

Facility Name & ID Number Lexington of Lake Zurich

0039768 Report Period Beginning: 01/01/2010 Ending: 12/31/2010

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 12/21/10

	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	198	Skilled (SNF)	203	72,325	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	198	TOTALS	203	72,325	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF			15,694	15,694	8
9	SNF/PED					9
10	ICF	47,669	5,943		53,612	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	47,669	5,943	15,694	69,306	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 95.83%

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 in 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 08/20/94

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 203 and days of care provided 9,795

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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.

Facility Name & ID Number Lexington of Lake Zurich # 0039768 Report Period Beginning: 01/01/2010 Ending: 12/31/2010

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	382,156	64,062	15,983	462,201		462,201		462,201		1
2	Food Purchase		324,874		324,874		324,874	(15,910)	308,964		2
3	Housekeeping	339,908	35,006		374,914		374,914	371	375,285		3
4	Laundry	92,007	20,958		112,965		112,965		112,965		4
5	Heat and Other Utilities			256,080	256,080		256,080	9,557	265,637		5
6	Maintenance	32,386		154,754	187,140		187,140	58,249	245,389		6
7	Other (specify):* Mgmt Co.-Allocated B							6,454	6,454		7
8	TOTAL General Services	846,457	444,900	426,817	1,718,174		1,718,174	58,721	1,776,895		8
	B. Health Care and Programs										
9	Medical Director			73,375	73,375		73,375		73,375		9
10	Nursing and Medical Records	4,413,115	326,420	52,378	4,791,913		4,791,913	58,679	4,850,592		10
10a	Therapy			1,036,764	1,036,764		1,036,764		1,036,764		10a
11	Activities	241,652	28,928	7,236	277,816		277,816		277,816		11
12	Social Services	262,669		5,952	268,621		268,621		268,621		12
13	CNA Training										13
14	Program Transportation										14
15	Other (specify):* Mgmt Co.-Allocated B							8,043	8,043		15
16	TOTAL Health Care and Programs	4,917,436	355,348	1,175,705	6,448,489		6,448,489	66,722	6,515,211		16
	C. General Administration										
17	Administrative	106,973		1,330,610	1,437,583		1,437,583	(1,304,572)	133,011		17
18	Directors Fees										18
19	Professional Services			177,233	177,233		177,233	16,762	193,995		19
20	Dues, Fees, Subscriptions & Promotions			40,309	40,309		40,309	6,658	46,967		20
21	Clerical & General Office Expenses	346,755	38,012	39,267	424,034		424,034	397,715	821,749		21
22	Employee Benefits & Payroll Taxes			893,987	893,987		893,987	15,910	909,897		22
23	Inservice Training & Education			12,636	12,636		12,636	1,021	13,657		23
24	Travel and Seminar			9,523	9,523		9,523	(3,860)	5,663		24
25	Other Admin. Staff Transportation			5,421	5,421		5,421	19,379	24,800		25
26	Insurance-Prop.Liab.Malpractice			243,475	243,475		243,475	3,956	247,431		26
27	Other (specify):* Mgmt Co.-Allocated B							70,752	70,752		27
28	TOTAL General Administration	453,728	38,012	2,752,461	3,244,201		3,244,201	(776,279)	2,467,922		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	6,217,621	838,260	4,354,983	11,410,864		11,410,864	(650,836)	10,760,028		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 Lake Zurich

#0039768

Report Period Beginning:

01/01/2010

Ending:

12/31/2010

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	D. Ownership											
30	Depreciation			131,479	131,479		131,479	395,907	527,386			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			19,033	19,033		19,033	456,183	475,216			32
33	Real Estate Taxes							150,605	150,605			33
34	Rent-Facility & Grounds			1,429,053	1,429,053		1,429,053	(1,425,160)	3,893			34
35	Rent-Equipment & Vehicles			64,367	64,367		64,367	3,120	67,487			35
36	Other (specify):*											36
37	TOTAL Ownership			1,643,932	1,643,932		1,643,932	(419,345)	1,224,587			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		469,861		469,861		469,861		469,861			39
40	Barber and Beauty Shops			28,766	28,766		28,766		28,766			40
41	Coffee and Gift Shops			12,253	12,253		12,253		12,253			41
42	Provider Participation Fee			108,405	108,405		108,405		108,405			42
43	Other (specify):* Non-Allowable Cos			104,197	104,197		104,197	(104,197)				43
44	TOTAL Special Cost Centers		469,861	253,621	723,482		723,482	(104,197)	619,285			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	6,217,621	1,308,121	6,252,536	13,778,278		13,778,278	(1,174,378)	12,603,900			45

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

SEE ACCOUNTANTS' COMPILATION REPORT

VI. ADJUSTMENT DETAIL

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

		1	2	3	
	NON-ALLOWABLE EXPENSES	Amount	Refer-ence	BHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms	(6,384)	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	(271)	30		9
10	Interest and Other Investment Income	(17,732)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(1,630)	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	(3,640)	43		18
19	Entertainment				19
20	Contributions	(113)	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	(25,358)	43		24
25	Fund Raising, Advertising and Promotional	(38,071)	43		25
26	Income Taxes and Illinois Personal Property Replacement Tax	(497)	43		26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Pg 5A	(393,317)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (487,013)		\$	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)	(687,365)		34
35	Other- Attach Schedule			35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (687,365)		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ (1,174,378)		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

