



Facility Name & ID Number Lexington of Schaumburg

# 0036095 Report Period Beginning: 01/01/2009 Ending: 12/31/2009

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	214	Skilled (SNF)	214	78,110	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	214	TOTALS	214	78,110	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment				
		3 Medicaid Recipient	4 Private Pay	5 Other	6 Total	
8	SNF			17,721	17,721	8
9	SNF/PED					9
10	ICF	46,486	3,890	365	50,741	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	46,486	3,890	18,086	68,462	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 87.65%

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)  
None

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

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?  
YES  NO  Note: Non-allowable costs have been eliminated on Schedule V, column 7.

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 04/01/90

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

K. Was the facility certified for Medicare during the reporting year?  
YES  NO  If YES, enter number of beds certified 214 and days of care provided 12,805

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRAUAL  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 Lexington of Schaumburg # 0036095 Report Period Beginning: 01/01/2009 Ending: 12/31/2009

**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
	<b>A. General Services</b>										
1	Dietary	395,377	35,176	21,681	452,234		452,234		452,234		1
2	Food Purchase		334,284		334,284		334,284	(23,484)	310,800		2
3	Housekeeping	354,706	36,222		390,928		390,928	532	391,460		3
4	Laundry	85,809	22,158		107,967		107,967		107,967		4
5	Heat and Other Utilities			258,879	258,879		258,879	8,800	267,679		5
6	Maintenance	36,408		151,754	188,162		188,162	54,409	242,571		6
7	Other (specify):* <b>Mgmt Co. - Allocated</b>							5,974	5,974		7
8	<b>TOTAL General Services</b>	872,300	427,840	432,314	1,732,454		1,732,454	46,231	1,778,685		8
	<b>B. Health Care and Programs</b>										
9	Medical Director			63,000	63,000		63,000		63,000		9
10	Nursing and Medical Records	4,491,139	390,766	83,206	4,965,111		4,965,111	48,637	5,013,748		10
10a	Therapy			1,393,562	1,393,562		1,393,562		1,393,562		10a
11	Activities	257,910	28,860	7,125	293,895		293,895		293,895		11
12	Social Services	240,330		7,164	247,494		247,494		247,494		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* <b>Mgmt Co. - Allocated</b>							5,872	5,872		15
16	<b>TOTAL Health Care and Programs</b>	4,989,379	419,626	1,554,057	6,963,062		6,963,062	54,509	7,017,571		16
	<b>C. General Administration</b>										
17	Administrative	112,602		1,340,528	1,453,130		1,453,130	(1,293,475)	159,655		17
18	Directors Fees										18
19	Professional Services			80,444	80,444		80,444	29,059	109,503		19
20	Dues, Fees, Subscriptions & Promotions			40,768	40,768		40,768	762	41,530		20
21	Clerical & General Office Expenses	323,500	30,985	31,646	386,131		386,131	422,349	808,480		21
22	Employee Benefits & Payroll Taxes			898,482	898,482		898,482	22,436	920,918		22
23	Inservice Training & Education			1,298	1,298		1,298	21	1,319		23
24	Travel and Seminar			9,301	9,301		9,301	1,169	10,470		24
25	Other Admin. Staff Transportation			1,049	1,049		1,049	19,173	20,222		25
26	Insurance-Prop.Liab.Malpractice			225,951	225,951		225,951	6,761	232,712		26
27	Other (specify):* <b>Mgmt Co. - Allocated</b>							67,335	67,335		27
28	<b>TOTAL General Administration</b>	436,102	30,985	2,629,467	3,096,554		3,096,554	(724,410)	2,372,144		28
29	<b>TOTAL Operating Expense (sum of lines 8, 16 &amp; 28)</b>	6,297,781	878,451	4,615,838	11,792,070		11,792,070	(623,670)	11,168,400		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.

Facility Name & ID Number Lexington of Schaumburg

#0036095

Report Period Beginning: 01/01/2009 Ending: 12/31/2009

## 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	
	<b>D. Ownership</b>											
30	Depreciation			159,542	159,542		159,542	345,987	505,529			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			14,602	14,602		14,602	479,189	493,791			32
33	Real Estate Taxes							426,081	426,081			33
34	Rent-Facility & Grounds			1,812,481	1,812,481		1,812,481	(1,808,281)	4,200			34
35	Rent-Equipment & Vehicles			83,649	83,649		83,649	4,122	87,771			35
36	Other (specify):*											36
37	<b>TOTAL Ownership</b>			2,070,274	2,070,274		2,070,274	(552,902)	1,517,372			37
	<b>Ancillary Expense</b>											
	<b>E. Special Cost Centers</b>											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		511,164		511,164		511,164		511,164			39
40	Barber and Beauty Shops			25,521	25,521		25,521		25,521			40
41	Coffee and Gift Shops			12,228	12,228		12,228		12,228			41
42	Provider Participation Fee			117,165	117,165		117,165		117,165			42
43	Other (specify):* <b>Non-allowable cost</b>			138,910	138,910		138,910	(138,910)				43
44	<b>TOTAL Special Cost Centers</b>		511,164	293,824	804,988		804,988	(138,910)	666,078			44
45	<b>GRAND TOTAL COST</b> (sum of lines 29, 37 & 44)	6,297,781	1,389,615	6,979,936	14,667,332		14,667,332	(1,315,482)	13,351,850			45

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

\*\* See schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

**VI. ADJUSTMENT DETAIL**

**A. The expenses indicated below are non-allowable and should be adjusted out of Schedule V, pages 3 or 4 via column 7. In column 2 below, reference the line on which the particular cost was included. (See instructions.)**

