1,675,860	\$ 1,877,256	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (11,357,162)	1
2	Restatements (describe):		2
3	External Audit Adjustments made after 2007 cost report	(54,601)	3
4	was submitted. These have no effect on prior years report:		4
5	Bad Debt, Medicare Revenues (Non-Allowables)		5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (11,411,763)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(226,789)	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)	\$ (226,789)	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)	\$ (11,638,552)	24 *

* This must agree with page 17, line 47.

Facility Name & ID Number Heather Health Care Center# 0023945Report Period Beginning: 1/1/09Ending: 12/31/09

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	\$ 6,458,497	1
2	Discounts and Allowances for all Levels	()	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 6,458,497	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	94,051	6
7	Oxygen	4,285	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 98,336	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		17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services		21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	328	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 328	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>See Pg 19A</u>	2,864	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 2,864	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 6,560,025	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,300,644	31
32	Health Care	2,265,689	32
33	General Administration	1,857,207	33
B. Capital Expense			
34	Ownership	801,962	34
C. Ancillary Expense			
35	Special Cost Centers	466,594	35
36	Provider Participation Fee	94,718	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 6,786,814	40
41	Income before Income Taxes (line 30 minus line 40)**	(226,789)	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ (226,789)	43

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? not yet done 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.

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

STATE OF ILLINOIS

Facility Name & ID Number Heather Health Care Center Inc.

002-3945

Report Period Beginning:

1/1/09

Ending:

12/31/09

Details of Page 19, Line 28

Meals	(93.21)
Miscellaneous Income- Food Vendor Rebate	1,052.26
Miscellaneous Income- Medical Records	1,114.51
Miscellaneous Income- Jury Duty Receipt	86.00
Miscellaneous Income- Vending Machine Receipt	492.12
Miscellaneous Income- Garnishment	212.00
Total Page 19A	2,863.68

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning:

1/1/09

Ending:

12/31/09

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	2,072	2,080	\$ 82,240	\$ 39.54	1
2	Assistant Director of Nursing	2,080	2,080	70,278	33.79	2
3	Registered Nurses	3,781	4,013	118,276	29.47	3
4	Licensed Practical Nurses	32,562	34,402	826,446	24.02	4
5	CNAs & Orderlies	46,722	50,788	559,317	11.01	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	2,064	2,088	34,721	16.63	9
10	Activity Assistants	14,439	15,306	152,649	9.97	10
11	Social Service Workers					11
12	Dietician					12
13	Food Service Supervisor	2,080	2,080	34,469	16.57	13
14	Head Cook					14
15	Cook Helpers/Assistants	16,478	18,530	204,144	11.02	15
16	Dishwashers					16
17	Maintenance Workers	2,080	2,080	63,114	30.34	17
18	Housekeepers	18,454	19,566	207,265	10.59	18
19	Laundry	5,246	5,927	61,741	10.42	19
20	Administrator	2,072	2,080	98,653	47.43	20
21	Assistant Administrator					21
22	Other Administrative	4,720	4,728	105,457	22.30	22
23	Office Manager	2,072	2,080	35,930	17.27	23
24	Clerical	970	1,041	8,445	8.11	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	1,964	1,963	41,852	21.32	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care Behavioral Counselor	9,116	9,520	167,066	17.55	32
33	Other(specify Behavioral Clin Director)	2,090	2,089	53,046	25.39	33
34	TOTAL (lines 1 - 33)	171,062	182,441	\$ 2,925,109 *	\$ 16.03	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	\$ 10,800	1-3	35
36	Medical Director	Monthly	38,000	10-3	36
37	Medical Records Consultant				37
38	Nurse Consultant			10-3	38
39	Pharmacist Consultant	Monthly	4,152		39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	44	2,848	11-3	44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	44	\$ 55,800		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

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							
																	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013
1	Painting/HVAC	1995	\$ 32,616	3-15	\$ 513	\$ 513	\$ 513	\$ 513	\$ 513	\$ 513														
2	Painting/HVAC	1996	38,397	3-15	676	494	494	494	494	494														
3																								
4																								
5																								
6																								
7																								
8																								
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10																								
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17																								
18																								
19																								
20	TOTALS		\$ 71,013		\$ 1,189	\$ 1,007	\$ 1,007	\$ 1,007	\$ 1,007	\$ 1,007	\$	\$	\$											

Facility Name & ID Number Heather Health Care Center

0023945

Report Period Beginning: 1/1/09

Ending: 12/31/09

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. IHCA=\$6,685 Il. Assoc. of HC=\$2,076
- (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? _____
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 10 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 16,080 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. _____
- (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.

- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 94,718
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. \$ 27,708 Has any meal income been offset against related costs? No Indicate the amount. \$ _____
- (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. \$ _____
c. What percent of all travel expense relates to transportation of nurses and patients? 0
d. Have vehicle usage logs been maintained? No
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? No
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ _____
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: _____
- (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.