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington of Lake ZurichID# 0039768Report Period Beginning: 01/01/2010Ending: 12/31/2010

NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Diagnostics Managed Care	\$ (220)	43	1
2	Labs Part A	(6,971)	43	2
3	X-Rays-Part A	(21,313)	43	3
4	Marketing Salary	(87,076)	21	4
5	Trust Fees	(75)	43	5
6	Disallow collection	(2,798)	19	6
7	Out of period legal	(1,440)	19	7
8	Misc. Income	(83)	21	8
9	Reclass LHI to Repairs & Maintenance	6,483	6	9
10	Travel and Seminar Marketing	(5,685)	24	10
11	Due and subscriptions marketing	(960)	20	11
12	Chamber of commerce dues	(575)	20	12
13	Unrealized loss on FMV swap	(272,604)	43	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
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30				30
31				31
32				32
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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	(393,317)		49

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
James Samatas Discretionary Trust	33.33					
John Samatas Discretionary Trust	33.33	See Attached Schedule B		See Attached Schedule B		
Cynthia Thiem Discretionary Trust	33.34					

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.

Schedule V	1	2	3	4	5	6	7	8 Difference:	
			Cost Per General Ledger	Amount	Cost to Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
		Line	Item		Name of Related Organization				
1	V	19	Professional Fees	\$	Lexington Helath Care Systems of Lake Zurich Ltd Ptsp	**	\$ 200	\$ 200	1
2	V								2
3	V	30	Depreciation		Lexington Helath Care Systems of Lake Zurich Ltd Ptsp	**	351,693	351,693	3
4	V	32	Interest Expense		Lexington Helath Care Systems of Lake Zurich Ltd Ptsp	**	456,537	456,537	4
5	V	32	Amortization of Mortgage Costs		Lexington Helath Care Systems of Lake Zurich Ltd Ptsp	**	1,415	1,415	5
6	V	33	Property Taxes		Lexington Helath Care Systems of Lake Zurich Ltd Ptsp	**	145,053	145,053	6
7	V	34	Rental Expense	1,429,053	Lexington Helath Care Systems of Lake Zurich Ltd Ptsp	**		(1,429,053)	7
8	V	43	Trust Fees		Lexington Helath Care Systems of Lake Zurich Ltd Ptsp	**	75	75	8
9	V	43	Unrealized loss on FMV swap		Lexington Helath Care Systems of Lake Zurich Ltd Ptsp	**	272,604	272,604	9
10	V								10
11	V								11
12	V		** The owners of Lexington Health Care Center of Lake Zurich, Inc. own 100% of Lexington Health Care Systems						12
13	V		of Lake Zurich Limited Partnership.						13
14	Total			\$ 1,429,053			\$ 1,227,577	\$ * (201,476)	14

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

Facility Name & ID Number Lexington of Lake Zurich# 0039768Report Period Beginning: 01/01/2010 Ending: 12/31/2010

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.	**	\$ 371	\$	371	15	
16	V	5 Utilities - gas & electric		Royal Management Corp.	**	8,493		8,493	16	
17	V	5 Utilities - water & sewer		Royal Management Corp.	**	242		242	17	
18	V	5 Utilities - maintenance office		Royal Management Corp.	**	822		822	18	
19	V	6 Management allocation - salaries		Royal Management Corp.	**	43,443		43,443	19	
20	V	6 Repairs & maintenance		Royal Management Corp.	**	7,935		7,935	20	
21	V	6 Scavenger & exterminating		Royal Management Corp.	**	388		388	21	
22	V	7 Management allocation - employee benefits		Royal Management Corp.	**	6,454		6,454	22	
23	V	10 Medical consultant		Royal Management Corp.	**	4,543		4,543	23	
24	V	10 Management allocation - salaries		Royal Management Corp.	**	54,136		54,136	24	
25	V	15 Management allocation - employee benefits		Royal Management Corp.	**	8,043		8,043	25	
26	V	17 Management allocation - salaries		Royal Management Corp.	**	26,038		26,038	26	
27	V	19 Computer consultant & supplies		Royal Management Corp.	**	14,391		14,391	27	
28	V	19 Professional fees		Royal Management Corp.	**	6,409		6,409	28	
29	V	20 Dues & subscriptions		Royal Management Corp.	**	649		649	29	
30	V	20 Advertising - help wanted		Royal Management Corp.	**	7,544		7,544	30	
31	V	21 Management allocation - salaries		Royal Management Corp.	**	450,191		450,191	31	
32	V	21 Bank charges		Royal Management Corp.	**	8,915		8,915	32	
33	V	21 Office supplies & printing		Royal Management Corp.	**	11,735		11,735	33	
34	V	21 Postage		Royal Management Corp.	**	4,216		4,216	34	
35	V								35	
36	V								36	
37	V	**Certain owners of Lexington Health Care Center of Lake Zurich, Inc. own 100% of Royal Management								37
38	V								38	
39	Total		\$			\$ 664,958	\$ *	664,958	39	

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Lake Zurich# 0039768Report Period Beginning: 01/01/2010 Ending: 12/31/2010