		1	2	3	
	<b>NON-ALLOWABLE EXPENSES</b>	<b>Amount</b>	<b>Refer- ence</b>	<b>BHF USE ONLY</b>	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(1,048)	2		4
5	Telephone, TV & Radio in Resident Rooms	(6,656)	43		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation				9
10	Interest and Other Investment Income	(22,510)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(881)	43		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment	(3,458)	43		19
20	Contributions	(5,802)	43		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(46,114)	43		24
25	Fund Raising, Advertising and Promotional				25
26	Income Taxes and Illinois Personal Property Replacement Tax	(4,878)	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See PG5A	(167,975)			29
30	<b>SUBTOTAL (A): (Sum of lines 1-29)</b>	\$ (259,322)		\$	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	
		<b>Amount</b>	<b>Reference</b>	
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)	(1,056,160)		34
35	Other- Attach Schedule			35
36	<b>SUBTOTAL (B): (sum of lines 31-35)</b>	\$ (1,056,160)		36
	(sum of SUBTOTALS			
37	<b>TOTAL ADJUSTMENTS (A) and (B) )</b>	\$ (1,315,482)		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	
		<b>Yes</b>	<b>No</b>	<b>Amount</b>	<b>Reference</b>	
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	<b>TOTAL (C): (sum of lines 38-46)</b>			\$		47

<b>BHF USE ONLY</b>							
48		49		50		51	52

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington of SchaumburgID# 0036095Report Period Beginning: 01/01/2009Ending: 12/31/2009

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Nonallowable marketing events	\$ (27,273)	43	1
2	Labs-Part A	(11,161)	43	2
3	X-Rays-Part A	(32,707)	43	3
4	Misc. Income	(217)	21	4
5	Trust Fees	(50)	43	5
6	Out of period legal	(25)	19	6
7	Collections	(3,615)	19	7
8	Marketing Salary	(92,927)	21	8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	<b>Total</b>	(167,975)		49

SEE ACCOUNTANTS' COMPILATION REPORT

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 Schedule B		See attached Schedule B		See attached Schedule B		

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:		
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)		
1	V	19 Professional Fees	\$	Sambell of Schaumburg Limited Partnership	**	\$ 200	\$ 200	1	
2	V	30 Depreciation		Sambell of Schaumburg Limited Partnership	**	286,475	286,475	2	
3	V	32 Amortization of mortgage costs		Sambell of Schaumburg Limited Partnership	**	2,717	2,717	3	
4	V	32 Interest expense		Sambell of Schaumburg Limited Partnership	**	482,358	482,358	4	
5	V	33 Property taxes		Sambell of Schaumburg Limited Partnership	**	420,481	420,481	5	
6	V	34 Rental expense	1,812,481	Sambell of Schaumburg Limited Partnership	**		(1,812,481)	6	
7	V	43 State replacement tax		Sambell of Schaumburg Limited Partnership	**	20	20	7	
8	V	43 Trust fees		Sambell of Schaumburg Limited Partnership	**	50	50	8	
9	V							9	
10	V	** The owners of Lexington Health Care Center of Schaumburg, Inc. own 100% of Sambell of Schaumburg Ltd. Ptsp.							10
11	V							11	
12	V							12	
13	V							13	
14	Total		\$ 1,812,481			\$ 1,192,301	\$ * (620,180)	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	3 Housekeeping supplies	\$	Royal Management Corp.	**	\$ 532	\$	532	15
16	V	5 Utilities - gas & electric		Royal Management Corp.	**	7,576		7,576	16
17	V	5 Utilities - water & sewer		Royal Management Corp.	**	205		205	17
18	V	5 Utilities - maintenance office		Royal Management Corp.	**	1,019		1,019	18
19	V	6 Management allocation - salaries		Royal Management Corp.	**	46,309		46,309	19
20	V	6 Repairs & maintenance		Royal Management Corp.	**	7,701		7,701	20
21	V	6 Scavenger & exterminating		Royal Management Corp.	**	399		399	21
22	V	7 Management allocation - employee benefits		Royal Management Corp.	**	5,974		5,974	22
23	V	10 Medical consultant		Royal Management Corp.	**	3,117		3,117	23
24	V	10 Management allocation - salaries		Royal Management Corp.	**	45,520		45,520	24
25	V	15 Management allocation - employee benefits		Royal Management Corp.	**	5,872		5,872	25
26	V	17 Management allocation - salaries		Royal Management Corp.	**	47,053		47,053	26
27	V	19 Computer consultant & supplies		Royal Management Corp.	**	21,532		21,532	27
28	V	19 Professional fees		Royal Management Corp.	**	10,967		10,967	28
29	V	20 Dues & subscriptions		Royal Management Corp.	**	425		425	29
30	V	20 Advertising - help wanted		Royal Management Corp.	**	337		337	30
31	V	21 Management allocation - salaries		Royal Management Corp.	**	474,908		474,908	31
32	V	21 Bank charges		Royal Management Corp.	**	9,543		9,543	32
33	V	21 Office supplies & printing		Royal Management Corp.	**	13,467		13,467	33
34	V	21 Postage		Royal Management Corp.	**	4,403		4,403	34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total		\$			\$ 706,859	\$ *	706,859	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	21 Telephone	\$	Royal Management Corp.	**	\$ 13,172	\$ 13,172
16	V	24 Travel & seminar		Royal Management Corp.	**	1,169	1,169
17	V	25 Auto expense		Royal Management Corp.	**	19,173	19,173
18	V	26 Insurance general		Royal Management Corp.	**	6,761	6,761
19	V	27 Management allocation - employee benefits		Royal Management Corp.	**	67,335	67,335
20	V	30 Depreciation		Royal Management Corp.	**	59,512	59,512
21	V	32 Interest		Royal Management Corp.	**	16,589	16,589
22	V	32 Amortization of mortgage costs		Royal Management Corp.	**	35	35
23	V	33 Property taxes		Royal Management Corp.	**	5,600	5,600
24	V	34 Rent expense		Royal Management Corp.	**	4,200	4,200
25	V	35 Equipment rental		Royal Management Corp.	**	968	968
26	V	17 Management fees	1,340,528	Royal Management Corp.	**		(1,340,528)
27	V	35 Auto Lease Expense		Royal Management Corp.	**	3,154	3,154
28	V	23 Inservice Training		Royal Management Corp.	**	21	21
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V						
39	Total		\$ 1,340,528			\$ 197,689	\$ * (1,142,839)

