

|  |  |             |  |  |  |  |  |
|--|--|-------------|--|--|--|--|--|
|  |  | FOR BHF USE |  |  |  |  |  |
|  |  |             |  |  |  |  |  |
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2011  
STATE OF ILLINOIS  
DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES  
FINANCIAL AND STATISTICAL REPORT (COST REPORT)  
FOR LONG-TERM CARE FACILITIES  
(FISCAL YEAR 2011)

IMPORTANT NOTICE  
THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE ANY INFORMATION ON OR BEFORE THE DUE DATE WILL RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

I. IDPH License ID Number: 0042010

Facility Name: Alden-Des Plaines Rehabilitation and Health Care Center, Inc.

Address: 1221 Golf Road Des Plaines 60016-1213  
Number City Zip Code

County: Cook

Telephone Number: (847) 768-1300 Fax # (847) 768-1668

HFS ID Number:

Date of Initial License for Current Owners: 10/31/2000

Type of Ownership:

☐ VOLUNTARY, NON-PROFIT  
☐ Charitable Corp.  
☐ Trust  
IRS Exemption Code

☒ PROPRIETARY  
☐ Individual  
☐ Partnership  
☒ Corporation  
☐ "Sub-S" Corp.  
☐ Limited Liability Co.  
☐ Trust  
☐ Other

☐ GOVERNMENTAL  
☐ State  
☐ County  
☐ Other

In the event there are further questions about this report, please contact:  
Name: Steven M. Kroll Telephone Number: (773) 724-6622  
Email Address:

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 1/1/2011 to 12/31/2011 and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.

Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.

Officer or  
Administrator  
of Provider

(Signed) \_\_\_\_\_ (Date) \_\_\_\_\_  
(Type or Print Name) Joan Carl  
(Title) Vice-President

Paid  
Preparer

(Signed) \_\_\_\_\_ (Date) \_\_\_\_\_  
(Print Name and Title) \_\_\_\_\_  
(Firm Name & Address) \_\_\_\_\_  
(Telephone) ( ) Fax # ( )

MAIL TO: BUREAU OF HEALTH FINANCE  
ILLINOIS DEPT OF HEALTHCARE AND FAMILY SERVICES  
201 S. Grand Avenue East  
Springfield, IL 62763-0001 Phone # (217) 782-1630

Facility Name & ID Number Alden-Des Plaines Rehabilitation and Health Care Center, Inc.

# 0042010 Report Period Beginning: 1/1/2011 Ending: 12/31/2011

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 \_\_\_\_\_

|   | 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>110</u>                         | Skilled (SNF)               | <u>110</u>                   | <u>40,150</u>                          | 1 |
| 2 |                                    | Skilled Pediatric (SNF/PED) |                              | <u>0</u>                               | 2 |
| 3 |                                    | Intermediate (ICF)          |                              | <u>0</u>                               | 3 |
| 4 |                                    | Intermediate/DD             |                              | <u>0</u>                               | 4 |
| 5 |                                    | Sheltered Care (SC)         |                              | <u>0</u>                               | 5 |
| 6 |                                    | ICF/DD 16 or Less           |                              | <u>0</u>                               | 6 |
| 7 | <u>110</u>                         | TOTALS                      | <u>110</u>                   | <u>40,150</u>                          | 7 |

B. Census-For the entire report period.

|    | 1<br>Level of Care | 2 3 4 5<br>Patient Days by Level of Care and Primary Source of Payment |              |               |               |    |
|----|--------------------|------------------------------------------------------------------------|--------------|---------------|---------------|----|
|    |                    | Medicaid Recipient                                                     | Private Pay  | Other         | Total         |    |
| 8  | SNF                | <u>383</u>                                                             | <u>2,489</u> | <u>17,312</u> | <u>20,184</u> | 8  |
| 9  | SNF/PED            |                                                                        |              |               |               | 9  |
| 10 | ICF                | <u>5,357</u>                                                           | <u>1,332</u> |               | <u>6,689</u>  | 10 |
| 11 | ICF/DD             |                                                                        |              |               |               | 11 |
| 12 | SC                 |                                                                        |              |               |               | 12 |
| 13 | DD 16 OR LESS      |                                                                        |              |               |               | 13 |
| 14 | TOTALS             | <u>5,740</u>                                                           | <u>3,821</u> | <u>17,312</u> | <u>26,873</u> | 14 |

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 66.93%

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 ☒

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 10/31/2000

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

YES ☒ Date 10/31/2000 NO ☐

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

YES ☒ NO ☐ If YES, enter number of beds certified 110 and days of care provided 16,947

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRAUAL ☒ MODIFIED CASH\* ☐ CASH\* ☐

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

Tax Year: 12/31/11 Fiscal Year: 12/31/11

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

Facility Name & ID Number Alden-Des Plaines Rehabilitation and Health # 0042010 Report Period Beginning: 1/1/2011 Ending: 12/31/2011  
V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