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.	**	\$ 9,817	\$ 9,817 15	
16	V	24 Travel & seminar		Royal Management Corp.	**	1,825	1,825 16	
17	V	25 Auto expense		Royal Management Corp.	**	19,379	19,379 17	
18	V	26 Insurance general		Royal Management Corp.	**	3,956	3,956 18	
19	V	27 Management allocation - employee benefits		Royal Management Corp.	**	70,752	70,752 19	
20	V	30 Depreciation		Royal Management Corp.	**	44,485	44,485 20	
21	V	32 Interest		Royal Management Corp.	**	15,928	15,928 21	
22	V	32 Amortization of mortgage costs		Royal Management Corp.	**	35	35 22	
23	V	33 Property taxes		Royal Management Corp.	**	5,552	5,552 23	
24	V	34 Rent expense		Royal Management Corp.	**	3,893	3,893 24	
25	V	35 Equipment rental		Royal Management Corp.	**	1,156	1,156 25	
26	V	17 Management fees	1,330,610	Royal Management Corp.	**		(1,330,610) 26	
27	V	35 Auto Lease		Royal Management Corp.	**	1,964	1,964 27	
28	V	23 Inservice Training		Royal Management Corp.	**	1,021	1,021 28	
29	V							
30	V							
31	V							
32	V							
33	V							
34	V							
35	V							
36	V							
37	V	**Certain owners of Lexington Health Care Center of Lake Zurich, Inc. own 100% of Royal Management						
38	V							
39	Total		\$ 1,330,610			\$ 179,763	\$ * (1,150,847) 39	

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

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington Health Care Center of Lake Zurich, Inc.
Provider # 0039768
1/1/10-12/31/10

Schedule 6B

VII. Related Parties
Related Nursing Homes

Name of facility	City
Lexington Health Care Center of Lombard, Inc.	Lombard
Lexington Health Care Center of Bloomingdale, Inc.	Bloomingdale
Lexington Health Care Center of Elmhurst, Inc.	Elmhurst
Lexington Health Care Center of LaGrange, Inc.	LaGrange
Lexington Health Care Center of Wheeling, Inc.	Wheeling
Lexington Health Care Center of Schaumburg, Inc.	Schaumburg
Lexington Health Care Center of Chicago Ridge, Inc.	Chicago Ridge
Lexington Health Care Center of Streamwood, Inc.	Streamwood
Lexington Health Care Center of Orland Park, Inc.	Orland Park

Other Business Entities	City	Type of Business
Eastgate Manor	Algonquin	Supportive Living Facility
Vesta Management Group LLC	Lombard	Management Company
Lexington Health Care System of Lake Zurich Ltd. Ptsp.	Lake Zurich	Real Estate Property
Royal Management Corporation	Lombard	Management Company
Lexington Financial Services II, LLC	Lombard	Finance Company
Lexington Square Life Care of Lombard, LLC	Lombard	Independent and Assisted Living
Samvest of Lombard II, LP	Lombard	Hotel

See Accountants' Compilation Report

Facility Name & ID Number Lexington of Lake Zurich # 0039768 Report Period Beginning: 01/01/2010 Ending: 12/31/2010

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	33.33	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	\$ 9,401	L17, C7	1	
2	John Samatas	Owner/Officer	Admin/Plant Ops	33.33	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	8,103	L17, C7	2	
3	Cynthia Thiem	Owner/Officer	Administrative	33.34	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	8,534	L17, C7	3	
4	Daniel Thiem	Executive VP	Administrative	0.00	See Schedule 7A	See Sch 7B	See Sch 7B	Salary	2,441	L21, 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	\$ 28,479		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 Lake Zurich

0039768

Report Period Beginning:

01/01/2010

Ending: 2/31/2010

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	3	Housekeeping supplies	Bed Days	718,010	10	\$ 3,682	\$ 72,325	\$ 371	1	
2	5	Utilities - gas & electric	Bed Days	718,010	10	84,318	72,325	8,493	2	
3	5	Utilities - water & sewer	Bed Days	718,010	10	2,399	72,325	242	3	
4	5	Utilities - maintenance office	Bed Days	718,010	10	8,161	72,325	822	4	
5	6	Management allocation - salaries	Bed Days	718,010	10	431,278	431,278	72,325	43,443	5
6	6	Repairs & maintenance	Bed Days	718,010	10	78,772	72,325	7,935	6	
7	6	Scavenger & exterminating	Bed Days	718,010	10	3,848	72,325	388	7	
8	7	Management allocation - employees	Bed Days	718,010	10	64,074	72,325	6,454	8	
9	10	Medical consultant	Bed Days	718,010	10	45,100	72,325	4,543	9	
10	10	Management allocation - salaries	Bed Days	718,010	10	537,439	537,439	72,325	54,136	10
11	15	Management allocation - employees	Bed Days	718,010	10	79,846	72,325	8,043	11	
12	17	Management allocation - salaries	Bed Days	718,010	10	258,489	258,489	72,325	26,038	12
13	19	Computer consultant & supplies	Bed Days	718,010	10	142,872	72,325	14,391	13	
14	19	Professional fees	Bed Days	718,010	10	63,628	72,325	6,409	14	
15	20	Dues & subscriptions	Bed Days	718,010	10	6,440	72,325	649	15	
16	20	Advertising - help wanted	Bed Days	718,010	10	74,892	72,325	7,544	16	
17	21	Management allocation - salaries	Bed Days	718,010	10	4,469,291	4,469,291	72,325	450,191	17
18	21	Bank charges	Bed Days	718,010	10	88,508	72,325	8,915	18	
19	21	Office supplies & printing	Bed Days	718,010	10	116,497	72,325	11,735	19	
20	21	Postage	Bed Days	718,010	10	41,854	72,325	4,216	20	
21	21	Telephone	Bed Days	718,010	10	97,454	72,325	9,817	21	
22	24	Travel and Seminar	Bed Days	718,010	10	18,117	72,325	1,825	22	
23									23	
24									24	
25	TOTALS					\$ 6,716,959	\$ 5,696,497	\$ 676,600	25	

