

Facility Name & ID Number Hawthorne Inn of Danville

0046367 Report Period Beginning: 04/01/2012 Ending: 03/31/2013

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days, (must agree with license). Date of change in licensed beds

N/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>76</u>	Skilled (SNF)	<u>76</u>	<u>27,740</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5	<u>64</u>	Sheltered Care (SC)	<u>64</u>	<u>23,360</u>	5
6		ICF/DD 16 or Less			6
7	<u>140</u>	TOTALS	<u>140</u>	<u>51,100</u>	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment				5
		3 Medicaid Recipient	4 Private Pay	Other	Total	
8	SNF	<u>4,834</u>	<u>6,523</u>	<u>7,650</u>	<u>19,007</u>	8
9	SNF/PED					9
10	ICF		<u>0</u>			10
11	ICF/DD					11
12	SC	<u>2,196</u>	<u>20,870</u>		<u>23,066</u>	12
13	DD 16 OR LESS					13
14	TOTALS	<u>7,030</u>	<u>27,393</u>	<u>7,650</u>	<u>42,073</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 82.33%

D. How many bed-hold days during this year were paid by the Department?

0 (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

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 07/01/03

J. Was the facility purchased or leased after January 1, 1978?

YES Date 07/01/03 NO

K. Was the facility certified for Medicare during the reporting year?

YES NO If YES, enter number of beds certified 76 and days of care provided 6,305

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRAUAL MODIFIED CASH* CASH*

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

Tax Year: 03/31/2013 Fiscal Year: 03/31/2013

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

Facility Name & ID Number

Hawthorne Inn of Danville

0046367

Report Period Beginning:

04/01/2012

Ending:

03/31/2013

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	292,461	44,389	5,831	342,681		342,681	342,681			1
2	Food Purchase		339,015		339,015		339,015	339,015			2
3	Housekeeping	155,909	51,175		207,084		207,084	207,084			3
4	Laundry	67,751	25,920		93,671		93,671	93,671			4
5	Heat and Other Utilities			151,701	151,701		151,701	151,701			5
6	Maintenance	89,892	46,185	46,869	182,946		182,946	182,946			6
7	Other (specify):*										7
8	TOTAL General Services	606,013	506,684	204,401	1,317,098		1,317,098	1,317,098			8
	B. Health Care and Programs										
9	Medical Director			11,000	11,000		11,000	11,000			9
10	Nursing and Medical Records	2,324,557	471,536	8,193	2,804,286		2,804,286	2,804,286			10
10a	Therapy			794,923	794,923		794,923	794,923			10a
11	Activities	67,553	2,862		70,415		70,415	70,415			11
12	Social Services	39,507			39,507		39,507	39,507			12
13	CNA Training										13
14	Program Transportation			558	558	4,405	4,963	4,963			14
15	Other (specify):*										15
16	TOTAL Health Care and Programs	2,431,617	474,398	814,674	3,720,689	4,405	3,725,094	3,725,094			16
	C. General Administration										
17	Administrative	151,255			151,255		151,255	151,255			17
18	Directors Fees						2,951	2,951			18
19	Professional Services			320,979	320,979		320,979	323,289			19
20	Dues, Fees, Subscriptions & Promotions			46,528	46,528		46,528	(24,163)	22,365		20
21	Clerical & General Office Expenses	76,322	40,279	46,565	163,166		163,166	24	163,190		21
22	Employee Benefits & Payroll Taxes			511,368	511,368		511,368	11	511,379		22
23	Inservice Training & Education			5,225	5,225		5,225		5,225		23
24	Travel and Seminar			2,149	2,149		2,149		2,149		24
25	Other Admin. Staff Transportation			8,810	8,810	(4,405)	4,405		4,405		25
26	Insurance-Prop.Liab.Malpractice			79,483	79,483		79,483	72,642	152,125		26
27	Other (specify):* See Att Sch V	48,200		77,118	125,318		125,318	(125,318)			27
28	TOTAL General Administration	275,777	40,279	1,098,225	1,414,281	(4,405)	1,409,876	(71,543)	1,338,333		28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	3,313,407	1,021,361	2,117,300	6,452,068		6,452,068	(71,543)	6,380,525		29