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

**Lexington Health Care Center of Schaumburg, Inc.****Provider #**  
**1/1/09 - 12/31/09****0036095****Schedule B**

## VII. Related Parties

Owners

<u>Name</u>	<u>Ownership %</u>
James Samatas Discretionary Trust	22.33%
John Samatas Discretionary Trust	22.33%
Cynthia Thiem Discretionary Trust	22.34%
Jeffrey J. Bell Revocable Trust	8.25%
Lawrence W. Bell Revocable Trust	8.25%
David S. Bell Revocable Trust	8.25%
David S. Bell 2001 Trust	2.75%
Jeffrey J. Bell 2001 Trust	2.75%
Lawrence W. Bell 2001 Trust	2.75%

<u>Related Nursing Homes</u>	<u>City</u>
Lexington Health Care Center of Lombard, Inc.	Lombard
Lexington Health Care Center of Bloomingdale, Inc.	Bloomingdale
Lexington Health Care Center of Chicago Ridge, Inc.	Chicago Ridge
Lexington Health Care Center of Elmhurst, Inc.	Elmhurst
Lexington Health Care Center of LaGrange, Inc.	LaGrange
Lexington Health Care Center of Lake Zurich, Inc.	Lake Zurich
Lexington Health Care Center of Streamwood, Inc.	Streamwood
Lexington Health Care Center of Wheeling, Inc.	Wheeling
Lexington Health Care Center of Orland Park, Inc.	Orland Park

<u>Other Related Business Entities</u>	<u>City</u>	<u>Type of Business</u>
Eastgate Manor	Algonquin	Supportive Living Facility
Vesta Management Group LLC	Lombard	Management Company
Sambell of Schaumburg Ltd. Ptsp.	Schaumburg	Real Estate Property
Royal Management Corporation	Lombard	Management Company
Lexington Financial Services, LLC	Lombard	Finance Company

**See Accountants' Compilation Report**

Facility Name &amp; ID Number

Lexington of Schaumburg

# 0036095

Report Period Beginning:

01/01/2009

Ending:

12/31/2009

## 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	James Samatas	Owner/Officer	Administrative	22.33%	See Schedule 7A	3.47	8.67	Salary	\$ 18,501	L17, C7	1
2	John Samatas	Owner/Officer	Admin/Plant Ops	22.33%	See Schedule 7A	3.79	7.59	Salary	11,445	L17, C7	2
3	Cynthia Thiem	Owner/Officer	Administrative	22.34%	See Schedule 7A	3.47	8.67	Salary	8,702	L17, C7	3
4	Jason Samatas	Officer	Admin/SNF Ops	0.00	See Schedule 7A	5.42	10.84	Salary	8,405	L17, C7	4
5											5
6											6
7											7
8	Certain individuals work in excess of 40 hours per week.										8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 47,053		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 Lexington of Schaumburg

# 0036095

Report Period Beginning:

01/01/2009

Ending: 2/31/2009

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

Royal Management Corp.

Street Address

665 W. North Avenue, Suite 500

City / State / Zip Code

Lombard, IL 60148

Phone Number

( 630) 458-4700

Fax Number

( 630) 458-4796

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	3	Housekeeping supplies	Bed Days	720,658	10	\$ 4,909	\$ 78,110	\$ 532	1
2	5	Utilities - gas & electric	Bed Days	720,658	10	69,894	78,110	7,576	2
3	5	Utilities - water & sewer	Bed Days	720,658	10	1,894	78,110	205	3
4	5	Utilities - maintenance office	Bed Days	720,658	10	9,406	78,110	1,019	4
5	6	Management allocation - salaries	Bed Days	720,658	10	427,259	78,110	46,309	5
6	6	Repairs & maintenance	Bed Days	720,658	10	71,047	78,110	7,701	6
7	6	Scavenger & exterminating	Bed Days	720,658	10	3,681	78,110	399	7
8	7	Management allocation - employees	Bed Days	720,658	10	55,118	78,110	5,974	8
9	10	Medical consultant	Bed Days	720,658	10	28,762	78,110	3,117	9
10	10	Management allocation - salaries	Bed Days	720,658	10	419,975	78,110	45,520	10
11	15	Management allocation - employees	Bed Days	720,658	10	54,178	78,110	5,872	11
12	17	Management allocation - salaries	Bed Days	720,658	10	434,122	78,110	47,053	12
13	19	Computer consultant & supplies	Bed Days	720,658	10	198,663	78,110	21,532	13
14	19	Professional fees	Bed Days	720,658	10	101,182	78,110	10,967	14
15	20	Dues & subscriptions	Bed Days	720,658	10	3,923	78,110	425	15
16	20	Advertising - help wanted	Bed Days	720,658	10	3,108	78,110	337	16
17	21	Management allocation - salaries	Bed Days	720,658	10	4,381,596	78,110	474,908	17
18	21	Bank charges	Bed Days	720,658	10	88,048	78,110	9,543	18
19	21	Office supplies & printing	Bed Days	720,658	10	124,253	78,110	13,467	19
20	21	Postage	Bed Days	720,658	10	40,624	78,110	4,403	20
21	21	Telephone	Bed Days	720,658	10	121,527	78,110	13,172	21
22	24	Travel and Seminar	Bed Days	720,658	10	10,782	78,110	1,169	22
23									23
24									24
25	TOTALS					\$ 6,653,951	\$	\$ 721,200	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Schaumburg

# 0036095

Report Period Beginning:

01/01/2009

Ending: 2/31/2009

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 Royal Management Corp.  
 Street Address 665 W. North Avenue, Suite 500  
 City / State / Zip Code Lombard, IL 60148  
 Phone Number (630) 458-4700  
 Fax Number (630) 458-4796

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	25	Auto expense	Bed Days	720,658	10	\$ 176,898	\$ 78,110	\$ 19,173	1
2	26	Insurance general	Bed Days	720,658	10	62,379	78,110	6,761	2
3	27	Management allocation - employees	Bed Days	720,658	10	621,243	78,110	67,335	3
4	30	Depreciation	Bed Days	720,658	10	549,069	78,110	59,512	4
5	32	Interest	Bed Days	720,658	10	153,050	78,110	16,589	5
6	32	Amortization of mortgage costs	Bed Days	720,658	10	321	78,110	35	6
7	33	Property taxes	Bed Days	720,658	10	51,670	78,110	5,600	7
8	34	Rent expense	Bed Days	720,658	10	38,747	78,110	4,200	8
9	35	Equipment rental	Bed Days	720,658	10	8,933	78,110	968	9
10	35	Auto Lease	Bed Days	720,658	10	29,103	78,110	3,154	10
11	23	Inservice Training	Bed Days	720,658	10	193	78,110	21	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					\$ 1,691,606	\$	\$ 183,348	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name &amp; ID Number