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Lake Zurich

0039768

Report Period Beginning:

01/01/2010

Ending: 2/31/2010

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) 458-476

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	718,010	10	\$ 192,388	\$ 72,325	\$ 19,379	1
2	26	Insurance general	Bed Days	718,010	10	39,272	72,325	3,956	2
3	27	Management allocation - employees	Bed Days	718,010	10	702,398	72,325	70,752	3
4	30	Depreciation	Bed Days	718,010	10	441,627	72,325	44,485	4
5	32	Interest	Bed Days	718,010	10	158,122	72,325	15,928	5
6	32	Amortization of mortgage costs	Bed Days	718,010	10	346	72,325	35	6
7	33	Property taxes	Bed Days	718,010	10	55,117	72,325	5,552	7
8	34	Rent expense	Bed Days	718,010	10	38,647	72,325	3,893	8
9	35	Equipment rental	Bed Days	718,010	10	11,478	72,325	1,156	9
10	35	Auto Lease	Bed Days	718,010	10	19,500	72,325	1,964	10
11	23	Inservice Training	Bed Days	718,010	10	10,139	72,325	1,021	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					\$ 1,669,034	\$	\$ 168,121	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number

Lexington of Lake Zurich

0039768

Report Period Beginning:

01/01/2010

Ending:

12/31/2010

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
	A. Directly Facility Related																			
	Long-Term																			
1	Lexington Financial						\$	\$		\$	1									
2	Services II, LLC	X		Mortgage	Varies	4/30/07	7,606,000	7,138,324	5/1/2017	0.0625	456,537	2								
3											3									
4											4									
5							Interest on financing insurance premium				2,386	5								
	Working Capital																			
6	Shareholders	X		Working Capital	None	Varies	270,033	1,681,358	Demand	Prime +1	16,647	6								
7	JP Morgan Chase N.A.		X	Line of Credit	Varies	4/30/07	1,100,000		6/30/11	Libor +2.25%		7								
8											8									
9	TOTAL Facility Related						\$ 8,976,033	\$ 8,819,682			\$ 475,570	9								
	B. Non-Facility Related*																			
10								Amortization of loan cost			1,450	10								
11								Interest Income offset			(1,085)	11								
12								Allocated from Management Co.			15,928	12								
13								Nonallowable shareholder interest			(16,647)	13								
14	TOTAL Non-Facility Related						\$	\$			\$ (354)	14								
15	TOTALS (line 9+line14)						\$ 8,976,033	\$ 8,819,682			\$ 475,216	15								

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A 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.)

2009 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lexington of Lake Zurich COUNTY Lake
 FACILITY IDPH LICENSE NUMBER 0039768
 CONTACT PERSON REGARDING THIS REPORT Karen Gillis
 TELEPHONE (630) 458-4700 FAX #: (630) 458-4795

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2009 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2009.

	(A)	(B)	(C)	(D)
	<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Tax Applicable to Nursing Home</u>
1.	<u>14-28-100-020</u>	<u>Nursing Facility</u>	\$ <u>133,641.47</u>	\$ <u>133,641.47</u>
2.	<u>14-29-200-033</u>	<u>Nursing Facility</u>	\$ <u>12,611.46</u>	\$ <u>12,611.46</u>
3.	<u>Royal Management Corp. (Samvest of Lombard II)</u>		\$ <u>227,778.04</u>	\$ <u>5,552.00</u>
4.	<u>05-01-202-021</u>		\$ _____	\$ _____
5.	_____	_____	\$ _____	\$ _____
6.	_____	_____	\$ _____	\$ _____
7.	_____	_____	\$ _____	\$ _____
8.	_____	_____	\$ _____	\$ _____
9.	_____	_____	\$ _____	\$ _____
10.	_____	_____	\$ _____	\$ _____
TOTALS			\$ <u><u>374,030.97</u></u>	\$ <u><u>151,804.93</u></u>

B. Real Estate Tax Cost Allocations

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not directly used for nursing home services? X YES _____ NO

If YES, attach an explanation and a schedule which shows the calculation of the cost allocated to the nursing home. (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used.)

C. Tax Bills

Attach a copy of the original 2009 tax bills which were listed in Section A to this statement. Be sure to use the 2009 tax bill which is normally paid during 2010.