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

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

Facility Name & ID Number Hawthorne Inn of Danville

#0046367

Report Period Beginning: 04/01/2012 Ending: 03/31/2013

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			88,188	88,188		88,188	596,130	684,318			30
31	Amortization of Pre-Op. & Org.											31
32	Interest							727,754	727,754			32
33	Real Estate Taxes			76	76		76	140,400	140,476			33
34	Rent-Facility & Grounds			1,123,940	1,123,940		1,123,940	(1,123,940)				34
35	Rent-Equipment & Vehicles			16,420	16,420		16,420		16,420			35
36	Other (specify):* Loan Fee Amort							6,070	6,070			36
37	TOTAL Ownership			1,228,624	1,228,624		1,228,624	346,414	1,575,038			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers											39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops			10,953	10,953		10,953		10,953			41
42	Provider Participation Fee			166,166	166,166		166,166		166,166			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers			177,119	177,119		177,119		177,119			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	3,313,407	1,021,361	3,523,043	7,857,811		7,857,811	274,871	8,132,682			45

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

Facility Name & ID Number Hawthorne Inn of Danville

0046367

Report Period Beginning: 04/01/2012

Ending: 03/31/2013

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		V-2		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	(678)	V-30		9
10	Interest and Other Investment Income	(684)	V-32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax				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		V-21		18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers		V-19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(74,700)	V-27		24
25	Fund Raising, Advertising and Promotional	(24,170)	V-20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule See Att Sch X	(51,038)			29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (151,270)		\$	30

BHF USE ONLY						
48		49		50		51
						52

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)	418,293		34
35	Other- Attach Schedule See Att Sch III	7,848		35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ 426,141		36
	(sum of SUBTOTALS			
37	TOTAL ADJUSTMENTS (A) and (B))	\$ 274,871		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.			\$		38
39						39
40	Gift and Coffee Shops					40
41	Barber and Beauty Shops					41
42	Laboratory and Radiology					42
43	Prescription Drugs					43
44						44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	TOTAL (C): (sum of lines 38-46)			\$		47

Hawthorne Inn of Danville

ID# 0046367

Report Period Beginning: 04/01/2012

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Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	Sch. V Line
1		\$		1
2				2
3				3
4				4
5				5
6				6
7				7
8				8
9				9
10				10
11				11
12				12
13				13
14				14
15				15
16				16
17				17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32

33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total		0	49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Hawthorne Inn of Danville

0046367

Report Period Beginning:

04/01/2012

Ending:

03/31/2013

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

	Operating Expenses	PAGES	PAGE	SUMMARY										
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	0	0	0	0	0	0	0	0	0	0	0	0	2
3	Housekeeping	0	0	0	0	0	0	0	0	0	0	0	0	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	0	0	0	0	0	0	0	0	0	0	0	0	5
6	Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	6
7	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	7
8	TOTAL General Services	0	0	0	0	0	0	0	0	0	0	0	0	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	0	0	0	0	0	0	0	0	0	0	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	TOTAL Health Care and Programs	0	0	0	0	0	0	0	0	0	0	0	0	16
	C. General Administration													
17	Administrative	0	0	0	0	0	0	0	0	0	0	0	0	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	0	0	0	0	0	0	0	0	0	0	0	0	19
20	Fees, Subscriptions & Promotions	0	0	0	0	0	0	0	0	0	0	0	0	20
21	Clerical & General Office Expenses	0	0	0	0	0	0	0	0	0	0	0	0	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	0	0	0	0	0	0	0	0	0	0	24
25	Other Admin. Staff Transportation	0	0	0	0	0	0	0	0	0	0	0	0	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	0	0	0	0	0	0	0	0	0	26
27	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	27
28	TOTAL General Administration	0	0	0	0	0	0	0	0	0	0	0	0	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	0	0	0	0	0	0	0	0	0	0	0	0	29

STATE OF ILLINOIS

Facility Name & ID Number Hawthorne Inn of Danville# 0046367

Report Period Beginning:

04/01/2012 Ending:

Summary B

03/31/2013

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

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	D. Ownership													
30	Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	0	0	0	0	0	0	0	0	0	0	0	0	32
33	Real Estate Taxes	0	0	0	0	0	0	0	0	0	0	0	0	33
34	Rent-Facility & Grounds	0	418,293	0	0	0	0	0	0	0	0	0	418,293	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	0	418,293	0	418,293	37								
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	43
44	TOTAL Special Cost Centers	0	0	0	0	0	0	0	0	0	0	0	0	44
	GRAND TOTAL COST													
45	(sum of lines 29, 37 & 44)	0	418,293	0	418,293	45								