Lexington of Schaumburg

# 0036095

Report Period Beginning:

01/01/2009

Ending:

12/31/2009

## 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		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
	<b>A. Directly Facility Related</b>																			
	<b>Long-Term</b>																			
1	Lexington Financial						\$	\$			\$	1								
2	Services LL	X		Mortgage	Varies	5/22/08	7,982,000	7,736,855	01/01/2033	Variable	482,358	2								
3												3								
4												4								
5							Interest on financing insurance premium				697	5								
	<b>Working Capital</b>																			
6	Bank of America		X	Working Capital	Varies	04/06/02	1,700,000		6/30/10	Prime/libor	13,905	6								
7												7								
8												8								
9	TOTAL Facility Related						\$ 9,682,000	\$ 7,736,855			\$ 496,960	9								
	<b>B. Non-Facility Related*</b>																			
10							Amortization of loan cost				2,752	10								
11							Interest Income offset				(22,510)	11								
12							Allocate from Home Office				16,589	12								
13												13								
14	TOTAL Non-Facility Related						\$	\$			\$ (3,169)	14								
15	TOTALS (line 9+line14)						\$ 9,682,000	\$ 7,736,855			\$ 493,791	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 Lexington of Schaumburg

# 0036095

Report Period Beginning:

01/01/2009 Ending:

12/31/2009

**X. BUILDING AND GENERAL INFORMATION:**

A. Square Feet: 85,541 B. General Construction Type: Exterior Concrete 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).

N/A

---



---



---



---



---

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: N/A 2. Number of Years Over Which it is Being Amortized: N/A  
 3. Current Period Amortization: \_\_\_\_\_ 4. Dates Incurred: N/A

Nature of Costs: \_\_\_\_\_  
 (Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

**XI. OWNERSHIP COSTS:**

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	<u>Resident Care</u>	<u>230,000</u>	<u>1988</u>	<u>\$ 211,532</u>	<u>1</u>
2	<u>Allocated from Management Company</u>			<u>20,006</u>	<u>2</u>
3	<b>TOTALS</b>	<b>230,000</b>		<b>\$ 231,538</b>	<b>3</b>

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	205	1990	1990	\$ 6,091,126	\$	35	\$ 174,032	\$ 174,032	\$ 3,434,311	4
5	9	1995	1995	146,217	4,178	35	4,178		60,576	5
6										6
7										7
8										8
<b>Improvement Type**</b>										
9	Building improvements		1991	3,521		10			3,491	9
10	Building improvements		1992	860	25	35	25		431	10
11	Land improvements		1992	5,764		20	288	288	5,042	11
12	Land improvements		1992	5,000		20	250	250	4,125	12
13	Fan coil units in offices		1996	5,149	147	35	147		1,986	13
14	Basement rehab		1997	14,697		10			14,697	14
15	Brick		1997	1,500	43	35	43		532	15
16	Dining room rehab		1997	6,422		10			6,422	16
17	Parking lot repave and restripe		1998	2,777		10			2,777	17
18	Wiring		1998	3,667		10			3,667	18
19	Retile 2nd and 3rd floor corridors		1998	10,100		10			10,100	19
20	Plumbing for HVAC		1998	2,263		5			2,263	20
21	Lobby-floor tile		1999	7,478	125	10	125		7,478	21
22	Wallpaper-labor		1999	9,705	243	10	243		9,705	22
23	New patio		1999	19,039	1,269	15	1,269		13,009	23
24	New pay phone/wiring		1999	2,975	223	10	223		2,976	24
25	Roof repairs		2000	9,625	963	10	963		9,145	25
26	Water heater		2000	6,688	669	10	669		6,354	26
27	Automatic door		2000	1,300	130	10	130		1,235	27
28	Rehab project - paint resident rooms, carpet hallways, and tile		2000	52,760	5,276	10	5,276		50,122	28
29	Water heater and storage tanks		2001	12,102	1,210	10	1,210		10,892	29
30	Garbage area		2001	4,788	479	20	479		4,070	30
31										31
32										32
33										33
34										34
35										35
36										36

\*Total beds on this schedule must agree with page 2.

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

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Schaumburg# 0036095

Report Period Beginning:

01/01/2009 Ending: 12/31/2009

**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	Roof	2002	\$ 25,600	\$ 2,560	10	\$ 2,560	\$	\$ 18,773	37
38	Facility rehab - paint resident rooms, carpet hallways, and tile	2002	327,253	16,363	20	16,363		137,275	38
39	Elevator electronic curtain	2002	4,500	450	10	450		3,375	39
40	Elevator upgrade	2002	5,471	547	10	547		4,103	40
41	Painting and decorating	2003	13,477	1,348	10	1,348		8,087	41
42	Electrical improvements	2003	844	42	20	42		256	42
43	Repave parking lot	2004	28,840	721	40	721		3,905	43
44	Dining room remodel - paint	2004	11,387	569	20	569		3,226	44
45	Landscaping	2005	593	30	20	30		132	45
46	HVAC upgrade	2005	17,734	887	20	887		3,621	46
47	Generator upgrade	2005	19,650	983	20	983		4,914	47
48	Window replacement	2005	3,899	195	20	195		845	48
49	Flooring replacement	2005	1,483	74	20	74		321	49
50	Lobby, lounge and reception rehab	2005	27,180	1,359	20	1,359		5,436	50
51	Therapy room rehab	2005	35,135	1,757	20	1,757		7,320	51
52	Create first floor therapy room	2005	32,045	1,602	20	1,602		7,744	52
53	Create transitional care unit	2005	29,170	1,458	20	1,458		5,955	53
54	Basement renovation	2005	5,996	300	20	300		1,200	54
55	Countertops	2005	845	169	5	169		789	55
56	Interior signs	2005	4,412	882	5	882		3,676	56
57	Window treatments	2005	912	182	5	182		805	57
58	Wall covering	2005	439	88	5	88		374	58
59	Panel Brick Replacement	2006	17,387	869	20	869		2,752	59
60	Landscaping Enhancement	2006	7,608	507	15	507		1,648	60
61	HVAC	2006	12,232	612	20	612		1,887	61
62	Sink	2006	2,331	117	20	117		428	62
63	TCU Units	2006	16,379	819	20	819		2,662	63
64	Employee lunch room rehab	2006	8,127	406	20	406		1,422	64
65	Dining room rehab	2006	2,357	118	20	118		413	65
66	Basement renovation	2006	9,465	473	20	473		1,577	66
67	Oxygen room rehab	2006	2,664	133	20	133		444	67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 7,100,938	\$ 51,600		\$ 226,170	\$ 174,570	\$ 3,900,771	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name &amp; ID Number Lexington of Schaumburg