|     | Operating Expenses                                               | Costs Per General Ledger |               |            |            | Reclass-<br>ification<br>5 | Reclassified<br>Total<br>6 | Adjust-<br>ments<br>7 | Adjusted<br>Total<br>8 | FOR BHF USE ONLY |    |     |
|-----|------------------------------------------------------------------|--------------------------|---------------|------------|------------|----------------------------|----------------------------|-----------------------|------------------------|------------------|----|-----|
|     |                                                                  | Salary/Wage<br>1         | Supplies<br>2 | Other<br>3 | Total<br>4 |                            |                            |                       |                        | 9                | 10 |     |
|     | <b>A. General Services</b>                                       |                          |               |            |            |                            |                            |                       |                        |                  |    |     |
| 1   | Dietary                                                          | 619,307                  | 27,689        | 10,709     | 657,705    | 1,705                      | 659,410                    | (2,079)               | 657,331                |                  |    | 1   |
| 2   | Food Purchase                                                    |                          | 251,980       |            | 251,980    | (24,994)                   | 226,986                    | 39                    | 227,025                |                  |    | 2   |
| 3   | Housekeeping                                                     | 177,612                  | 30,719        |            | 208,331    | 1,445                      | 209,776                    | 4,435                 | 214,211                |                  |    | 3   |
| 4   | Laundry                                                          | 33,074                   | 21,919        | 86         | 55,079     | 91                         | 55,170                     |                       | 55,170                 |                  |    | 4   |
| 5   | Heat and Other Utilities                                         |                          |               | 199,937    | 199,937    |                            | 199,937                    |                       | 199,937                |                  |    | 5   |
| 6   | Maintenance                                                      | 44,029                   |               | 185,814    | 229,843    | 248                        | 230,091                    | 17,793                | 247,884                |                  |    | 6   |
| 7   | Other (specify):* Security/Rel. Party                            |                          |               | 448        | 448        |                            | 448                        | 4,960                 | 5,408                  |                  |    | 7   |
| 8   | <b>TOTAL General Services</b>                                    | 874,022                  | 332,307       | 396,994    | 1,603,323  | (21,505)                   | 1,581,818                  | 25,148                | 1,606,966              |                  |    | 8   |
|     | <b>B. Health Care and Programs</b>                               |                          |               |            |            |                            |                            |                       |                        |                  |    |     |
| 9   | Medical Director                                                 |                          |               | 60,000     | 60,000     |                            | 60,000                     |                       | 60,000                 |                  |    | 9   |
| 10  | Nursing and Medical Records                                      | 2,477,128                | 218,866       | 5,217      | 2,701,211  | 12,641                     | 2,713,852                  | 30,076                | 2,743,928              |                  |    | 10  |
| 10a | Therapy                                                          | 38,392                   | 4,535         | 11,400     | 54,327     |                            | 54,327                     |                       | 54,327                 |                  |    | 10a |
| 11  | Activities                                                       | 134,514                  | 2,009         | 4,983      | 141,506    | 195                        | 141,701                    |                       | 141,701                |                  |    | 11  |
| 12  | Social Services                                                  | 47,618                   |               |            | 47,618     |                            | 47,618                     |                       | 47,618                 |                  |    | 12  |
| 13  | CNA Training                                                     |                          |               |            |            |                            |                            |                       |                        |                  |    | 13  |
| 14  | Program Transportation                                           |                          |               |            |            |                            |                            |                       |                        |                  |    | 14  |
| 15  | Other (specify):* Related party                                  |                          |               |            |            |                            |                            | 3,493                 | 3,493                  |                  |    | 15  |
| 16  | <b>TOTAL Health Care and Programs</b>                            | 2,697,652                | 225,410       | 81,600     | 3,004,662  | 12,836                     | 3,017,498                  | 33,569                | 3,051,067              |                  |    | 16  |
|     | <b>C. General Administration</b>                                 |                          |               |            |            |                            |                            |                       |                        |                  |    |     |
| 17  | Administrative                                                   | 115,247                  |               |            | 115,247    |                            | 115,247                    | 53,865                | 169,112                |                  |    | 17  |
| 18  | Directors Fees                                                   |                          |               |            |            |                            |                            |                       |                        |                  |    | 18  |
| 19  | Professional Services                                            |                          |               | 957,116    | 957,116    | (19,108)                   | 938,008                    | (893,281)             | 44,727                 |                  |    | 19  |
| 20  | Dues, Fees, Subscriptions & Promotions                           |                          |               | 142,637    | 142,637    |                            | 142,637                    | (127,487)             | 15,150                 |                  |    | 20  |
| 21  | Clerical & General Office Expenses                               | 247,660                  | 26,573        | 93,958     | 368,191    | 639                        | 368,830                    | 158,270               | 527,100                |                  |    | 21  |
| 22  | Employee Benefits & Payroll Taxes                                |                          |               | 605,939    | 605,939    | 11,405                     | 617,344                    | (10,828)              | 606,516                |                  |    | 22  |
| 23  | Inservice Training & Education                                   |                          |               |            |            |                            |                            |                       |                        |                  |    | 23  |
| 24  | Travel and Seminar                                               |                          |               | 4,346      | 4,346      |                            | 4,346                      | 1,380                 | 5,726                  |                  |    | 24  |
| 25  | Other Admin. Staff Transportation                                |                          |               | 4,456      | 4,456      |                            | 4,456                      | 9,332                 | 13,788                 |                  |    | 25  |
| 26  | Insurance-Prop.Liab.Malpractice                                  |                          |               | 117,219    | 117,219    |                            | 117,219                    | 11,032                | 128,251                |                  |    | 26  |
| 27  | Other (specify):* Related party                                  |                          |               | 50,247     | 50,247     |                            | 50,247                     | (15,500)              | 34,747                 |                  |    | 27  |
| 28  | <b>TOTAL General Administration</b>                              | 362,907                  | 26,573        | 1,975,918  | 2,365,398  | (7,064)                    | 2,358,334                  | (813,217)             | 1,545,117              |                  |    | 28  |
| 29  | <b>TOTAL Operating Expense<br/>(sum of lines 8, 16 &amp; 28)</b> | 3,934,581                | 584,290       | 2,454,512  | 6,973,383  | (15,733)                   | 6,957,650                  | (754,500)             | 6,203,150              |                  |    | 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.