PLEASE NOTE: *Payment information from the Internet* or otherwise is *not considered acceptable tax bill documentation* . Facilities located in Cook County are required to provide copies of their original **second installment tax bill.**

Facility Name & ID Number Lexington of Lake Zurich

0039768

Report Period Beginning:

01/01/2010 Ending:

12/31/2010

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 78,901 B. General Construction Type: Exterior Brick Frame Steel Number of Stories 3

C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? (a) Own the Equipment (b) Rent equipment from a Related Organization. (c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

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

F. Does this cost report reflect any organization or pre-operating costs which are being amortized? YES NO
If so, please complete the following:

1. Total Amount Incurred: _____ 2. Number of Years Over Which it is Being Amortized: _____

3. Current Period Amortization: _____ 4. Dates Incurred: _____

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

XI. OWNERSHIP COSTS:

	1	2	3	4	
A. Land.	Use	Square Feet	Year Acquired	Cost	
1	<u>Resident Care</u>	<u>250,344</u>	<u>1990</u>	<u>\$ 495,000</u>	<u>1</u>
2	<u>Allocated from management company</u>			<u>19,539</u>	<u>2</u>
3	TOTALS	250,344		\$ 514,539	3

SEE ACCOUNTANTS' COMPILATION REPORT

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar.**

	1	2	3	4	5	6	7	8	9		
	Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	203		1994	1994	\$ 6,418,908	\$	40	\$ 160,473	\$ 160,473	\$ 2,621,054	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	Land Improvements		1994		10,701		10			10,701	9
10	Land Improvements		1994		13,330		10			13,330	10
11	Leasehold Improvements		1994		4,737		15			4,737	11
12	Leasehold Improvements		1995		4,005	133	15	133		4,005	12
13	Land Improvements		1995		3,221		10			3,221	13
14	Building Improvements		1995		3,019		40	75	75	1,207	14
15	Building Improvements		1995		64,500	1,654	39	1,654		25,981	15
16	Patio		1996		1,168	78	15	78		1,130	16
17	Compressor		1996		5,145		10			5,145	17
18	Road sidewalk		1997		18,094		20	905	905	12,215	18
19	Foundation/Sprinkler		1997		2,068	59	35	59		797	19
20	Flagpoles		1997		1,573	105	15	105		1,416	20
21	Basement rehab		1998		12,867		10			12,867	21
22	MDS Telnet wiring		1998		3,365		10			3,365	22
23	Flag Pole		1998		787	52	15	52		655	23
24	Resurface/restripe parking lot		1998		4,977		10			4,977	24
25	Transfer 10 beds from shelter care		1998		2,260	57	40	57		688	25
26	1st floor lobby tile		1999		12,153		10			12,154	26
27	Parking lot repair		2000		3,740	187	10	187		3,740	27
28	Roof repair		2000		10,770	539	10	539		10,771	28
29	Automatic door		2000		1,300	65	10	65		1,300	29
30	Kitchen rehab		2000		16,886	844	10	844		16,887	30
31	Compressor		2001		4,350	435	10	435		4,132	31
32	Boiler vent		2001		3,228	323	10	323		3,067	32
33	Fire pump		2001		1,766	177	10	177		1,678	33
34	Kitchen rehab		2001		721	72	10	72		684	34
35	Elevator infrared curtains		2001		4,500	450	10	450		4,275	35
36			2004		64,473	3,224	20	3,224		20,417	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 Lake Zurich

0039768

Report Period Beginning:

01/01/2010 Ending: 12/31/2010

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	10
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
37	Elevator Upgrade	2004	\$ 3,487	\$ 174	20	\$ 174		\$ 1,060	37
38	HVAC Compressor	2004	11,845	592	20	592		3,701	38
39	Sidewalk, raise and support	2005	700	35	20	35		187	39
40	Pavement for parking lot	2005	6,650	333	20	333		1,857	40
41	Water softner	2005	2,635	132	20	132		780	41
42	Plumbing and sprinkler	2005	4,469	223	20	223		1,321	42
43	Lobby and lounge rehab	2005	44,560	2,228	20	2,228		13,182	43
44	Therapy room rehab	2005	1,721	86	20	86		452	44
45	First floor therapy room	2005	42,424	2,121	20	2,121		12,060	45
46	Transitional unit	2005	9,898	495	20	495		2,640	46
47	Countertop	2005	845	56	5	56		845	47
48	Wallcovering	2005	439	66	5	66		439	48
49	Panel Brick Replacement	2006	16,001	800	20	800		3,534	49
50	Landscaping Improvement	2006	4,640	928	5	928		4,176	50
51	HVAC	2006	3,999	400	10	400		1,633	51
52	Kitchen Rehab	2006	2,553	255	10	255		1,212	52
53	Wall Mounted Cabinets	2006	10,451	1,045	10	1,045		4,529	53
54	Therapy room rehab	2006	2,829	283	10	283		1,179	54
55	Solo step install	2006	3,689	369	10	369		1,537	55
56	Transitional unit	2006	31,685	1,584	20	1,584		6,469	56
57	Employee Lunchroom rehab	2006	1,766	177	10	177		766	57
58	Fine Dining	2006	22,517	1,126	20	1,126		4,879	58
59	Land Improvements	2006	5,374	358	15	358		1,522	59
60	Emergency AC	2006	7,564	756	10	756		3,025	60
61	Wood Flooring	2006	1,526		10	153	153	611	61
62	HVAC	2007	2,716	272	10	272		951	62
63	Emergency AC	2007	18,731	1,873	10	1,873		6,556	63
64	First floor remodel-carpentry, flooring, plumbing, painting,	2007	700,039		40	17,539	17,539	65,771	64
65	fixtures								65
66	Landscaping	2008	15,920	1,061	15	1,061		3,095	66
67	Parking Lot Repairs	2008	4,224	211	20	211		475	67
68	Roof	2008	33,700	1,685	20	1,685		4,353	68
69	Employee Locker Rooms	2008	3,732	93	40	93		209	69
70	TOTAL (lines 4 thru 69)		\$ 7,721,941	\$ 28,271		\$ 207,416	\$ 179,145	\$ 2,961,602	70

