

Facility Name COLES SUPPORTIVE LIVING

Report Period Beginning: 1/1/2012 Ending: 12/31/2012

III. STATISTICAL DATA

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

Date of change in certified units N/A

	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	129	Single Unit Apartment	129	47,085	1
2	10	Double Unit Apartment	10	3,650	2
3		Other			3
4	139	TOTALS	139	50,735	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	33,746	1,481		35,227	5
6	Double Unit					6
7	Other					7
8	TOTALS	33,746	1,481		35,227	8

C. Percent Occupancy. (Column 5, line 8 divided by total certified bed days on line 4, column 4.) 69.43%

D. Indicate the number of paid bed-hold days the SLF had during this year 812 Also, indicate the number of unpaid bed-hold days the SLF had during this year. 59 (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)

N/A

H. ACCOUNTING BASIS

ACCRUAL MODIFIED CASH* CASH*

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

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

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

J. Does the facility have any Illinois Housing Development Authority Loans outstanding? NO If yes, did the facility make all of the required payments of interest and principle? N/A
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? N/A
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? N/A
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 5	Adjusted Total 6	
		Salary/Wage 1	Supplies 2	Other 3	Total 4			
A. General Services								
1	Dietary and Food Purchase	206,442	184,619	30,869	421,930		421,930	1
2	Housekeeping, Laundry and Maintenance	162,057	34,087	50,356	246,500	(33,382)	213,118	2
3	Heat and Other Utilities			121,409	121,409	(480)	120,929	3
4	Other (specify):							4
5	TOTAL General Services	368,499	218,706	202,634	789,839	(33,862)	755,977	5
B. Health Care and Programs								
6	Health Care/ Personal Care	475,285	11,365	10,298	496,948	3,770	500,718	6
7	Activities and Social Services	52,445	2,299		54,744		54,744	7
8	Other (specify):							8
9	TOTAL Health Care and Programs	527,730	13,664	10,298	551,692	3,770	555,462	9
C. General Administration								
10	Administrative and Clerical	203,552	5,204	351,542	560,298	(56,233)	504,065	10
11	Marketing Materials, Promotions and Advertising	26,716	3,524		30,240		30,240	11
12	Employee Benefits and Payroll Taxes			230,666	230,666	29,123	259,789	12
13	Insurance-Property, Liability and Malpractice			68,663	68,663	(1,349)	67,314	13
14	Other (specify):							14
15	TOTAL General Administration	230,268	8,728	650,871	889,867	(28,459)	861,408	15
16	TOTAL Operating Expense (Sum of lines 5, 9 and 15)	1,126,497	241,098	863,803	2,231,398	(58,551)	2,172,847	16
Capital Expenses								
D. Ownership								
17	Depreciation			21,458	21,458	235,248	256,706	17
18	Interest			159,070	159,070	259,679	418,749	18
19	Real Estate Taxes			46,090	46,090		46,090	19
20	Rent -- Facility and Grounds			826,824	826,824	(824,102)	2,722	20
21	Rent -- Equipment			7,863	7,863	888	8,751	21
22	Other (specify):							22
23	TOTAL Ownership			1,061,305	1,061,305	(328,287)	733,018	23
24	GRAND TOTAL (Sum of lines 16 and 23)	1,126,497	241,098	1,925,108	3,292,703	(386,838)	2,905,865	24

COLES SUPPORTIVE LIVING

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NON-ALLOWABLE EXPENSES		Amount	Sch. V Line Reference	
1	Non-Straight Line Depreciation	\$ (15,793)	17	1
2	Interest Income	(3)	18	2
3	Cable TV	(20,220)	10	3
4	Bank Charges	(11,174)	10	4
5	Bad Debts	(62,333)	10	5
6	Non-Allowable Interest Expense	(159,070)	18	6
7	Misc. Income	(1,149)	10	7
8	Non-Allowable Association (Political Lobby)	(701)	10	8
9	Non-Allowable Legal	(6,900)	10	9
10	Capitalized R&M	(3,836)	02	10
11	BUILDING COMPANY:			11
12	Rent Income	(826,824)	20	12
13	Interest Expense	418,752	18	13
14	Legal & Accounting Fees	18,729	10	14
15	Depreciation	249,282	17	15
16				16
17				17
18	Non-Allowable R&M Expense - Stujac	(24,998)	02	18
19	Non-Allowable Insurance - Stujac	(1,155)	13	19
20				20
21	MANAGEMENT OFFICE ALLOCATION:			21
22	Management Office Allocation	(23,307)	10	22
23	General and Administrative Expenses	15,527	10	23
24				24
25	APEX HEALTHCARE ALLOCATION:			25
26	Health Care Salaries	3,770	06	26
27	Employee Benefits-Healthcare	3,009	12	27
28	Administrative Salaries	124,188	10	28