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Use Page 6-Supplemental as necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Residential Alternatives of Illinois, Inc. (Non-profit Organization)	100	Frances House, Inc. (FH)				
		Residential Alternatives of Illinois, Inc. (FH is sole member)		See Attached Schedule I		
		Residential Alternatives of Iowa				
		Pioneer Concepts, Inc. (FH is sole member)				
		Pinnacle Opportunities, Inc. (FH is sole member)				
		Concepts Plus, Inc. (FH is sole member)				
		See Attached Schedule I for specific homes				

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

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

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
1	V	34 Facility Rent	\$ 1,123,940	Danville Independence, LLC	N/A	\$ 1,542,233	\$ 418,293	1
2	V			See Attached Sch XIV				2
3	V							3
4	V			LTC Support Services, LLC				4
5	V			See Attached Preparation Report				5
6	V							6
7	V							7
8	V							8
9	V							9
10	V							10
11	V							11
12	V							12
13	V							13
14	Total		\$ 1,123,940			\$ 1,542,233	\$ * 418,293	14

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

Facility Name & ID Number

Hawthorne Inn of Danville

0046367

Report Period Beginning:

04/01/2012

Ending:

03/31/2013

VII. RELATED PARTIES

A. (Continued) Enter below the names of ALL owners and related organizations (parties) as defined in the instructions.

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 04/01/2012 Ending: 03/31/2013

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	See Attached Schedule III								\$ 2,951	18-7	1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	\$ 2,951		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

Facility Name & ID Number Hawthorne Inn of Danville

0046367 Report Period Beginning: 04/01/2012

Ending: 3/31/2013

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES NO

Name of Related Organization Residential Alternatives of Illinois, Inc.
 Street Address 285 S. Farnham
 City / State / Zip Code Galesburg, IL 61401
 Phone Number (309) 343-1550
 Fax Number (309) 343-2857

B. Show the allocation of costs below. If necessary, please attach worksheets.

1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	See Attached Schedule II & III				\$	\$		7,848	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$	\$		7,848	25

Facility Name & ID Number

Hawthorne Inn of Danville

0046367

Report Period Beginning:

04/01/2012

Ending:

03/31/2013

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	Name of Lender	2		3	4	5	6		8	9	10						
		Related**					Purpose of Loan	Monthly Payment Required				Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense
		YES	NO										Original	Balance			
A. Directly Facility Related																	
Long-Term																	
1	Cambridge Realty Capital						\$	\$		\$	1						
2	Ltd. Of Illinois - SNF		X	Facility Purchase (Refinance)	\$56,176.00	02/01/13	12,627,000	13,079,940	09/01/43	3.5000	728,438	2					
3				Including trade premium								3					
4				on note of \$452,940 as of 3/31/13								4					
5												5					
Working Capital																	
6	Home office allocation adj	X		See Attached Sch III								6					
7	Less Interest Income		X	from page 5, line 10							(684)	7					
8	Misc Int		X	operating								8					
9	TOTAL Facility Related				\$56,176.00		\$ 12,627,000	\$ 13,079,940			\$ 727,754	9					
B. Non-Facility Related*																	
10												10					
11												11					
12												12					
13												13					
14	TOTAL Non-Facility Related						\$	\$			\$	14					
15	TOTALS (line 9+line14)						\$ 12,627,000	\$ 13,079,940			\$ 727,754	15					

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 56,199 Line # 26

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7. (See instructions.)

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2. (See instructions.)