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 Lake Zurich

0039768

Report Period Beginning:

01/01/2010 Ending: 12/31/2010

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		\$ 7,721,941	\$ 28,271		\$ 207,416	\$ 179,145	\$ 2,961,602	1
2	Second floor remodel - carpentry, electrical, flooring,	2008	555,633		27	20,205	20,205	48,829	2
3	painting								3
4	Irrigation System	2009	15,335	1,022	15	1,022		1,363	4
5	Landscaping Enhancements	2009	8,276	552	15	552		782	5
6	Quick connects	2009	7,611	381	20	381		508	6
7	HVAC Chiller	2009	102,185	5,109	20	5,109		7,664	7
8	HVAC-1st floor admin office	2009	7,295	365	20	365		395	8
9	2nd floor remodel	2009	9,331	339	27	339		678	9
10	Basement Office	2009	2,755	100	27	100		125	10
11	Patio Pergola	2009	8,905	445	20	445		593	11
12	3rd floor remodel-Carpentry,plumbing,electrical,handrails	2009	398,350		27	14,485	2,414	16,899	12
13	painting,alarm system								13
14									14
15									15
16									16
17	Med Room Remodel-painting,flooring	2010	5,531	50	27	50		50	17
18	Office conversions	2010	51,465		27				18
19	Exhaust System	2010	83,215		27				19
20	Office spot cooler	2010	3,456	11	27	11		11	20
21	Ceiling insulations	2010	2,640	32	27	32		32	21
22	Remodel pantry-shelves	2010	4,402	40	27	40		40	22
23	Paint over bed lights	2010	5,512		27				23
24	Exterior Door	2010	2,618	8	27	8		8	24
25	Remodel Library/Lounge and physician office-flooring,	2010	7,796	30	27	30		30	25
26	art framing,flooring								26
27	2nd floor remodel-carpentry,plumbing,electrical	2010	4,838	132	27	132		132	27
28	Concrete repair-ramp & railing	2010	10,029	167	15	167		167	28
29									29
30									30
31									31
32	Reconcile to book depreciation			270					32
33									33
34	TOTAL (lines 1 thru 33)		\$ 9,019,119	\$ 37,324		\$ 250,889	\$ 201,764	\$ 3,039,908	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	Totals from Page 12B, Carried Forward		\$ 9,019,119	\$ 37,324		\$ 250,889	\$ 213,565	\$ 3,039,908	1
2									2
3									3
4									4
5									5
6									6
7	Building - management company	2002	270,373		40	8,065	8,065	71,712	7
8	HVAC, electrical, security system - management company	2003	2,375		30	430	430	1,217	8
9	Key card system - management company	2004	373		20	19	19	119	9
10	VAV TX controls - management company	2005	114		20	6	6	33	10
11	Building improvements - management company	2006	83		20	6	6	23	11
12	Building improvements - management company	2008	8,980		20	689	689	1,533	12
13	Building improvements - management company	2009	675		15	45	45	57	13
14	Building improvements - management company	2010	815		15	65	65	65	14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 9,302,907	\$ 37,324		\$ 260,214	\$ 222,890	\$ 3,114,667	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 Lake Zurich

0039768

Report Period Beginning:

01/01/2010

Ending:

12/31/2010

XI. OWNERSHIP COSTS (continued)

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

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 1,312,429	\$ 81,303	\$ 217,686	\$ 136,383	5	\$ 609,810	71
72	Current Year Purchases	161,529	12,852	14,326	1,474	5	14,326	72
73	Fully Depreciated Assets	83,133					83,133	73
74	Allocated from management co.	287,433		29,430	29,430	5	225,981	74
75	TOTALS	\$ 1,844,524	\$ 94,155	\$ 261,442	\$ 167,287		\$ 933,250	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 management co.			42,344		5,730	5,730	5	29,808	79
80	TOTALS			\$ 42,344	\$	\$ 5,730	\$ 5,730		\$ 29,808	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)	\$ 11,704,314	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 131,479	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 527,386	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 395,907	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 4,077,725	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			N/A		90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92	CIP-Payroll office	\$ 73,930	92
93	CIP-DON office	10,631	93
94			94
95		\$ 84,561	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>3,893</u>			6
7	TOTAL				\$ <u>3,893</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: \$ 65,523 Description: Copier-\$13,518;Med Equip-\$19,092;Oxygen-\$31,757;Alloc. Mgmt Co.-\$1,156

(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>1,964</u>	20
21	TOTAL		\$	\$ <u>1,964</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. _____ /2011 \$ _____

13. _____ /2012 \$ _____

14. _____ /2013 \$ _____

* 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?</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>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER CNA _____</p>
--	---	--

B. EXPENSES

ALLOCATION OF COSTS (d)

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

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training CNAs from other facilities.

\$

D. NUMBER OF CNAs TRAINED

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

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
- (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
- (c) For in-house training programs only. Do not include fringe benefits.
- (d) Allocate based on if the CNA is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own CNAs.