V. COST CENTER EXPENSES (continued)

|    | Capital Expense                                | Cost Per General Ledger |           |           |            | Reclass-ification | Reclassified Total | Adjust-ments | Adjusted Total | FOR BHF USE ONLY |    |    |
|----|------------------------------------------------|-------------------------|-----------|-----------|------------|-------------------|--------------------|--------------|----------------|------------------|----|----|
|    |                                                | Salary/Wage             | Supplies  | Other     | Total      |                   |                    |              |                | 9                | 10 |    |
|    | D. Ownership                                   | 1                       | 2         | 3         | 4          | 5                 | 6                  | 7            | 8              |                  |    |    |
| 30 | Depreciation                                   |                         |           | 50,996    | 50,996     |                   | 50,996             | 277,850      | 328,846        |                  |    | 30 |
| 31 | Amortization of Pre-Op. & Org.                 |                         |           |           |            |                   |                    |              |                |                  |    | 31 |
| 32 | Interest                                       |                         |           | 123,426   | 123,426    |                   | 123,426            | 385,841      | 509,267        |                  |    | 32 |
| 33 | Real Estate Taxes                              |                         |           | 483,127   | 483,127    | (483,127)         |                    | 487,045      | 487,045        |                  |    | 33 |
| 34 | Rent-Facility & Grounds                        |                         |           | 828,711   | 828,711    | 483,127           | 1,311,838          | (1,311,838)  |                |                  |    | 34 |
| 35 | Rent-Equipment & Vehicles                      |                         |           | 9,111     | 9,111      |                   | 9,111              | 21,502       | 30,613         |                  |    | 35 |
| 36 | Other (specify):* MIP                          |                         |           |           |            |                   |                    | 44,387       | 44,387         |                  |    | 36 |
| 37 | TOTAL Ownership                                |                         |           | 1,495,371 | 1,495,371  |                   | 1,495,371          | (95,213)     | 1,400,158      |                  |    | 37 |
|    | Ancillary Expense                              |                         |           |           |            |                   |                    |              |                |                  |    |    |
|    | E. Special Cost Centers                        |                         |           |           |            |                   |                    |              |                |                  |    |    |
| 38 | Medically Necessary Transportation             |                         |           |           |            |                   |                    |              |                |                  |    | 38 |
| 39 | Ancillary Service Centers                      |                         | 950,056   | 1,640,347 | 2,590,403  | 15,733            | 2,606,136          | (323,716)    | 2,282,420      |                  |    | 39 |
| 40 | Barber and Beauty Shops                        |                         |           |           |            |                   |                    |              |                |                  |    | 40 |
| 41 | Coffee and Gift Shops                          |                         |           |           |            |                   |                    |              |                |                  |    | 41 |
| 42 | Provider Participation Fee                     |                         |           | 60,225    | 60,225     |                   | 60,225             |              | 60,225         |                  |    | 42 |
| 43 | Other (specify):*                              |                         |           |           |            |                   |                    |              |                |                  |    | 43 |
| 44 | TOTAL Special Cost Centers                     |                         | 950,056   | 1,700,572 | 2,650,628  | 15,733            | 2,666,361          | (323,716)    | 2,342,645      |                  |    | 44 |
| 45 | GRAND TOTAL COST<br>(sum of lines 29, 37 & 44) | 3,934,581               | 1,534,346 | 5,650,455 | 11,119,382 |                   | 11,119,382         | (1,173,429)  | 9,945,953      |                  |    | 45 |

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

Reclassifications - Pages 3 & 4, Column 5

| From Line       | To Line | Amount       | Description                                           |
|-----------------|---------|--------------|-------------------------------------------------------|
| 2               |         | (24,994.00)  | Employee Meals                                        |
|                 | 22      | 24,994.00    | Employee Meals                                        |
| 22              |         | (13,589.00)  | Uniforms                                              |
|                 | 10      | 9,266.00     | Uniforms                                              |
|                 | 1       | 1,705.00     | Uniforms                                              |
|                 | 3       | 1,445.00     | Uniforms                                              |
|                 | 4       | 91.00        | Uniforms                                              |
|                 | 6       | 248.00       | Uniforms                                              |
|                 | 11      | 195.00       | Uniforms                                              |
|                 | 21      | 639.00       | Uniforms                                              |
| 10              |         | (15,733.00)  | Oxygen - to appropriate cost center                   |
|                 | 39      | 15,733.00    | Oxygen - to appropriate cost center                   |
| 33              |         | (483,127.00) | Rent - Real Estate Tax on associated landowner (Pg 6) |
|                 | 34      | 483,127.00   | Rent - Real Estate Tax on associated landowner (Pg 6) |
| 19              |         |              | Reclass from Professional Fees to Real Estate tax     |
|                 | 33      |              | Reclass from Professional Fees to Real Estate tax     |
| 21              |         |              | Vendor Settlements                                    |
|                 |         |              | Vendor Settlements (may effect more than one line)    |
| Others, if any: |         |              |                                                       |
| 19              |         | (19,107.56)  | Clinical Coordinators (Pathway Billing)               |
|                 | 10      | 19,107.56    | Clinical Coordinators (Pathway Billing)               |
| 19              |         |              | MediFax/MedCom                                        |
|                 | 21      |              | MediFax/MedCom                                        |
| Net             |         | -            |                                                       |

