

Facility Name Heritage Woods of McLeansboro

Report Period Beginning: 01/01/2010 Ending: 12/31/2010

III. STATISTICAL DATA

A. Certified units; enter number of units and unit days

Date of change in certified units / /

	1	2	3	4	
	Units at Beginning of Report Period	Type of Apartment	Units at End of Report Period	Unit Days During Report Period	
1	41	Single Unit Apartment	41	14,965	1
2		Double Unit Apartment			2
3		Other			3
4	41	TOTALS	41	14,965	4

B. Census-For the entire report period.

	1 Type of Unit	2 3 4 5 Resident Days by Unit and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
5	Single Unit	9,197	4,952		14,149	5
6	Double Unit					6
7	Other					7
8	TOTALS	9,197	4,952		14,149	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 94.55%

D. Indicate the number of paid bed-hold days the SLF had during this year 189 Also, indicate the number of unpaid bed-hold days the SLF had during this year. None **(Do not include bed-hold days in Section B.)**

E. Does page 3 include expenses for services or investments not directly related to SLF services?

YES NO

F. Does the BALANCE SHEET reflect any non-SLF assets?

YES NO

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

H. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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

Tax Year: 12/31/2010 Fiscal Year: 12/31/2010

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

J. Does the facility have any Illinois Housing Development Authority Loans outstanding? Yes If yes, did the facility make all of the required payments of interest and principle? Yes

If no, explain. _____

K. Does the facility have any loans from the Federal Home Loan Bank outstanding? No If yes, did the facility make all of the required payments of interest and principle? _____

If no, explain. _____

L. Does the facility have any loans from the IL Dept of Commerce and Economic Opportunity outstanding? No If yes, did the facility make all of the required payments of interest and principle? _____

If no, explain. _____

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IV. COST CENTER EXPENSES (please round to the nearest dollar)

Operating Expenses		Costs Per General Ledger				Reclassifications and Adjustments	Adjusted Total	
		Salary/Wage 1	Supplies 2	Other 3	Total 4			
A. General Services								
1	Dietary and Food Purchase	19,615	73,204	1,621	94,440		94,440	1
2	Housekeeping, Laundry and Maintenance	27,724	5,455	9,889	43,068		43,068	2
3	Heat and Other Utilities			73,625	73,625	(8,805)	64,820	3
4	Other (specify):			5,565	5,565		5,565	4
5	TOTAL General Services	47,339	78,659	90,700	216,698	(8,805)	207,893	5
B. Health Care and Programs								
6	Health Care/ Personal Care	133,396	784		134,180		134,180	6
7	Activities and Social Services		1,386		1,386		1,386	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	133,396	2,170		135,566		135,566	9
C. General Administration								
10	Administrative and Clerical		78,544	91,909	170,453	(9,915)	160,538	10
11	Marketing Materials, Promotions and Advertising	109,907	1,962	16,878	128,747		128,747	11
12	Employee Benefits and Payroll Taxes			92,036	92,036		92,036	12
13	Insurance-Property, Liability and Malpractice			17,017	17,017		17,017	13
14	Other (specify):			10,813	10,813		10,813	14
15	TOTAL General Administration	109,907	80,506	228,653	419,066	(9,915)	409,151	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	290,642	161,335	319,353	771,330	(18,720)	752,610	16
Capital Expenses								
D. Ownership								
17	Depreciation			312,825	312,825		312,825	17
18	Interest			185,444	185,444		185,444	18
19	Real Estate Taxes			(33,834)	(33,834)		(33,834)	19
20	Rent -- Facility and Grounds							20
21	Rent -- Equipment							21
22	Other (specify):			84,307	84,307		84,307	22
23	TOTAL Ownership			548,742	548,742		548,742	23
24	GRAND TOTAL (Sum of lines 16 and 23)	290,642	161,335	868,095	1,320,072	(18,720)	1,301,352	24

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses		\$	1
2	Licensed Practical Nurses		14.52	2
3	Certified Nurse Assistants	7	8.25	3
4	Activity Director & Assistants	1	9.72	4
5	Social Service Workers			5
6	Head Cook	1	11.51	6
7	Cook Helpers/Assistants	5	8.74	7
8	Dishwashers			8
9	Maintenance Workers	1	10.88	9
10	Housekeepers	1	8.33	10
11	Laundry			11
12	Managers	1	21.32	12
13	Other Administrative			13
14	Clerical	1	13.53	14
15	Marketing			15
16	Other			16
17	Total (lines 1 thru 16)	18	\$	17