# 0036095

Report Period Beginning:

01/01/2009 Ending: 12/31/2009

## 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	<b>Totals from Page 12A, Carried Forward</b>		\$ 7,100,938	\$ 51,600		\$ 226,170	\$ 174,570	\$ 3,900,771	1
2	Replace Sidewalk	2007	14,625	731	20	731		1,767	2
3	Landscaping	2007	15,700	785	20	785		1,766	3
4	Emergency A/C	2007	15,545	777	20	777		2,007	4
5	1st Floor Remodel - Carpentry, Flooring, Plumbing, Paint	2007	676,072		40	16,902	16,902	39,438	5
6	Bathroom Faucets	2007	12,358	618	20	618		1,287	6
7	Landscaping	2008	10,000	667	15	667		1,111	7
8	Roofing	2008	11,950	598	20	598		797	8
9	HVAC-Air tank	2008	2,671	67	40	67		95	9
10	HVAC-Spot Cooler	2008	3,790	95	40	95		95	10
11	Electrical-Fire panel upgrade	2008	71,077	1,777	40	1,777		2,962	11
12	Electrical-Replace Gasket	2008	6,125	613	10	613		919	12
13	2nd floor remodel-carpentry, painting, plumbing,electrical	2008	558,949		27	20,325	20,325	23,713	13
14	Panel Brick Replacement	2009	184,595		20				14
15	Land Improvements	2009	12,400	310	20	310		310	15
16	Parking Lot	2009	4,600	115	20	115		115	16
17	Front Entrance Improvements	2009	28,660	239	40	239		239	17
18	HVAC Quick Connectors	2009	5,591	58	40	58		58	18
19	HVAC Spot Cooler	2009	4,254	44	40	44		44	19
20	1st floor Admin-Tile,electical	2009	11,679		40				20
21	Kitchen Plumbing	2009	8,210	411	10	411		411	21
22	Fire Alarm Electrical	2009	31,710	264	40	264		264	22
23	Glass & Mirror Med Room	2009	2,836	213	10	213		213	23
24	2nd Floor Remodel -Carpentry	2009	14,592	618	20	618		618	24
25	Patio Pergola	2009	9,505	119	20	119		119	25
26	Patio Fence	2009	5,100	21	20	21		21	26
27	Landscaping	2009	17,332	578	15	578		578	27
28	3rd Floor Remodel-Carpentry, flooring,electrical,painting	2009	627,866		27	5,708	5,708	5,708	28
29									29
30									30
31									31
32									32
33									33
34	<b>TOTAL (lines 1 thru 33)</b>		\$ 9,468,730	\$ 61,318		\$ 278,823	\$ 217,505	\$ 3,985,426	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	Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	<b>Totals from Page 12B, Carried Forward</b>		\$ 9,468,730	\$ 61,318		\$ 278,823	\$ 217,505	\$ 3,985,426	1
2									2
3									3
4									4
5									5
6	Building - management company	2002	276,840		40	8,053	8,053	65,192	6
7	HVAC, electrical, security system - management company	2003	2,432		30	165	165	1,077	7
8	Key card system - management company	2004	382		20	19	19	104	8
9	VAV TX controls - management company	2005	116		20	6	6	28	9
10	Interior Signs - management company	2006	85		5	6	6	18	10
11	Building improvements - management company	2008	9,194		5	688	688	867	11
12	Building improvements - management company	2009	691		15	12	12	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	<b>TOTAL (lines 1 thru 33)</b>		\$ 9,758,470	\$ 61,318		\$ 287,772	\$ 226,454	\$ 4,052,724	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Lexington of Schaumburg

# 0036095

Report Period Beginning:

01/01/2009

Ending:

12/31/2009

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	\$ 874,793	\$ 86,843	\$ 136,081	\$ 49,238	5	\$ 429,611	71
72	Current Year Purchases	378,652	11,381	31,112	19,731	5-7	31,112	72
73	Fully Depreciated Assets	30,476					30,476	73
74	Allocated from Mgmt Co.	304,420		44,430	44,430		221,422	74
75	TOTALS	\$ 1,588,341	\$ 98,224	\$ 211,623	\$ 113,399		\$ 712,621	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	Allocated from Mgmt Co.			44,945		6,134	6,134		28,354	79
80	TOTALS			\$ 44,945	\$	\$ 6,134	\$ 6,134		\$ 28,354	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)	\$ 11,623,294	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 159,542	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 505,529	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 345,987	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 4,793,699	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	N/A	\$	\$	\$	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.