29	Emp. Ben. - Gen. Admin.	27,957	12	29
30	General and Administrative Expenses	12,997	10	30
31	Seminars	1,670	10	31
32	Auto & Travel	18,837	10	32
33	Insurance	332	13	33
34	Deprciation	1,759	17	34
35	Rent	2,722	20	35
36	Equipment Rental	888	21	36
37	Facility Wages reimbursed	(1,331)	02	37
38	Management Office Allocation	(118,965)	10	38
39				39
40	PPD Employee Benefits	(1,843)	12	40
41	PPD Housekeeping/Laundry/Maint.	(3,217)	02	41
42	PPD Utilities	(480)	03	42
43	PPD G&A	(3,432)	10	43
44	PPD Insurance	(526)	13	44
45				45
46				46
47				47
48				48
49				49
50				50
51	Total	(386,838)		51

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

	Personnel	Number of FTE	Average Hourly Wage	
1	Registered Nurses	0.20	\$ 32.89	1
2	Licensed Practical Nurses	5.18	22.63	2
3	Certified Nurse Assistants	10.23	10.23	3
4	Activity Director & Assistants	1.86	13.54	4
5	Social Service Workers			5
6	Head Cook			6
7	Cook Helpers/Assistants	7.69	12.90	7
8	Dishwashers			8
9	Maintenance Workers	0.82	17.01	9
10	Housekeepers	6.77	9.45	10
11	Laundry			11
12	Managers			12
13	Other Administrative	0.90	45.65	13
14	Clerical	4.24	13.44	14
15	Marketing	0.51	25.20	15
16	Other			16
17	Total (lines 1 thru 16)	38.40	\$ 14.53	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	Aaron Mann	Relative	1.6	\$ 12,292	1	
2					2	
3					3	
4					4	
5					5	
				Total	\$ 12292	6

VI. (B) Management fees paid to unrelated parties

	Amount of Fee	
1	\$	1
2		2
Total		\$ 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
See Attached			

OTHER RELATED BUSINESS ENTITIES

Name	3	City	4	Type of Business	5
Coles Property, LLC				Building Co.	
See Attached					

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: N/A If yes, what is the value of those services? \$ N/A

(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 236,796 Year land was acquired _____

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	139		2004	2004	6,855,929	249,282	35	195,884	\$ (53,398)	\$ 1,915,803	1
2											2
3											3
4											4
5											5
	Improvement Type										
6	Building Improvements			2005	39,296		20	1,965	1,965	15,369	6
7	Building Improvements			2006	76,634		20	3,834	3,834	21,313	7
8	Building Improvements			2007	262,435		20	13,123	13,123	56,155	8
9	Building Improvements			2008	266,438		20	13,323	13,323	46,410	9
10	Building Improvements			2009	32,807		20	1,641	1,641	6,190	10
11	Building Improvements			2010	40,068		20	2,004	2,004	4,812	11
12	Building Improvements			2011	3,840		20	192	192	208	12
13	Building Improvements			2012	3,836		20	80	80	80	13
14											14
15											15
16	Current Depreciation										16
17	TOTAL (lines 1 thru 16)				\$ 7,581,283	\$ 249,282		\$ 232,046	\$ (17,236)	\$ 2,066,340	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	\$ 269,326	\$ 10,283	\$ 11,726	1,443	10	\$ 208,539	18
19	Vehicles							19
20	TOTAL (lines 18 and 19)	\$ 269,326	\$ 10,283	\$ 11,726	1,443		\$ 208,539	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	Alloc. Management Co.			/ /	888			5
6				/ /				6
7	TOTAL				\$ 888			7

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

9. Rental amount for movable equipment \$ 7,863

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				
			YES	NO			Original	Balance				
		A. Directly Facility Related										
		Long-Term										
1		Private Bank & Trust		X	Mortgage	/ /	\$	4,522,255	/ /		\$ 418,752	1
2						/ /			/ /			2
3						/ /			/ /			3
		Working Capital										
4		Arlene Ventures, LLC	X		Working Capital	/ /		2,000,000	/ /		146,077	4
5		Venture Fund, LLC	X		Working Capital	/ /		3,105,651	/ /		12,993	5
6						/ /			/ /			6
7		TOTAL Facility Related					\$	9,627,906			\$ 577,822	7
		B. Non-Facility Related										
8		Interest Income		X		/ /			/ /		-3	8
9		Non-Allowable Interest	X			/ /			/ /		-159,070	9
10		TOTALS (lines 7, 8 and 9)					\$	9,627,906			\$ 418,749	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 12/31/2012