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)

B. Real Estate Taxes

		Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.													
1. Real Estate Tax accrual used on 2012 report.		\$	143,533		1										
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		\$	126,167		2										
3. Under or (over) accrual (line 2 minus line 1).		\$	(17,366)		3										
4. Real Estate Tax accrual used for 2013 report. (Detail and explain your calculation of this accrual on the lines below.)		\$	157,842		4										
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)		\$			5										
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ _____ For _____ Tax Year. (Attach a copy of the real estate tax appeal board's decision.)		\$			6										
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.		\$	140,476		7										
Real Estate Tax History:															
Real Estate Tax Bill for Calendar Year:	2008	112,952	8	<table border="1" style="width: 100%;"> <tr> <td colspan="2" style="text-align: center;">FOR BHF USE ONLY</td> </tr> <tr> <td style="text-align: center;">13</td> <td>FROM R. E. TAX STATEMENT FOR 2012 \$</td> </tr> <tr> <td style="text-align: center;">14</td> <td>PLUS APPEAL COST FROM LINE 5 \$</td> </tr> <tr> <td style="text-align: center;">15</td> <td>LESS REFUND FROM LINE 6 \$</td> </tr> <tr> <td style="text-align: center;">16</td> <td>AMOUNT TO USE FOR RATE CALCULATION \$</td> </tr> </table>		FOR BHF USE ONLY		13	FROM R. E. TAX STATEMENT FOR 2012 \$	14	PLUS APPEAL COST FROM LINE 5 \$	15	LESS REFUND FROM LINE 6 \$	16	AMOUNT TO USE FOR RATE CALCULATION \$
FOR BHF USE ONLY															
13	FROM R. E. TAX STATEMENT FOR 2012 \$														
14	PLUS APPEAL COST FROM LINE 5 \$														
15	LESS REFUND FROM LINE 6 \$														
16	AMOUNT TO USE FOR RATE CALCULATION \$														
	2009	114,685	9												
	2010	112,339	10												
	2011	126,091	11												
	2012	123,633	12												
This facility was purchased from an unrelated for profit entity. A tax exemption has not yet been obtained															
Amount accrued included the 12 months of 2012 and 3 months of 2013. Estimate is based on 2011 tax bill															
Taxes paid were for the 2011 tax bill.															

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

2012 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Hawthorne Inn of Danville COUNTY Vermillion
 FACILITY IDPH LICENSE NUMBER 0046367
 CONTACT PERSON REGARDING THIS REPORT Ron Wilson
 TELEPHONE (309) 343-1550 FAX #: (309) 343-2857

A. Summary of Real Estate Tax Cost

Enter the tax index number and real estate tax assessed for 2012 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 2012.

(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>18-21-304-025-0060</u>	<u>Fieldstone Est Sec 2, PT E2 SW4</u>	\$ <u>123,530.00</u>	\$ <u>123,530.00</u>
2. _____	<u>21 20 11, L28</u>	\$ _____	\$ _____
3. <u>18-21-304-022-0030</u>	<u>Fieldstone Est Sec 2, PT E2 SW4</u>	\$ <u>28.00</u>	\$ <u>28.00</u>
4. _____	<u>21 20 11, L26</u>	\$ _____	\$ _____
5. <u>18-21-304-017-0032</u>	<u>Fieldstone Est Sec 2, PT E2 SW4</u>	\$ <u>28.00</u>	\$ <u>28.00</u>
6. _____	<u>21 20 11, L21</u>	\$ _____	\$ _____
7. <u>18-21-304-018-0032</u>	<u>Fieldstone Est Sec 2, PT E2 SW4</u>	\$ <u>28.00</u>	\$ <u>28.00</u>
8. _____	<u>21 20 11, L22</u>	\$ _____	\$ _____
9. <u>18-21-304-040-0032</u>	<u>Fieldstone Est Sec 2, PT E2 SW4</u>	\$ <u>19.00</u>	\$ <u>19.00</u>
10. _____	<u>21 20 11, L23, EX E18'</u>	\$ _____	\$ _____
TOTALS		\$ <u><u>123,633.00</u></u>	\$ <u><u>123,633.00</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? YES X 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 2012 tax bills which were listed in Section A to this statement. Be sure to use the 2012 tax bill which is normally paid during 2013.

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 Hawthorne Inn of Danville

0046367 Report Period Beginning:

04/01/2012 Ending:

03/31/2013

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 44,122 B. General Construction Type: Exterior Brick Frame Wood Number of Stories 1

C. Does the Operating Entity? (a) Own the Facility (b) Rent from a Related Organization. (c) Rent from Completely Unrelated Organization.
 (Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.)

D. Does the Operating Entity? (a) Own the Equipment (b) Rent equipment from a Related Organization. (c) Rent equipment from Completely Unrelated Organization.
 (Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.)