SEE ACCOUNTANTS' COMPILATION REPORT

**XII. RENTAL COSTS**

**A. Building and Fixed Equipment (See instructions.)**

1. Name of Party Holding Lease: N/A

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

If NO, see instructions.  YES  NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6	<u>Allocated from Management Company</u>				<u>4,200</u>			6
7	TOTAL				\$ <u>4,200</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: \$ 84,617 Description: Copier-\$11,246, Mailing System-\$72, Medical Equip \$21,149, Oxygen-\$51,182, Mgmt. Co.-\$968

(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	<u>Allocated from Management Company</u>			<u>3,154</u>	20
21	TOTAL		\$	\$ <u>3,154</u>	21

10. Effective dates of current rental agreement:

Beginning \_\_\_\_\_

Ending \_\_\_\_\_

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

Fiscal Year Ending Annual Rent

12. \_\_\_\_\_ /2010 \$ \_\_\_\_\_

13. \_\_\_\_\_ /2011 \$ \_\_\_\_\_

14. \_\_\_\_\_ /2012 \$ \_\_\_\_\_

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

**B. EXPENSES**

**ALLOCATION OF COSTS (d)**

		Facility		3	4
		1	2		
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	<b>TOTALS</b>	\$	\$	\$	\$
10	<b>SUM OF line 9, col. 1 and 2 (e)</b>	\$			

**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**

<b>COMPLETED</b>		
1. From this facility		
2. From other facilities (f)		
<b>DROP-OUTS</b>		
1. From this facility		
2. From other facilities (f)		
<b>TOTAL TRAINED</b>		

- (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		Cost	Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)			
			Units of Service			Units	Cost						
1	Licensed Occupational Therapist	10A(3)	hrs	\$	7,240	\$	504,955	\$	7,240	\$	504,955	1	
2	Licensed Speech and Language Development Therapist	10A(3)	hrs		2,029		139,159		2,029		139,159	2	
3	Licensed Recreational Therapist	10A(3)	hrs		14,324		749,448		14,324		749,448	3	
4	Licensed Physical Therapist		hrs									4	
5	Physician Care		visits									5	
6	Dental Care		visits									6	
7	Work Related Program		hrs									7	
8	Habilitation		hrs									8	
9	Pharmacy	39(2)	# of prescripts					511,164			511,164	9	
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs									10	
11	Academic Education		hrs									11	
12	Other (specify):											12	
13	Other (specify):											13	
14	TOTAL			\$	23,593	\$	1,393,562	\$	511,164	23,593	\$	1,904,726	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 Lexington of Schaumburg# 0036095Report Period Beginning: 01/01/2009Ending: 12/31/2009

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2009

(last day of reporting year)

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

		1 Operating	2 After Consolidation*	
<b>A. Current Assets</b>				
1	Cash on Hand and in Banks	\$ 291,805	\$ 321,529	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>25,793</u> )	1,920,034	1,920,034	3
4	Supply Inventory (priced at )			4
5	Short-Term Investments			5
6	Prepaid Insurance	10,873	10,873	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	86,358	428,665	8
9	Other(specify): <u>Due from IRS</u>	20,466	20,466	9
10	<b>TOTAL Current Assets (sum of lines 1 thru 9)</b>	\$ 2,329,536	\$ 2,701,567	10
<b>B. Long-Term Assets</b>				
11	Long-Term Notes Receivable			11
12	Long-Term Investments	80,308	80,308	12
13	Land		231,538	13
14	Buildings, at Historical Cost		6,237,343	14
15	Leasehold Improvements, at Historical Cost	1,503,932	3,521,127	15
16	Equipment, at Historical Cost	771,601	1,633,286	16
17	Accumulated Depreciation (book methods)	(824,309)	(4,793,699)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): <u>Mortgage Cost</u>	46,292	109,844	23
24	<b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>	\$ 1,577,824	\$ 7,019,747	24
25	<b>TOTAL ASSETS (sum of lines 10 and 24)</b>	\$ 3,907,360	\$ 9,721,314	25

		1 Operating	2 After Consolidation*	
<b>C. Current Liabilities</b>				
26	Accounts Payable	\$ 583,326	\$ 583,326	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	409	409	28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	392,471	392,471	30
31	Accrued Taxes Payable (excluding real estate taxes)	2,982	2,982	31
32	Accrued Real Estate Taxes(Sch.IX-B)		439,200	32
33	Accrued Interest Payable		52,940	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
<b>Other Current Liabilities(specify):</b>				
36	<u>See Schedule 17A</u>	1,570,847	2,119,261	36
37				37
38	<b>TOTAL Current Liabilities (sum of lines 26 thru 37)</b>	\$ 2,550,035	\$ 3,590,589	38
<b>D. Long-Term Liabilities</b>				
39	Long-Term Notes Payable			39
40	Mortgage Payable		7,736,855	40
41	Bonds Payable			41
42	Deferred Compensation			42
<b>Other Long-Term Liabilities(specify):</b>				
43				43
44				44
45	<b>TOTAL Long-Term Liabilities (sum of lines 39 thru 44)</b>	\$	\$ 7,736,855	45
46	<b>TOTAL LIABILITIES (sum of lines 38 and 45)</b>	\$ 2,550,035	\$ 11,327,444	46
47	<b>TOTAL EQUITY(page 18, line 24)</b>	\$ 1,357,325	\$ (1,606,130)	47
48	<b>TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)</b>	\$ 3,907,360	\$ 9,721,314	48

SEE ACCOUNTANTS' COMPILATION REPORT

\*(See instructions.)

Lexington Health Care Center of Schaumburg, Inc.  
Provider # 0036095  
1/1/09-12/31/09

Schedule 17A

XV. Balance Sheet  
C. Current Liabilities

36. Other current liabilities

<u>Description</u>	<u>Operating</u>	<u>After Consolidation</u>
Due from Royal	15,292	15,292
Due from Lex Fin Serv LLC	535	535
Accrued 401K	24,862	24,862
Due to Republic Construction	36,973	36,973
Accrued Expenses	59,344	59,344
Accrued Royl Genl Mgmt Fees	50,607	50,607
Accrued Rent	1,055,820	-
Accrued Wage Assignments	916	916
Deferred Income	326,498	326,498
Interest Rate Swap	-	1,604,234
	<u>1,570,847</u>	<u>2,119,261</u>