(last day of reporting year)

		1	2	
		Operating	After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 484,971	\$ 920,268	1
2	Cash-Patient Deposits	8,846	8,846	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	398,011	398,011	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	76,025	76,025	6
7	Other Prepaid Expenses	13,415	13,415	7
8	Accounts Receivable (owners or related parties)	8,860	8,860	8
9	Other(specify): See attached			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 990,128	\$ 1,425,425	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		214,665	13
14	Buildings, at Historical Cost		6,855,929	14
15	Leasehold Improvements, at Historical Cost	115,580	115,580	15
16	Equipment, at Historical Cost	140,577	284,541	16
17	Accumulated Depreciation (book methods)	(142,882)	(2,416,288)	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): See attached	21,255	100,305	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 134,530	\$ 5,154,732	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,124,658	\$ 6,580,157	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 437,027	\$ 437,027	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	35,096	35,096	30
31	Accrued Taxes Payable	12,789	12,789	31
32	Accrued Interest Payable			32
33	Deferred Compensation			33
34	Federal and State Income Taxes			34
	Other Current Liabilities(specify):			
35				35
36	See attached	1,284	1,284	36
37	TOTAL Current Liabilities (sum of lines 26 thru 36)	\$ 486,196	\$ 486,196	37
	D. Long-Term Liabilities			
38	Long-Term Notes Payable	2,927,758	5,105,651	38
39	Mortgage Payable		4,522,255	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)	\$ 2,927,758	\$ 9,627,906	44
45	TOTAL LIABILITIES (sum of lines 37 and 44)	\$ 3,413,954	\$ 10,114,102	45
46	TOTAL EQUITY	\$ (2,289,296)	\$ (3,533,945)	46
47	TOTAL LIABILITIES AND EQUITY (sum of lines 45 and 46)	\$ 1,124,658	\$ 6,580,157	47

*(See instructions.)

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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	\$ 3,461,895	1
2	Discounts and Allowances		2
3	SUBTOTAL Resident Care (line 1 minus line 2)	\$ 3,461,895	3
B. Other Operating Revenue			
4	Special Services		4
5	Other Health Care Services		5
6	Special Grants		6
7	Gift and Coffee Shop		7
8	Barber and Beauty Care		8
9	Non-Resident Meals		9
10	Laundry		10
11	SUBTOTAL OTHER OPERATING REVENUE (sum of lines 4 thru 10)	\$	11
C. Non-Operating Revenue			
12	Contributions		12
13	Interest and Other Investment Income	3	13
14	SUBTOTAL Non-Operating Revenue (sum of lines 12 and 13)	\$ 3	14
D. Other Revenue (specify):			
15	Misc. Income (Adj p3A)	1,149	15
16			16
17	SUBTOTAL Other Revenue (sum of lines 15 and 16)	\$ 1,149	17
18	TOTAL REVENUE (sum of lines 3, 11, 14 and 17)	\$ 3,463,047	18

		2	
Expenses		Amount	
A. Operating Expenses			
19	General Services	789,839	19
20	Health Care/ Personal Care	551,692	20
21	General Administration	889,867	21
B. Capital Expense			
22	Ownership	1,061,305	22
C. Other Expenses			
23	Special Cost Centers		23
24	Non-Operating Expenses		24
25	Other (specify):		25
26			26
27			27
28	TOTAL EXPENSES (sum of lines 19 thru 27)	\$ 3,292,703	28
29	Income Before Income Taxes (line 18 minus line 28)	\$ 170,344	29
30	Income Taxes	\$	30
31	NET INCOME OR LOSS FOR THE YEAR (line 29 minus line 30)	\$ 170,344	31

COLES SUPPORTIVE LIVING

1/1/12-12/31/12

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Copier	7,296
Postage Meter	567
Alloc. Management Co.	888
Total Equipment Rental	<u>8,751</u>

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Other Non-Current Assets	Operating	Consolidated
Permanent Mortgage Costs		91,212
Amortization PMC		(12,162)
Deposits	21,255	21,255
	<u>21,255</u>	<u>100,305</u>

Other Current Liabilities	Operating	Consolidated
Unclaimed Property	1,284	1,284
	<u>1,284</u>	<u>1,284</u>