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

None

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

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

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

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	Facility	4.472 Acres	2008	\$ 886,000	1
2	Facility	18480 sq. ft.	2011	55,000	2
3	TOTALS	#VALUE!		\$ 941,000	3

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	140	2008	1999	\$ 12,503,803	\$ 500,156	25	\$ 500,156	\$	\$ 2,334,045
5			2010	914,486	36,580	25	36,580		91,449
6									
7									
8									
	Improvement Type**								
9	Backflow Installment, exterior sign		2000	4,732	316	15	316		3,964
10	Carpet, door lock system, concrete		2001	13,544	240	5 to 15	240		12,725
11	Curtain Tracking		2003	4,979		5			4,979
12	Light/surge protection		2004	28,000	2,545	15	1,867	(678)	19,347
13	Electric Sign,Asphalt,Condenser fan,Asphalt,Floor tile,Lighting-parking l		2005	66,071	7,104	5 to 10	7,104		57,532
14	Stage area-entry way,sign,kitchen remodel,countertops,circle head		2006	41,830	3,555	10 to 15	3,555		24,539
15	Nurse call system,cabinet/countertop rep,wall rep, paint, roof, landscaping		2008	360,639	31,457	5 to 15	31,457		139,722
16	Sidewalks replacement and repairs		2009	4,071	272	15	272		1,018
17	Compressor for Furnace		2010	2,997	200	15	200		516
18	Sign		2010	2,930	293	10	293		855
19	AC Units		2011	2,997	599	5	599		1,248
20	Furnace/AC for Kitchen		2011	6,275	627	10	627		1,098
21	Carpet-corridor/LR/Vestibule Replacements		2011	22,825	4,565	5	4,565		7,608
22	Vinyl - Activity Room		2011	3,444	344	10	344		459
23	Parking Lot -Asphalt		2011	5,147	644	8	644		858
24	Skilled Rooms Remodel-Chairs/Paint/Wallpaper/VCT Tile/Cubicles/Wind		2012	93,501	7,792	12	7,792		8,441
25	Water Heater		2012	4,969	373	10	373		373
26									
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									

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

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

See Page 12A, Line 70 for total

Facility Name & ID Number Hawthorne Inn of Danville

0046367

Report Period Beginning:

04/01/2012

Ending:

03/31/2013

XI. OWNERSHIP COSTS (continued)

B. Building and Improvement Costs-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	
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									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		\$ 14,087,240	\$ 597,662		\$ 596,984	\$ (678)	\$ 2,710,776	70

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

Facility Name & ID Number Hawthorne Inn of Danville

0046367

Report Period Beginning:

04/01/2012

Ending:

03/31/2013

XI. OWNERSHIP COSTS (continued)

C. Equipment Costs-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	\$ 913,233	\$ 86,294	\$ 86,294	\$	3-15 yrs	\$ 515,606	71
72	Current Year Purchases	10,810	1,040	1,040		7-10 yrs	1,040	72
73	Fully Depreciated Assets							73
74	Indirect Costs							74
75	TOTALS	\$ 924,043	\$ 87,334	\$ 87,334	\$		\$ 516,646	75

D. Vehicle Costs. (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	Patient Care	2003 GMC Van	2005	\$ 29,800	\$	\$	\$	4 yrs	\$ 29,800	76
77										77
78										78
79										79
80	TOTALS			\$ 29,800	\$	\$	\$		\$ 29,800	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)	\$ 15,982,083	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 684,996	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 684,318	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ (678)	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 3,257,222	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	2006 Toyota Corolla - 2006	\$ 14,900	\$	\$ 14,900	86
87					87
88					88
89					89
90					90
91	TOTALS	\$ 14,900	\$	\$ 14,900	91

G. Construction-in-Progress

	Description	Cost	
92	Hidan Cabinets	\$ 13,668	92
93			93
94			94
95		\$ 13,668	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: _____

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								6
7	TOTAL				\$			7

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. _____ \$ _____

13. _____ \$ _____

14. _____ \$ _____

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 N/A.

N/A

N/A

9. Option to Buy: YES NO Terms: N/A *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental? YES NO

16. Rental Amount for movable equipment: \$ 16,420 Description: See Attached Schedule XI

(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					20
21	TOTAL		\$	\$	21

* 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.