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.)

|    | NON-ALLOWABLE EXPENSES                                         | 1<br>Amount  | 2<br>Refer-<br>ence | 3<br>BHF USE<br>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                        | (8,825)      | 6                   |                      | 5  |
| 6  | Rented Facility Space                                          |              |                     |                      | 6  |
| 7  | Sale of Supplies to Non-Patients                               |              |                     |                      | 7  |
| 8  | Laundry for Non-Patients                                       |              |                     |                      | 8  |
| 9  | Non-Straightline Depreciation                                  | (90,935)     | 30                  |                      | 9  |
| 10 | Interest and Other Investment Income                           | (3,518)      | 32                  |                      | 10 |
| 11 | Discounts, Allowances, Rebates & Refunds                       |              |                     |                      | 11 |
| 12 | Non-Working Officer's or Owner's Salary                        |              |                     |                      | 12 |
| 13 | Sales Tax                                                      | (2,255)      | 2                   |                      | 13 |
| 14 | Non-Care Related Interest                                      | (4,490)      | 32                  |                      | 14 |
| 15 | Non-Care Related Owner's Transactions                          |              |                     |                      | 15 |
| 16 | Personal Expenses (Including Transportation)                   |              |                     |                      | 16 |
| 17 | Non-Care Related Fees                                          | (5,758)      | 21                  |                      | 17 |
| 18 | Fines and Penalties                                            |              |                     |                      | 18 |
| 19 | Entertainment                                                  | (3,219)      | 20                  |                      | 19 |
| 20 | Contributions                                                  | (11,185)     | 20                  |                      | 20 |
| 21 | Owner or Key-Man Insurance                                     |              |                     |                      | 21 |
| 22 | Special Legal Fees & Legal Retainers                           | (16,269)     | 19                  |                      | 22 |
| 23 | Malpractice Insurance for Individuals                          |              |                     |                      | 23 |
| 24 | Bad Debt                                                       | (50,247)     | 27                  |                      | 24 |
| 25 | Fund Raising, Advertising and Promotional                      | (55,245)     | 20                  |                      | 25 |
| 26 | Income Taxes and Illinois Personal<br>Property Replacement Tax |              |                     |                      | 26 |
| 27 | CNA Training for Non-Employees                                 |              |                     |                      | 27 |
| 28 | Yellow Page Advertising                                        | (750)        | 20                  |                      | 28 |
| 29 | Other-Attach Schedule                                          |              |                     |                      | 29 |
| 30 | SUBTOTAL (A): (Sum of lines 1-29)                              | \$ (252,696) |                     | \$                   | 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<br>Amount    | 2<br>Reference |    |
|----|--------------------------------------------------------------|----------------|----------------|----|
| 31 | Non-Paid Workers-Attach Schedule*                            | \$             |                | 31 |
| 32 | Donated Goods-Attach Schedule*                               |                |                | 32 |
| 33 | Amortization of Organization &<br>Pre-Operating Expense      |                |                | 33 |
| 34 | Adjustments for Related Organization<br>Costs (Schedule VII) | (671,527)      | Various        | 34 |
| 35 | Other- Attach Schedule                                       | (249,206)      | Pg 5A          | 35 |
| 36 | SUBTOTAL (B): (sum of lines 31-35)                           | \$ (920,733)   |                | 36 |
| 37 | (sum of SUBTOTALS<br>TOTAL ADJUSTMENTS (A) and (B) )         | \$ (1,173,429) |                | 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<br>Yes | 2<br>No | 3<br>Amount | 4<br>Reference |    |
|----|---------------------------------|----------|---------|-------------|----------------|----|
| 38 | Medically Necessary Transport.  |          | x       | \$          |                | 38 |
| 39 |                                 |          | x       |             |                | 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 |                                 |          | x       |             |                | 44 |
| 45 | Other-Attach Schedule           |          | x       |             |                | 45 |
| 46 | Other-Attach Schedule           |          | x       |             |                | 46 |
| 47 | TOTAL (C): (sum of lines 38-46) |          |         | \$          |                | 47 |

Report Period Beginning:

Ending:

ID#

0042010

1/1/2011

12/31/2011

| NON-ALLOWABLE EXPENSES |                                                      | Amount    | Sch. V Line Reference |    |
|------------------------|------------------------------------------------------|-----------|-----------------------|----|
| 1                      | Elim Deprec Exp on Pg 12 items under \$2,500 -       | \$ (681)  | 30                    | 1  |
| 2                      | Elim Deprec Exp on Pg 13 items under \$2500 -        | (9,936)   | 30                    | 2  |
| 3                      | Expense Pg 12 items under \$2,500 - curr yr purchs + | 0         | 6                     | 3  |
| 4                      | Expense Pg 13 items under \$2,500 - curr yr purchs + | 10,119    | 6                     | 4  |
| 5                      | Adjust depreciation to Pg 13's                       | 28        | 30                    | 5  |
| 6                      | Elim ABC Deprec Exp from Pg 12 series -              | (20)      | 30                    | 6  |
| 7                      |                                                      |           |                       | 7  |
| 8                      | Late fees on utilities                               | (1,606)   | 5                     | 8  |
| 9                      | Valet Cost                                           | (400)     | 21                    | 9  |
| 10                     | Other nursing income (flu)                           | (310)     | 21                    | 10 |
| 11                     | Jury Duty (g/l 4977-100-002)                         | (69)      | 21                    | 11 |
| 12                     | Wage Service Fee (g/l 4977-100-006)                  | (60)      | 21                    | 12 |
| 13                     | Record Copies (g/l 4977-100-001)                     | (2,026)   | 10                    | 13 |
| 14                     | Marketing Mgr (g/l 6701-100-009)                     | (69,812)  | 21                    | 14 |
| 15                     | Mktg Mgr employee benefits reduction                 | (10,828)  | 22                    | 15 |
| 16                     | IL Health Care Assoc Dues (PAC: 30%)                 | (1,822)   | 20                    | 16 |
| 17                     | Deming Leadership Training (20%)                     | (450)     | 24                    | 17 |
| 18                     | Back out LLC bank charges                            | (36)      | 21                    | 18 |
| 19                     | Back out LLC mtge int > CON asset limit              | (142,500) | 32                    | 19 |
| 20                     | Back out LLC MIP exp > CON asset limit               | (17,262)  | 36                    | 20 |
| 21                     | Elim chamber of commerce fees in Dues/subsc.         | (1,535)   | 20                    | 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                                                | (249,206) |                       | 49 |