VI. (A) STATEMENT OF COMPENSATION AND OTHER PAYMENTS TO OWNERS, RELATIVES AND MEMBERS OF THE BOARD OF DIRECTORS.

	NAME and FUNCTION	Ownership Interest	Average Hours Per Work Week Devoted to this Business	Amount of Compensation for this Reporting Period	
1				\$	1
2					2
3					3
4					4
5					5
Total				\$	6

VI. (B) Management fees paid to unrelated parties

Amount of Fee

1	BMA Management, LTD.	\$	36,002	1	
2				2	
Total			\$	36,002	3

VII. RELATED ORGANIZATIONS

A. Enter below the names of all related organizations. Attach an additional schedule if necessary.

RELATED SLF's & HEALTH CARE BUSINESSES

Name	1	City	2
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

B. Does your facility receive services from a parent organization or home office; the costs for which were not included on page 3? YES NO

Name of related entity: _____ If yes, what is the value of those services? \$ _____
(Please attach a separate schedule itemizing those services.)

C. Does page 3 include any costs derived from transactions (including rent) with related parties? YES NO

If so, please attach a separate schedule detailing the nature of those services, their costs as they appear on your books and the underlying cost to the related party (i.e., not including markup).

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VIII. OWNERSHIP COSTS

A. Purchase price of land 145,000 Year land was acquired 2005

B. Building Depreciation -- Including Fixed Equipment. Round all numbers to the nearest dollar.

*Total units on this schedule must agree with page 2.

	1 Units*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	41			2008	\$ 4,948,747	\$ 179,954	28	\$ 176,741	\$ (3,213)	\$ 367,367	1
2											2
3											3
4											4
5											5
Improvement Type											
6		Land Improvements		2008	352,520	23,501	15	23,501		50,959	6
7											7
8											8
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17	TOTAL (lines 1 thru 16)				\$ 5,301,267	\$ 203,455		\$ 200,242	\$ (3,213)	\$ 418,326	17

C. Equipment Depreciation -- Including Transportation.

	Type	1 Cost	2 Current Book Depreciation	3 Straight Line Depreciation	4 Adjustments	5 Life in Years	6 Accumulated Depreciation	
18	Movable Equipment	\$ 480,761	\$ 109,370	\$ 96,152	(13,218)	5	\$ 308,971	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 480,761	\$ 109,370	\$ 96,152	(13,218)		\$ 308,971	20

D. Depreciable Non-Care Assets Included in General Ledger.

	1 Description and Year Acquired	2 Cost	3 Current Book Depreciation	4 Accumulated Depreciation	
21		\$	\$	\$	21
22					22
23					23
24	TOTALS (lines 21, 22 and 23)	\$	\$	\$	24

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IX. RENTAL COSTS

A. Building and Fixed Equipment

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? YES NO

		1	2	3	4	5	6	
		Year Constructed	Number of Units	Date of Lease	Rental Amount	Total Yrs. of Lease	Total Years Renewal Option*	
3	Original Building			/ /	\$			3
4	Additions			/ /				4
5				/ /				5
6				/ /				6
7	TOTAL				\$			7

8. Is movable equipment rental included in building rental? YES NO

9. Rental amount for movable equipment \$ _____

10. If the facility rents any vehicles which are used for care-related purposes, please attach a schedule detailing the model year and make, the rental expense for this period and the use of the vehicle.

X. INTEREST EXPENSE

	1	Name of Lender	2		3	4	6		7	8	9						
			Related**				Purpose of Loan	Date of Note					Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Int. Expense
			YES	NO									Original	Balance			
		A. Directly Facility Related															
		Long-Term															
1		IHDA		X	First Mortgage	2/28/08	\$ 2,760,000	\$ 2,701,309	9/1/39	0.0600	\$ 165,444	1					
2		IHDA		X	Second Mortgage	2/28/08	2,000,000	2,000,000	9/1/29	0.0100	20,000	2					
3						/ /			/ /			3					
		Working Capital															
4						/ /			/ /			4					
5						/ /			/ /			5					
6						/ /			/ /			6					
7		TOTAL Facility Related					\$ 4,760,000	\$ 4,701,309			\$ 185,444	7					
		B. Non-Facility Related															
8						/ /			/ /			8					
9						/ /			/ /			9					
10		TOTALS (lines 7, 8 and 9)					\$ 4,760,000	\$ 4,701,309			\$ 185,444	10					

* If there is an option to buy the building, please provide complete details on an attached schedule.
 ** If there is any overlap in ownership between the facility and the lender, this must be indicated in column 2.