Facility Name & ID Number Hawthorne Inn of Danville # 0046367 Report Period Beginning: 04/01/2012 Ending: 03/31/2013
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>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			Total
		1	2	3	
		Drop-outs	Completed	Contract	
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	CNA Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

C. CONTRACTUAL INCOME

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

\$

D. NUMBER OF CNAs TRAINED

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

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

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

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

	Service	1 Schedule V Line & Column Reference	2		3		4		5		6		7		8	
			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		hrs	\$		\$										1
2	Licensed Speech and Language Development Therapist		hrs													2
3	Licensed Recreational Therapist		hrs													3
4	Licensed Physical Therapist		hrs													4
5	Physician Care		visits													5
6	Dental Care		visits													6
7	Work Related Program		hrs													7
8	Habilitation		hrs													8
9	Pharmacy		# of prescrpts													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			\$		\$		\$								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.

Facility Name & ID Number Hawthorne Inn of Danville# 0046367Report Period Beginning: 04/01/2012

Ending:

03/31/2013

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 03/31/2013

(last day of reporting year)

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

		1	2	
		Operating	After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 78,843	\$ 225,397	1
2	Cash-Patient Deposits	8,351	8,351	2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance <u>64,671</u>)	1,433,757	1,433,757	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	62,137	119,032	6
7	Other Prepaid Expenses	2,653	2,653	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): <u>See Att Sch XIII</u>	9,171,777	9,320,210	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 10,757,518	\$ 11,109,400	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		941,000	13
14	Buildings, at Historical Cost		13,418,289	14
15	Leasehold Improvements, at Historical Cost	523,952	668,952	15
16	Equipment, at Historical Cost	464,742	968,742	16
17	Accumulated Depreciation (book methods)	(569,014)	(3,274,835)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (spe CIP)	13,668	13,668	22
23	Other(specify): <u>See Att Sch XIII</u>		447,244	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 433,348	\$ 13,183,060	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 11,190,866	\$ 24,292,460	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 137,599	\$ 240,613	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	8,351	8,351	28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	92,205	92,205	30
31	Accrued Taxes Payable (excluding real estate taxes)	91,769	91,769	31
32	Accrued Real Estate Taxes(Sch.IX-B)		157,842	32
33	Accrued Interest Payable		36,829	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	<u>Interdivision Payable</u>		2,882,067	36
37	<u>Current Maturity of Mortgage Note</u>		256,486	37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 329,924	\$ 3,766,162	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		12,823,454	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43				43
44	<u>Security Deposits</u>	114,043	114,043	44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 114,043	\$ 12,937,497	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 443,967	\$ 16,703,659	46
47	TOTAL EQUITY(page 18, line 24)	\$ 10,746,899	\$ 7,588,801	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 11,190,866	\$ 24,292,460	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 9,873,198	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 9,873,198	6
A. Additions (deductions):			
7	NET Income (Loss) (from page 19, line 43)	873,701	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)	\$ 873,701	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)	\$ 10,746,899	24 *

* This must agree with page 17, line 47.

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		
I. Revenue		Amount		
A. Inpatient Care				
1	Gross Revenue -- All Levels of Care	\$ 8,613,439	1	
2	Discounts and Allowances for all Levels	()	2	
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 8,613,439	3	
B. Ancillary Revenue				
4	Day Care	25,906	4	
5	Other Care for Outpatients		5	
6	Therapy	37,030	6	
7	Oxygen	14,851	7	
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 77,787	8	
C. Other Operating Revenue				
9	Payments for Education		9	
10	Other Government Grants		10	
11	CNA Training Reimbursements		11	
12	Gift and Coffee Shop	12,183	12	
13	Barber and Beauty Care	16,993	13	
14	Non-Patient Meals		14	
15	Telephone, Television and Radio		15	
16	Rental of Facility Space		16	
17	Sale of Drugs	811	17	
18	Sale of Supplies to Non-Patients		18	
19	Laboratory	173	19	
20	Radiology and X-Ray	175	20	
21	Other Medical Services		21	
22	Laundry		22	
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 30,335	23	
D. Non-Operating Revenue				
24	Contributions	200	24	
25	Interest and Other Investment Income***	684	25	
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 884	26	
E. Other Revenue (specify):****				
27	Settlement Income (Insurance, Legal, Etc.)		27	
28			28	
28a	<u>See Att Sch VI</u>	9,067	28a	
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 9,067	29	
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 8,731,512	30	