## STATE OF ILLINOIS

Summary A

Facility Name & ID Number Alden-Des Plaines Rehabilitation and Health Care Center, Inc.# 0042010

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

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

|     | Operating Expenses                                              | PAGES<br>5 & 5A  | PAGE<br>6     | PAGE<br>6A       | PAGE<br>6B     | PAGE<br>6C    | PAGE<br>6D | PAGE<br>6E | PAGE<br>6F | PAGE<br>6G | PAGE<br>6H | PAGE<br>6I | SUMMARY<br>TOTALS<br>(to Sch V, col.7) |           |
|-----|-----------------------------------------------------------------|------------------|---------------|------------------|----------------|---------------|------------|------------|------------|------------|------------|------------|----------------------------------------|-----------|
|     | <b>A. General Services</b>                                      |                  |               |                  |                |               |            |            |            |            |            |            |                                        |           |
| 1   | Dietary                                                         | 0                | 0             | 2,977            | (5,056)        | 0             | 0          | 0          | 0          | 0          | 0          | 0          | (2,079)                                | 1         |
| 2   | Food Purchase                                                   | (2,255)          | 0             | 0                | 2,294          | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 39                                     | 2         |
| 3   | Housekeeping                                                    | 0                | 0             | 4,435            | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 4,435                                  | 3         |
| 4   | Laundry                                                         | 0                | 0             | 0                | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 0                                      | 4         |
| 5   | Heat and Other Utilities                                        | (1,606)          | 0             | 1,606            | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 0                                      | 5         |
| 6   | Maintenance                                                     | 1,294            | 0             | 16,302           | 0              | 0             | 0          | 197        | 0          | 0          | 0          | 0          | 17,793                                 | 6         |
| 7   | Other (specify):*                                               | 0                | 0             | 4,247            | 713            | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 4,960                                  | 7         |
| 8   | <b>TOTAL General Services</b>                                   | <b>(2,567)</b>   | <b>0</b>      | <b>29,567</b>    | <b>(2,049)</b> | <b>0</b>      | <b>0</b>   | <b>197</b> | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>25,148</b>                          | <b>8</b>  |
|     | <b>B. Health Care and Programs</b>                              |                  |               |                  |                |               |            |            |            |            |            |            |                                        |           |
| 9   | Medical Director                                                | 0                | 0             | 0                | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 0                                      | 9         |
| 10  | Nursing and Medical Records                                     | (2,026)          | 0             | 30,912           | 34             | 1,156         | 0          | 0          | 0          | 0          | 0          | 0          | 30,076                                 | 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             | 3,493            | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 3,493                                  | 15        |
| 16  | <b>TOTAL Health Care and Programs</b>                           | <b>(2,026)</b>   | <b>0</b>      | <b>34,405</b>    | <b>34</b>      | <b>1,156</b>  | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>33,569</b>                          | <b>16</b> |
|     | <b>C. General Administration</b>                                |                  |               |                  |                |               |            |            |            |            |            |            |                                        |           |
| 17  | Administrative                                                  | 0                | 0             | 53,865           | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 53,865                                 | 17        |
| 18  | Directors Fees                                                  | 0                | 0             | 0                | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 0                                      | 18        |
| 19  | Professional Services                                           | (16,269)         | 7,410         | (884,422)        | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | (893,281)                              | 19        |
| 20  | Fees, Subscriptions & Promotions                                | (73,756)         | 0             | (53,731)         | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | (127,487)                              | 20        |
| 21  | Clerical & General Office Expenses                              | (76,445)         | 636           | 144,373          | 16,722         | 72,984        | 0          | 0          | 0          | 0          | 0          | 0          | 158,270                                | 21        |
| 22  | Employee Benefits & Payroll Taxes                               | (10,828)         | 0             | 0                | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | (10,828)                               | 22        |
| 23  | Inservice Training & Education                                  | 0                | 0             | 0                | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 0                                      | 23        |
| 24  | Travel and Seminar                                              | (450)            | 0             | 1,830            | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 1,380                                  | 24        |
| 25  | Other Admin. Staff Transportation                               | 0                | 0             | 9,332            | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 9,332                                  | 25        |
| 26  | Insurance-Prop.Liab.Malpractice                                 | 0                | 10,949        | 83               | 0              | 0             | 0          | 0          | 0          | 0          | 0          | 0          | 11,032                                 | 26        |
| 27  | Other (specify):*                                               | (50,247)         | 0             | 28,046           | 1,784          | 4,917         | 0          | 0          | 0          | 0          | 0          | 0          | (15,500)                               | 27        |
| 28  | <b>TOTAL General Administration</b>                             | <b>(227,995)</b> | <b>18,995</b> | <b>(700,624)</b> | <b>18,506</b>  | <b>77,901</b> | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>(813,217)</b>                       | <b>28</b> |
| 29  | <b>TOTAL Operating Expense<br/>(sum of lines 8,16 &amp; 28)</b> | <b>(232,588)</b> | <b>18,995</b> | <b>(636,652)</b> | <b>16,491</b>  | <b>79,057</b> | <b>0</b>   | <b>197</b> | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>0</b>   | <b>(754,500)</b>                       | <b>29</b> |