**See Accountants' Compilation Report**

**XVI. STATEMENT OF CHANGES IN EQUITY**

		1 Total	
<b>1</b>	<b>Balance at Beginning of Year, as Previously Reported</b>	\$ <b>1,099,911</b>	<b>1</b>
<b>2</b>	Restatements (describe):		<b>2</b>
<b>3</b>			<b>3</b>
<b>4</b>	<b>Post closing adjustment</b>	<b>(71,651)</b>	<b>4</b>
<b>5</b>			<b>5</b>
<b>6</b>	<b>Balance at Beginning of Year, as Restated (sum of lines 1-5)</b>	\$ <b>1,028,260</b>	<b>6</b>
	<b>A. Additions (deductions):</b>		
<b>7</b>	NET Income (Loss) (from page 19, line 43)	<b>329,065</b>	<b>7</b>
<b>8</b>	Aquisitions of Pooled Companies		<b>8</b>
<b>9</b>	Proceeds from Sale of Stock		<b>9</b>
<b>10</b>	Stock Options Exercised		<b>10</b>
<b>11</b>	Contributions and Grants		<b>11</b>
<b>12</b>	Expenditures for Specific Purposes		<b>12</b>
<b>13</b>	Dividends Paid or Other Distributions to Owners	( )	<b>13</b>
<b>14</b>	Donated Property, Plant, and Equipment		<b>14</b>
<b>15</b>	Other (describe)		<b>15</b>
<b>16</b>	Other (describe)		<b>16</b>
<b>17</b>	<b>TOTAL Additions (deductions) (sum of lines 7-16)</b>	\$ <b>329,065</b>	<b>17</b>
	<b>B. Transfers (Itemize):</b>		
<b>18</b>			<b>18</b>
<b>19</b>			<b>19</b>
<b>20</b>			<b>20</b>
<b>21</b>			<b>21</b>
<b>22</b>			<b>22</b>
<b>23</b>	<b>TOTAL Transfers (sum of lines 18-22)</b>	\$	<b>23</b>
<b>24</b>	<b>BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)</b>	\$ <b>1,357,325</b>	<b>24</b> *

\* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Schaumburg# 0036095Report Period Beginning: 01/01/2009Ending: 12/31/2009

**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	
<b>A. Inpatient Care</b>			
1	Gross Revenue -- All Levels of Care	\$ 18,216,920	1
2	Discounts and Allowances for all Levels	(7,505,014)	2
3	<b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>	<b>\$ 10,711,906</b>	<b>3</b>
<b>B. Ancillary Revenue</b>			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	3,340,774	6
7	Oxygen	8,073	7
8	<b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>	<b>\$ 3,348,847</b>	<b>8</b>
<b>C. Other Operating Revenue</b>			
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop	13,923	12
13	Barber and Beauty Care	26,696	13
14	Non-Patient Meals	1,048	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	557,454	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	77,217	19
20	Radiology and X-Ray	19,396	20
21	Other Medical Services	222,993	21
22	Laundry		22
23	<b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b>	<b>\$ 918,727</b>	<b>23</b>
<b>D. Non-Operating Revenue</b>			
24	Contributions		24
25	Interest and Other Investment Income***	16,700	25
26	<b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>	<b>\$ 16,700</b>	<b>26</b>
<b>E. Other Revenue (specify):****</b>			
27	<b>Settlement Income (Insurance, Legal, Etc.)</b>		27
28	<u>Miscellaneous Income</u>	217	28
28a			28a
29	<b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>	<b>\$ 217</b>	<b>29</b>
30	<b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>	<b>\$ 14,996,397</b>	<b>30</b>

		2	
Expenses		Amount	
<b>A. Operating Expenses</b>			
31	General Services	1,732,454	31
32	Health Care	6,963,062	32
33	General Administration	3,096,554	33
<b>B. Capital Expense</b>			
34	Ownership	2,070,274	34
<b>C. Ancillary Expense</b>			
35	Special Cost Centers	687,823	35
36	Provider Participation Fee	117,165	36
<b>D. Other Expenses (specify):</b>			
37			37
38			38
39			39
40	<b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>	<b>\$ 14,667,332</b>	<b>40</b>
41	<b>Income before Income Taxes (line 30 minus line 40)**</b>	<b>329,065</b>	<b>41</b>
42	<b>Income Taxes</b>		42
43	<b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b>	<b>\$ 329,065</b>	<b>43</b>

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

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

\*\*\* 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 **Lexington of Schaumburg**

# **0036095**

Report Period Beginning: **01/01/2009**

Ending:

**12/31/2009**

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

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	1,831	2,032	\$ 114,444	\$ 56.32	1
2	Assistant Director of Nursing	9,632	10,307	346,973	33.66	2
3	Registered Nurses	47,262	51,997	1,675,215	32.22	3
4	Licensed Practical Nurses	21,715	23,191	579,778	25.00	4
5	CNAs & Orderlies	117,270	124,243	1,515,425	12.20	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	14,901	16,269	227,252	13.97	8
9	Activity Director					9
10	Activity Assistants	18,004	19,343	257,910	13.33	10
11	Social Service Workers	17,439	18,222	240,330	13.19	11
12	Dietician	6,297	6,875	73,378	10.67	12
13	Food Service Supervisor	1,957	2,126	43,486	20.45	13
14	Head Cook	1,476	1,882	28,857	15.33	14
15	Cook Helpers/Assistants	6,173	6,806	76,201	11.20	15
16	Dishwashers	19,382	20,723	173,455	8.37	16
17	Maintenance Workers	1,882	2,089	36,408	17.43	17
18	Housekeepers	37,348	40,286	354,706	8.80	18
19	Laundry	9,355	10,008	85,809	8.57	19
20	Administrator	2,101	2,242	112,602	50.22	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	21,028	22,388	323,500	14.45	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	1,900	2,016	32,052	15.90	31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	356,953	383,045	\$ 6,297,781 *	\$ 16.44	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	\$ 21,681	1(3) 35
36	Medical Director	Monthly	63,000	9(3) 36
37	Medical Records Consultant	23	1,278	10(3) 37
38	Nurse Consultant	10	14,630	10(3) 38
39	Pharmacist Consultant	Monthly	12,060	10(3) 39
40	Physical Therapy Consultant			40
41	Occupational Therapy Consultant			41
42	Respiratory Therapy Consultant			42
43	Speech Therapy Consultant			43
44	Activity Consultant	Monthly	4,786	11(3) 44
45	Social Service Consultant	Monthly	4,860	12(3) 45
46	Other(specify) <u>Pulmonary Exchange</u>	Monthly	43,980	10(3) 46
47	<u>Psychosocial</u>	6	2,304	12(3) 47
48	<u>See Schedule 20A</u>		4,617	48
49	TOTAL (lines 35 - 48)	39	\$ 173,196	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	250	9,757	10(3) 51
52	Certified Nurse Assistants/Aides			52
53	TOTAL (lines 50 - 52)	250	\$ 9,757	53