		2		
II. Expenses		Amount		
A. Operating Expenses				
31	General Services	1,317,098	31	
32	Health Care	3,720,689	32	
33	General Administration	1,414,281	33	
B. Capital Expense				
34	Ownership	1,228,624	34	
C. Ancillary Expense				
35	Special Cost Centers	10,953	35	
36	Provider Participation Fee	166,166	36	
D. Other Expenses (specify):				
37			37	
38			38	
39			39	
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 7,857,811	40	
41	Income before Income Taxes (line 30 minus line 40)**	873,701	41	
42	Income Taxes		42	
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 873,701	43	

III. Net Inpatient Revenue detailed by Payer Source			
44	Medicaid - Net Inpatient Revenue	\$ 941,209	44
45	Private Pay - Net Inpatient Revenue	3,967,044	45
46	Medicare - Net Inpatient Revenue	3,165,514	46
47	Other-(specify)		47
48	Other-(specify) <u>See Att Sch IX</u>	539,672	48
49	TOTAL Inpatient Care Revenue (This total must agree to Line 3)	\$ 8,613,439	49

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? Yes If not, please attach a reconciliation.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation.

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

Facility Name & ID Number Hawthorne Inn of Danville

0046367

Report Period Beginning: 04/01/2012

Ending: 03/31/2013

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

(This schedule must cover the entire reporting period.)

	1	2**	3	4		
	# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage		
1	Director of Nursing	1,934	2,080	\$ 70,231	\$ 33.76	1
2	Assistant Director of Nursing	1,550	1,667	44,997	26.99	2
3	Registered Nurses	17,412	18,722	454,582	24.28	3
4	Licensed Practical Nurses	14,319	15,396	307,467	19.97	4
5	CNAs & Orderlies	113,973	122,552	1,254,930	10.24	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director					9
10	Activity Assistants	6,294	6,768	67,553	9.98	10
11	Social Service Workers	2,348	2,524	39,507	15.65	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	27,933	30,036	292,461	9.74	15
16	Dishwashers					16
17	Maintenance Workers	6,372	6,852	89,892	13.12	17
18	Housekeepers	14,587	15,683	155,909	9.94	18
19	Laundry	7,413	7,971	67,751	8.50	19
20	Administrator	1,934	2,080	120,200	57.79	20
21	Assistant Administrator	1,925	2,070	31,055	15.00	21
22	Other Administrative	2,337	2,513	48,200	19.18	22
23	Office Manager					23
24	Clerical	6,494	6,982	76,322	10.93	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	1,746	1,877	44,118	23.50	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	2,884	3,101	31,781	10.25	31
32	Other Health Care(specify)	5,403	6,240	116,451	18.66	32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	236,858	255,114	\$ 3,313,407 *	\$ 12.99	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	***	\$ 5,831	1-3	35
36	Medical Director	***	11,000	9-3	36
37	Medical Records Consultant	***	1,880	10-3	37
38	Nurse Consultant	***	80	10-3	38
39	Pharmacist Consultant	***	6,233	10-3	39
40	Physical Therapy Consultant	***	390,871	10a-3	40
41	Occupational Therapy Consultant	***	351,525	10a-3	41
42	Respiratory Therapy Consultant	***	4,212	10a-3	42
43	Speech Therapy Consultant	***	48,315	10a-3	43
44	Activity Consultant	***	0	11-3	44
45	Social Service Consultant	***	0	12-3	45
46	Other(specify) <u>Dental Consultant</u>	***	0	10-3	46
47					47
48	<u>***Monthly Fee</u>				48
49	TOTAL (lines 35 - 48)		\$ 819,947		49

C. CONTRACT NURSES

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

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

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

Facility Name & ID Number Hawthorne Inn of Danville

0046367

Report Period Beginning: 04/01/2012 Ending: 03/31/2013

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? Yes
If YES, give association name and amount. See Page 21 Section F
- (3) Did the nursing home make political contributions or payments to a political action organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? 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? 9 yrs
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 40,244 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. N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. \$ 166,166
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. \$ None Has any meal income been offset against related costs? No Indicate the amount. \$ 0
- (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? None
d. Have vehicle usage logs been maintained? Yes
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? N/A
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? Yes
Firm Name: McGladrey LLP
- (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? N/A
Attach invoices and a summary of services for all architect and appraisal fees.