- (e) The total amount of Drop-out and Completed Costs for your own CNAs must agree with Sch. V, line 13, col. 8.
 - (f) Attach a schedule of the facility names and addresses of those facilities for which you trained CNAs.
- SEE ACCOUNTANTS' COMPILATION REPORT**

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

	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	10A(3)	hrs	\$	5,407	\$ 329,640	\$	5,407	\$ 329,640	1
2	Licensed Speech and Language Development Therapist	10A(3)	hrs		2,986	135,917		2,986	135,917	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	10A(3)	hrs		11,556	571,207		11,556	571,207	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				469,861		469,861	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			\$	19,949	\$ 1,036,764	\$ 469,861	19,949	\$ 1,506,625	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 Lake Zurich# 0039768Report Period Beginning: 01/01/2010Ending: 12/31/2010

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 12/31/2010

(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	\$ 863,165	\$ 1,083,282	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable- Patients (less allowance <u>332,017</u>)	1,527,403	1,527,403	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	13,382	13,382	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	4,307	25,657	8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 2,408,257	\$ 2,649,724	10
B. Long-Term Assets				
11	Long-Term Notes Receivable			11
12	Long-Term Investments	7,434	7,434	12
13	Land		514,539	13
14	Buildings, at Historical Cost		6,418,908	14
15	Leasehold Improvements, at Historical Cost	902,780	2,883,999	15
16	Equipment, at Historical Cost	716,333	1,886,868	16
17	Accumulated Depreciation (book methods)	(593,144)	(4,077,725)	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):	84,561	84,561	22
23	Other(specify): <u>Mortgage Cost Net</u>		30,542	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 1,117,964	\$ 7,749,126	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 3,526,221	\$ 10,398,850	25

		1 Operating	2 After Consolidation*	
C. Current Liabilities				
26	Accounts Payable	\$ 479,469	\$ 479,469	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	395,513	395,513	30
31	Accrued Taxes Payable (excluding real estate taxes)	6,389	6,389	31
32	Accrued Real Estate Taxes(Sch.IX-B)		145,200	32
33	Accrued Interest Payable		41,422	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
Other Current Liabilities(specify):				
36	<u>See Sch 17A</u>	3,667,107	1,716,766	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 4,548,478	\$ 2,784,759	38
D. Long-Term Liabilities				
39	Long-Term Notes Payable	1,681,358	1,681,358	39
40	Mortgage Payable		7,138,324	40
41	Bonds Payable			41
42	Deferred Compensation			42
Other Long-Term Liabilities(specify):				
43				43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 1,681,358	\$ 8,819,682	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 6,229,836	\$ 11,604,441	46
47	TOTAL EQUITY(page 18, line 24)	\$ (2,703,615)	\$ (1,205,591)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 3,526,221	\$ 10,398,850	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Lexington Health Care Center of Lake Zurich, Inc.
1/1/10-12/31/10
Provider # 0039768

XV. Balance Sheet

C. Current Liabilities

Line 36.

<u>Description</u>	<u>Operating</u>	<u>After Consolidation</u>
PA Audit Settlement	184,416	184,416
Due from remodeling	19,654	19,654
Due to Republic Construction of Illinois, In	6,200	6,200
Bond Withholding	5	5
Accrued Expenses	67,713	67,713
Accrued resident tax	2,077	2,077
Accrued Rent	3,070,858	
Due to patient trust fund	47,796	47,796
Deferred Income	289,967	289,967
Due to Royal Operations	33,515	33,515
Due to Lake Zurich	1,525	1,525
Interest Rate Swap Liability		1,120,517
Advance-Bi-weekly Part A Payments	(36,736)	(36,736)
Uncollectible Part A Co. Pvts	(19,883)	(19,883)
	<u>3,667,107</u>	<u>1,716,766</u>

See Accountants' Compilation Report

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (3,275,566)	1
2	Restatements (describe):		2
3	Post closing adjustment	429,717	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (2,845,849)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	142,234	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)	\$ 142,234	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)	\$ (2,703,615)	24 *

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Lake Zurich# 0039768Report Period Beginning: 01/01/2010Ending: 12/31/2010

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	\$ 18,915,156	1
2	Discounts and Allowances for all Levels	(8,462,847)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,452,309	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	2,678,626	6
7	Oxygen	13,973	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 2,692,599	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	10,003	12
13	Barber and Beauty Care	30,591	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	442,720	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	102,429	19
20	Radiology and X-Ray		20
21	Other Medical Services	183,085	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 768,828	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	1,162	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 1,162	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	<u>Misc. Income/Recovery write off</u>	5,614	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 5,614	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 13,920,512	30

		2	
Expenses		Amount	
A. Operating Expenses			
31	General Services	1,718,174	31
32	Health Care	6,448,489	32
33	General Administration	3,244,201	33
B. Capital Expense			
34	Ownership	1,643,932	34
C. Ancillary Expense			
35	Special Cost Centers	615,077	35
36	Provider Participation Fee	108,405	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 13,778,278	40
41	Income before Income Taxes (line 30 minus line 40)**	142,234	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 142,234	43

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.
This 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 Lake Zurich

0039768

Report Period Beginning: 01/01/2010

Ending:

12/31/2010

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	2,010	2,233	\$ 120,117	\$ 53.79	1
2	Assistant Director of Nursing	9,490	10,172	365,880	35.97	2
3	Registered Nurses	40,742	44,224	1,404,971	31.77	3
4	Licensed Practical Nurses	27,725	31,659	795,927	25.14	4
5	CNAs & Orderlies	117,946	127,845	1,536,465	12.02	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	11,544	12,824	158,311	12.34	8
9	Activity Director					9
10	Activity Assistants	18,566	20,491	241,652	11.79	10
11	Social Service Workers	11,963	12,640	262,669	20.78	11
12	Dietician	869	1,034	18,167	17.57	12
13	Food Service Supervisor	2,017	2,089	38,672	18.51	13
14	Head Cook	2,089	2,170	36,193	16.68	14
15	Cook Helpers/Assistants	11,770	12,631	122,035	9.66	15
16	Dishwashers	18,429	19,845	167,089	8.42	16
17	Maintenance Workers	1,510	1,794	32,386	18.05	17
18	Housekeepers	35,161	38,372	339,908	8.86	18
19	Laundry	10,174	11,011	92,007	8.36	19
20	Administrator	1,829	1,940	106,973	55.14	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	15,102	16,368	259,679	15.87	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	1,788	2,006	31,444	15.67	31
32	Other Health Care(specify)					32
33	Other(specify) <u>Marketing</u>	1,779	2,093	87,076	41.60	33
34	TOTAL (lines 1 - 33)	342,503	373,441	\$ 6,217,621 *	\$ 16.65	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	\$ 15,983	1(3) 35
36	Medical Director	Monthly	73,375	9(3) 36
37	Medical Records Consultant	Monthly	1,001	10(3) 37
38	Nurse Consultant	Monthly	5,607	10(3) 38
39	Pharmacist Consultant	Monthly	11,897	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	4,339	11(3) 44
45	Social Service Consultant	Monthly	4,464	12(3) 45
46	Other(specify) <u>Psychosocial</u>	Monthly	1,488	12(3) 46
47	<u>Pulmonary</u>	Monthly	33,873	10(3) 47
48	<u>Medical Consultant</u>	Monthly	4,543	10(7) 48
49	TOTAL (lines 35 - 48)		\$ 156,570	49

C. CONTRACT NURSES

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

SEE ACCOUNTANTS' COMPILATION REPORT

C. Professional Fees

Vendor/Payee	Type	Amount
Lintech LLC	Computer Consulting	5,968
Microsoft Licensing	Computer Consulting	5,321
MNJ Technologies	Computer Consulting	426
National Datacare	Computer Consulting	2,241
Red Sky Technologies	Computer Consulting	273
RSM McGladrey	Computer Consulting	8,486
Silver Chair Learning System:	Computer Consulting	4,200
SPM Marketing & Communic:	Computer Consulting	877
Telemedicine Solutions	Computer Consulting	4,750
TouchPoint Care	Computer Consulting	500
Vision Share, Inc.	Computer Consulting	1,039
Xclutel Communications	Computer Consulting	287
XO Communications	Computer Consulting	1,211
MNJ Technologies	Computer Consulting	585
Shaker Recruitment/Advertisi	Computer Consulting	30
Warehouse Direct	Computer Consulting	108
TouchPoint Care	Computer Consulting	400
Grabowski Law Center	Collections	2,798
Cassiday Schade, LLP	Legal	71,908
John Samatas, atty at law	Legal	100
McGladrey & Pullen, LLP	Accounting	25,978
Medcor	Healthcare	250
Much Shelist	Legal	5,947
Pension Administrators	Pension Administration	608
Personnel Planners	U/C Consulting	1,540
RSM McGladrey	Accounting	7,255
Serpico, Petrosino & Dipiero I	Legal	3,700
		<u>156,786</u>
Total Schedule V, line 19 column 3		177,233
Less Collections		(2,798)
Out of period legal		(1,440)
Sambell of Lake Zurich James Samatas		200
Allocated from Management Co.		
Serpico, Petrosino, Dipiero	Legal	111
Duane Morris	Legal	222
McGladrey & Pullen, LLP	Accounting	896
RSM McGladrey	Accounting	732
Illinois Secretary of State	Filling Fees	46
La Salle Network	Recruiting/Finance	1,106
Gilson Labus & Silverman	KEP	710
KMZ Rosenmann	KEP	115
Pension Administrators, Inc.	401(k) Administration	203
Aijilon Professional Staffing	Accounting	903
Personnel Planners, Inc	U/C Consulting	23
Quattrochi and Parker	Social Service Consulting	23
Gene Whitehorn	Medicaid Reimb. Specialist	958
Computer Consulting	Computer Services	14,390
		<u>20,438</u>
Allocated from Samvest of Lombard		
Accounting		98
Legal		264
Total Schedule V, line 19, column 8		<u>193,995</u>

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
Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
1		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$
2												
3							N/A					
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												
17												
18												
19												
20	TOTALS	\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Lake Zurich

0039768

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

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? N/A
- 5 Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 5 Years
- 6 Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 62,716 Line 10
- 7 Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- 8 Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- 9 Are you presently operating under a sublease agreement? YES X NO
- 10 Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.
- 11 Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 108,405
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. \$ 15,910 Has any meal income been offset against related costs? No Indicate the amount. \$ N/A
- 16 Travel and Transportation
- a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
- b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A
- c. What percent of all travel expense relates to transportation of nurses and patients? 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? Yes
- f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? Yes
- g. Does the facility transport residents to and from day training? No**
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- 17 Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A
- 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