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

|    | Capital Expense                    | PAGES     | PAGE        | PAGE      | PAGE     | PAGE      | PAGE     | PAGE | PAGE | PAGE | PAGE | PAGE | SUMMARY           |    |
|----|------------------------------------|-----------|-------------|-----------|----------|-----------|----------|------|------|------|------|------|-------------------|----|
|    | D. Ownership                       | 5 & 5A    | 6           | 6A        | 6B       | 6C        | 6D       | 6E   | 6F   | 6G   | 6H   | 6I   | TOTALS            |    |
|    |                                    |           |             |           |          |           |          |      |      |      |      |      | (to Sch V, col.7) |    |
| 30 | Depreciation                       | (101,544) | 371,207     | 8,187     | 0        | 0         | 0        | 0    | 0    | 0    | 0    | 0    | 277,850           | 30 |
| 31 | Amortization of Pre-Op. & Org.     | 0         | 0           | 0         | 0        | 0         | 0        | 0    | 0    | 0    | 0    | 0    | 0                 | 31 |
| 32 | Interest                           | (150,508) | 530,105     | 3,845     | 0        | 2,399     | 0        | 0    | 0    | 0    | 0    | 0    | 385,841           | 32 |
| 33 | Real Estate Taxes                  | 0         | 483,127     | 2,882     | 0        | 1,036     | 0        | 0    | 0    | 0    | 0    | 0    | 487,045           | 33 |
| 34 | Rent-Facility & Grounds            | 0         | (1,311,838) | 0         | 0        | 0         | 0        | 0    | 0    | 0    | 0    | 0    | (1,311,838)       | 34 |
| 35 | Rent-Equipment & Vehicles          | 0         | 0           | 21,502    | 0        | 0         | 0        | 0    | 0    | 0    | 0    | 0    | 21,502            | 35 |
| 36 | Other (specify):*                  | (17,262)  | 61,649      | 0         | 0        | 0         | 0        | 0    | 0    | 0    | 0    | 0    | 44,387            | 36 |
| 37 | TOTAL Ownership                    | (269,314) | 134,250     | 36,416    | 0        | 3,435     | 0        | 0    | 0    | 0    | 0    | 0    | (95,213)          | 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         | (41,671) | (213,487) | (68,558) | 0    | 0    | 0    | 0    | 0    | (323,716)         | 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         | (41,671) | (213,487) | (68,558) | 0    | 0    | 0    | 0    | 0    | (323,716)         | 44 |
|    | GRAND TOTAL COST                   |           |             |           |          |           |          |      |      |      |      |      |                   |    |
| 45 | (sum of lines 29, 37 & 44)         | (501,902) | 153,245     | (600,236) | (25,180) | (130,995) | (68,558) | 197  | 0    | 0    | 0    | 0    | (1,173,429)       | 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<br>OWNERS           |             | 2<br>RELATED NURSING HOMES |      | 3<br>OTHER RELATED BUSINESS ENTITIES |      |                  |
|-----------------------|-------------|----------------------------|------|--------------------------------------|------|------------------|
| Name                  | Ownership % | Name                       | City | Name                                 | City | Type of Business |
| The Alden Group, Ltd. | 100         | See PG6-Supp               |      | See PG6-Supp                         |      |                  |
|                       |             |                            |      |                                      |      |                  |
|                       |             |                            |      |                                      |      |                  |
|                       |             |                            |      |                                      |      |                  |
|                       |             |                            |      |                                      |      |                  |
|                       |             |                            |      |                                      |      |                  |

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   | Rent                         | \$ 1,311,838 | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      | \$                                     | \$ (1,311,838)                                         | 1  |
| 2          | V     | 32   | Interest-Replacement reserve | 550          | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      |                                        | (550)                                                  | 2  |
| 3          | V     | 32   | Interest - facility loan     | 65,317       | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      |                                        | (65,317)                                               | 3  |
| 4          | V     | 21   | Bank charges                 |              | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      | 36                                     | 36                                                     | 4  |
| 5          | V     | 21   | Dues & Subcriptions          |              | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      | 600                                    | 600                                                    | 5  |
| 6          | V     | 33   | Real estate taxes            |              | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      | 483,127                                | 483,127                                                | 6  |
| 7          | V     | 26   | Property & liability ins     |              | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      | 10,949                                 | 10,949                                                 | 7  |
| 8          | V     | 36   | Mortgage insurance           |              | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      | 61,649                                 | 61,649                                                 | 8  |
| 9          | V     | 32   | Interest on mortgage         |              | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      | 508,928                                | 508,928                                                | 9  |
| 10         | V     | 32   | Interest on IOD loan         |              | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      | 78,981                                 | 78,981                                                 | 10 |
| 11         | V     | 30   | Depreciation                 |              | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      | 371,207                                | 371,207                                                | 11 |
| 12         | V     | 32   | Amortization                 |              | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      | 8,063                                  | 8,063                                                  | 12 |
| 13         | V     | 19   | Accounting fees              |              | Alden-Des Plaines Rehabilitation and Health Care Center, LLC |                      | 7,410                                  | 7,410                                                  | 13 |
| 14         | Total |      |                              | \$ 1,377,705 |                                                              |                      | \$ 1,530,950                           | \$ * 153,245                                           | 14 |