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XI. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2010

(last day of reporting year)

		1	2	
		Operating	After	
			Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 373,728	\$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	45,190		3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	4,058		6
7	Other Prepaid Expenses	2,132		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 425,108	\$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land	497,520		13
14	Buildings, at Historical Cost	4,948,747		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	480,761		16
17	Accumulated Depreciation (book methods)	(727,297)		17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs	162,892		19
20	Accumulated Amortization - Organization & Pre-Operating Costs	(17,542)		20
21	Restricted Funds	721,741		21
22	Other Long-Term Assets (specify):			22
23	Other(specify):			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 6,066,822	\$	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 6,491,930	\$	25

*(See instructions.)

		1	2	
		Operating	After	
			Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 19,504	\$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	17,935		30
31	Accrued Taxes Payable	3,000		31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35	SEE ATTACHMENT PG 7	373,247		35
36				36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 413,686	\$	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable			38
39	Mortgage Payable	4,701,309		39
40	Bonds Payable			40
41	Deferred Compensation			41
	Other Long-Term Liabilities(specify):			
42				42
43				43
44	TOTAL Long-Term Liabilities (sum of lines 38 thru 43)	\$ 4,701,309	\$	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 5,114,995	\$	45
46	TOTAL EQUITY	\$ 1,376,935	\$	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 6,491,930	\$	47

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XII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this Schedule to Schedule IV.)

		1	
Revenue		Amount	
A. SLF Resident Care			
1	Gross SLF Resident Revenue	\$ 1,127,682	1
2	Discounts and Allowances	(3,635)	2
SUBTOTAL Resident Care			
3	(line 1 minus line 2)	\$ 1,124,047	3
B. Other Operating Revenue			
4	Special Services	55,247	4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care	8,396	8
9	Non-Resident Meals	6,173	9
10	Laundry		10
SUBTOTAL OTHER OPERATING REVENUE			
11	(sum of lines 4 thru 10)	\$ 69,816	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	3,856	13
SUBTOTAL Non-Operating Revenue			
14	(sum of lines 12 and 13)	\$ 3,856	14
D. Other Revenue (specify):			
15			15
16			16
SUBTOTAL Other Revenue			
17	(sum of lines 15 and 16)	\$	17
TOTAL REVENUE			
18	(sum of lines 3, 11, 14 and 17)	\$ 1,197,719	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	216,698	19
20	Health Care/ Personal Care	135,566	20
21	General Administration	419,066	21
B. Capital Expense			
22	Ownership	548,742	22
C. Other Expenses			
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
TOTAL EXPENSES			
28	(sum of lines 19 thru 27)	\$ 1,320,072	28
Income Before Income Taxes			
29	(line 18 minus line 28)	\$ (122,353)	29
Income Taxes			
30		\$	30
NET INCOME OR LOSS FOR THE YEAR			
31	(line 29 minus line 30)	\$ (122,353)	31

COST CENTER EXPENSES

A. General Services - Other

Exterminating	1,020
Rubbish Removal	3,308
Vehicle Expense	1,188
Water Softener	<u>49</u>
TOTAL	<u><u>5,565</u></u>

C. General Administration - Other

Consulting	173
Audit	9,770
Contract Labor	1,000
Bad Debts Expense	<u>(130)</u>
TOTAL	<u><u>10,813</u></u>

D. Ownership

Asset Management Fee	3,000
Incentive Management	71,711
Tax Credit Fees & Incentive Fee	825
Amortization Expense	<u>8,771</u>
TOTAL	<u><u>84,307</u></u>

Reclassifications and Adjustments

Heat & Other Utilities	(8,805) Cable
Administrative and Clerical	(9,915) Telephone Revenue

BALANCE SHEET

Other Current Liabilities

Accrued Asset Management Fee	6,000
Accrued Incentive Mgmt Fee	71,711
Accrued Liabilities	11,427
Accrued Developer Fee	267,614
Unearned Revenue	<u>16,495</u>
Total Other Current Liabilities	<u><u>373,247</u></u>