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington Health Care Center of Schaumburg, Inc.  
Provider # 0036095  
1/1/09 - 12/31/09

**Schedule 20A**

XVIII. B. Consultant Services

<u>Consultant Service</u>	<u>Number of Hrs. Paid &amp; Accrued</u>	<u>Total Consultant Cost for Reporting Period</u>	<u>Schedule V Line &amp; Column Reference</u>
Parkinson Consultant	3	1,500	L10,C3
Medical Consultant	Monthly	3,117	L10,C7
		<u>4,617</u>	

**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		
Theresa Bowen	Administrator		\$ 112,602	Workers' Compensation Insurance	\$ 95,871	IDPH License Fee	\$ 1,990		
				Unemployment Compensation Insurance	29,021	Advertising: Employee Recruitment	31,046		
				FICA Taxes	465,284	Health Care Worker Background Check			
				Employee Health Insurance	230,327	(Indicate # of checks performed <u>40</u> )	475		
				Employee Meals	22,436	Patient Background Checks	2,525		
				Illinois Municipal Retirement Fund (IMRF)*		Misc. Dues & Subscriptions	2,749		
				401K Contributions	25,861	Misc. License & Fees	1,983		
				Other Employee Benefits	52,118				
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 112,602	TOTAL (agree to Schedule V, line 22, col.8)		\$ 41,530			
B. Administrative - Other							Management Company Allocation		
Description			Amount				Less: Public Relations Expense ( )		
Management Fees- Royal Operating			\$ 900,534				Non-allowable advertising ( )		
Management Fees- Royal General			439,994				Yellow page advertising ( )		
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)			\$ 1,340,528				TOTAL (agree to Sch. V, line 20, col. 8)		
C. Professional Services				E. Schedule of Non-Cash Compensation Paid to Owners or Employees			G. Schedule of Travel and Seminar**		
Vendor/Payee	Type		Amount	Description	Line #	Amount	Description	Amount	
Grabowski Law center	Collections		\$ 3,615	N/A			Out-of-State Travel	\$	
Cassiday Schade, LLP	Legal		5,291						
Much Shelist	Legal		1,575						
James Samatas	Legal		150				In-State Travel		
McGladrey & Pullen, LLP	Accounting		23,000						
Scott Krause	Legal		424						
RSM McGladrey, Inc.	Accounting		18,307						
Pension Administrators	Financial Services		1,427				Seminar Expense	9,301	
Personnel Planners	U/C Consulting		1,750						
Reed Smith/Sachnoff & Weaver	Legal		188						
Royal Management	Pension Administrators		(1,453)				Management Company Allocation	1,169	
See attached schedule 21C			26,169				Entertainment Expense ( )		
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$5,000, attach copy of invoices.)			\$ 80,444	TOTAL		\$	TOTAL (agree to Sch. V, line 24, col. 8)		\$ 10,470

\* Attach copy of IMRF notifications  
SEE ACCOUNTANTS' COMPILATION REPORT

\*\*See instructions.

C. Professional Fees

<b>Vendor/Payee</b>	<b>Type</b>	<b>Amount</b>
Standard & Poor	Financial	667
Action Computer Service	Computer Consulting	785
B2B Computer	Computer Consulting	46
CDW Direct	Computer Consulting	360
Coverged Comm	Computer Consulting	70
E-Health Data Solutions	Computer Consulting	2,400
Healthware Consulting	Computer Consulting	1,415
Information Control	Computer Consulting	1,561
Krakau Business	Computer Consulting	330
Lantac Technology	Computer Consulting	2,829
Lintech LLC	Computer Consulting	4,334
Micro Center	Computer Consulting	43
Microsoft Licensing	Computer Consulting	4,533
MJN Technolgies	Computer Consulting	28
National Datacare	Computer Consulting	1,612
Silverchair Learning Systems	Computer Consulting	4,200
Visual Click	Computer Consulting	124
Vision Share	Computer Consulting	833
		26,169

**Total Schedule V, line 19, column 3** 80,444

Less Collection fees (3,615)  
Less out of period legal (25)

Sambell of Schaumburg  
James Samatas 200

Allocated from Management Co.

James Samatas	Legal	63
Reed Smith	Legal	2,573
Much Shelist	Legal	1,620
Serpico, Petrosino, Dipiero	Legal	12
KMZ Rosenmann	Legal	1,875
McGladrey & Pullen LLP	Accounting	789
RSM McGladrey, Inc.	Accounting	606
LaSalle Network	Accounting	1,026
Gilson Labus & Silverman	Accounting	512
Aronberg, Goldgehn Davis	401(k) Administration	2
ING Life & Annuity	401(k) Administration	124
Pension Administrators, Inc.	401(k) Administration	547
Personnel Planners, Inc.	Unemployment Consu	33
Gene Whitehorn	Medicaid Reim Specia	858
Computer Services	Computer Consultant	21,532

Allocated from Samvest of Lombard II

Legal 231  
Accounting 96

**Total Schedule V, line 19, column 8** 109,503

**See Accountants' Compilation Report**

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

(See instructions.)

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Schaumburg# 0036095Report Period Beginning: 01/01/2009 Ending: 12/31/2009**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? No  
If YES, give association name and amount. N/A
- (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? \_\_\_\_\_
- (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? 5 Years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 74,325 Line \_\_\_\_\_
- (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. \$ 117,165  
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. \$ 22,436 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 1,048
- (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? 0%  
d. Have vehicle usage logs been maintained? Adequate records have been maintained.  
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?  
g. Does the facility transport residents to and from day training? No  
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No  
Firm Name: N/A
- (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**