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

Facility Name & ID Number Alden-Des Plaines Rehabilitation and Health Care Center, Inc.# 0042010

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

## 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     | 5 Utilities                        | \$         | Alden Management Services, Inc. | 0.00%                | \$ 1,606                               | \$ 1,606 15                                            |
| 16         | V     | 24 Travel & Seminar                |            | Alden Management Services, Inc. |                      | 1,830                                  | 1,830 16                                               |
| 17         | V     | 25 Other admin travel              |            | Alden Management Services, Inc. |                      | 9,332                                  | 9,332 17                                               |
| 18         | V     | 26 Insurance                       |            | Alden Management Services, Inc. |                      | 83                                     | 83 18                                                  |
| 19         | V     | 20 Dues/subscriptions/fees etc     |            | Alden Management Services, Inc. |                      | 1,151                                  | 1,151 19                                               |
| 20         | V     | 30 Depreciation                    |            | Alden Management Services, Inc. |                      | 8,187                                  | 8,187 20                                               |
| 21         | V     | 33 Real estate taxes               |            | Alden Management Services, Inc. |                      | 2,882                                  | 2,882 21                                               |
| 22         | V     | 35 Rent-equipment/vehicles         |            | Alden Management Services, Inc. |                      | 21,502                                 | 21,502 22                                              |
| 23         | V     | 32 Interest                        |            | Alden Management Services, Inc. |                      | 3,845                                  | 3,845 23                                               |
| 24         | V     | 1 Salaries-Dietary Aide            |            | Alden Management Services, Inc. |                      | 2,977                                  | 2,977 24                                               |
| 25         | V     | 3 Salaries-Housekeeping Coord.     |            | Alden Management Services, Inc. |                      | 4,435                                  | 4,435 25                                               |
| 26         | V     | 7 Employee Benefits-general Svcs   |            | Alden Management Services, Inc. |                      | 4,247                                  | 4,247 26                                               |
| 27         | V     | 10 Salaries-Nurse & Med. Records   |            | Alden Management Services, Inc. |                      | 30,912                                 | 30,912 27                                              |
| 28         | V     | 15 Employee Benefits-health care   |            | Alden Management Services, Inc. |                      | 3,493                                  | 3,493 28                                               |
| 29         | V     | 17 Salaries-Total Admin            |            | Alden Management Services, Inc. |                      | 53,865                                 | 53,865 29                                              |
| 30         | V     | 27 Employee Benefits-general admin |            | Alden Management Services, Inc. |                      | 28,046                                 | 28,046 30                                              |
| 31         | V     | 19 Professional fees               | 907,844    | Alden Management Services, Inc. |                      | 23,422                                 | (884,422) 31                                           |
| 32         | V     | 21 Clerical and G & A              |            | Alden Management Services, Inc. |                      | 144,373                                | 144,373 32                                             |
| 33         | V     | 6 Maintenance                      | 11,142     | Alden Management Services, Inc. |                      | 27,444                                 | 16,302 33                                              |
| 34         | V     | 20 MKT Management Fees             | 54,882     | Alden Management Services, Inc. |                      |                                        | (54,882) 34                                            |
| 35         | V     |                                    |            |                                 |                      |                                        | 35                                                     |
| 36         | V     |                                    |            |                                 |                      |                                        | 36                                                     |
| 37         | V     |                                    |            |                                 |                      |                                        | 37                                                     |
| 38         | V     |                                    |            |                                 |                      |                                        | 38                                                     |
| 39         | Total |                                    | \$ 973,868 |                                 |                      | \$ 373,632                             | \$ * (600,236) 39                                      |

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

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒ YES ☐ NO

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

| 1          |       | 2    | 3 Cost Per General Ledger     | 4         | 5 Cost to Related Organization   | 6                    | 7                                      | 8 Difference:                                          |    |
|------------|-------|------|-------------------------------|-----------|----------------------------------|----------------------|----------------------------------------|--------------------------------------------------------|----|
| Schedule V |       | Line | Item                          | Amount    | Name of Related Organization     | Percent of Ownership | Operating Cost of Related Organization | Adjustments for Related Organization Costs (7 minus 4) |    |
| 15         | V     | 1    | Dietary consultant            | \$ 10,709 | Prism Health Care Services, Inc. | 0.00%                | \$ 178                                 | \$ (10,531)                                            | 15 |
| 16         | V     | 1    | Dietary salaries              |           | Prism Health Care Services, Inc. |                      | 5,475                                  | 5,475                                                  | 16 |
| 17         | V     | 2    | Tube feeding                  | 12,070    | Prism Health Care Services, Inc. |                      | 14,364                                 | 2,294                                                  | 17 |
| 18         | V     | 10   | Equipment rental-patient care | 6,660     | Prism Health Care Services, Inc. |                      | 6,694                                  | 34                                                     | 18 |
| 19         | V     | 39   | Ancillary supplies            | 63,433    | Prism Health Care Services, Inc. |                      | 21,762                                 | (41,671)                                               | 19 |
| 20         | V     | 21   | G & A salaries                |           | Prism Health Care Services, Inc. |                      | 10,696                                 | 10,696                                                 | 20 |
| 21         | V     | 27   | Emp. Benefits-G & A           |           | Prism Health Care Services, Inc. |                      | 1,784                                  | 1,784                                                  | 21 |
| 22         | V     | 7    | Emp. Benefits-Dietary         |           | Prism Health Care Services, Inc. |                      | 713                                    | 713                                                    | 22 |
| 23         | V     | 21   | G & A expenses                |           | Prism Health Care Services, Inc. |                      | 6,026                                  | 6,026                                                  | 23 |
| 24         | V     |      |                               |           |                                  |                      |                                        |                                                        | 24 |
| 25         | V     |      |                               |           |                                  |                      |                                        |                                                        | 25 |
| 26         | V     |      |                               |           |                                  |                      |                                        |                                                        | 26 |
| 27         | V     |      |                               |           |                                  |                      |                                        |                                                        | 27 |
| 28         | V     |      |                               |           |                                  |                      |                                        |                                                        | 28 |
| 29         | V     |      |                               |           |                                  |                      |                                        |                                                        | 29 |
| 30         | V     |      |                               |           |                                  |                      |                                        |                                                        | 30 |
| 31         | V     |      |                               |           |                                  |                      |                                        |                                                        | 31 |
| 32         | V     |      |                               |           |                                  |                      |                                        |                                                        | 32 |
| 33         | V     |      |                               |           |                                  |                      |                                        |                                                        | 33 |
| 34         | V     |      |                               |           |                                  |                      |                                        |                                                        | 34 |
| 35         | V     |      |                               |           |                                  |                      |                                        |                                                        | 35 |
| 36         | V     |      |                               |           |                                  |                      |                                        |                                                        | 36 |
| 37         | V     |      |                               |           |                                  |                      |                                        |                                                        | 37 |
| 38         | V     |      |                               |           |                                  |                      |                                        |                                                        | 38 |
| 39         | Total |      |                               | \$ 92,872 |                                  |                      | \$ 67,692                              | \$ * (25,180)                                          | 39 |

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

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒ YES ☐ NO

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

| 1          |       | 2    | 3 Cost Per General Ledger | 4          | 5 Cost to Related Organization        | 6                    | 7                                      | 8 Difference:                                          |    |
|------------|-------|------|---------------------------|------------|---------------------------------------|----------------------|----------------------------------------|--------------------------------------------------------|----|
| Schedule V |       | Line | Item                      | Amount     | Name of Related Organization          | Percent of Ownership | Operating Cost of Related Organization | Adjustments for Related Organization Costs (7 minus 4) |    |
| 15         | V     | 39   | Drugs                     | \$ 440,736 | Forum Extended Care Services II, Inc. | 0.00%                | \$ 610,784                             | \$ 170,048                                             | 15 |
| 16         | V     | 39   | I.V.                      | 434,296    | Forum Extended Care Services II, Inc. |                      | 51,054                                 | (383,242)                                              | 16 |
| 17         | V     | 39   | Wound Vac                 | 1,400      | Forum Extended Care Services II, Inc. |                      | 1,107                                  | (293)                                                  | 17 |
| 18         | V     | 10   | House Stock               | 28,167     | Forum Extended Care Services II, Inc. |                      | 26,061                                 | (2,106)                                                | 18 |
| 19         | V     | 10   | Pharm Consult             | 4,355      | Forum Extended Care Services II, Inc. |                      | 7,617                                  | 3,262                                                  | 19 |
| 20         | V     | 27   | Employ Vaccin             | 3,856      | Forum Extended Care Services II, Inc. |                      | 3,049                                  | (807)                                                  | 20 |
| 21         | V     | 27   | Employ Benefits-G & A     |            | Forum Extended Care Services II, Inc. |                      | 5,724                                  | 5,724                                                  | 21 |
| 22         | V     | 21   | G & A Salaries            |            | Forum Extended Care Services II, Inc. |                      | 45,979                                 | 45,979                                                 | 22 |
| 23         | V     | 21   | Gen'l & Admin             |            | Forum Extended Care Services II, Inc. |                      | 27,005                                 | 27,005                                                 | 23 |
| 24         | V     | 32   | Interest                  |            | Forum Extended Care Services II, Inc. |                      | 2,399                                  | 2,399                                                  | 24 |
| 25         | V     | 33   | Real Estate Tax           |            | Forum Extended Care Services II, Inc. |                      | 1,036                                  | 1,036                                                  | 25 |
| 26         | V     |      |                           |            |                                       |                      |                                        |                                                        | 26 |
| 27         | V     |      |                           |            |                                       |                      |                                        |                                                        | 27 |
| 28         | V     |      |                           |            |                                       |                      |                                        |                                                        | 28 |
| 29         | V     |      |                           |            |                                       |                      |                                        |                                                        | 29 |
| 30         | V     |      |                           |            |                                       |                      |                                        |                                                        | 30 |
| 31         | V     |      |                           |            |                                       |                      |                                        |                                                        | 31 |
| 32         | V     |      |                           |            |                                       |                      |                                        |                                                        | 32 |
| 33         | V     |      |                           |            |                                       |                      |                                        |                                                        | 33 |
| 34         | V     |      |                           |            |                                       |                      |                                        |                                                        | 34 |
| 35         | V     |      |                           |            |                                       |                      |                                        |                                                        | 35 |
| 36         | V     |      |                           |            |                                       |                      |                                        |                                                        | 36 |
| 37         | V     |      |                           |            |                                       |                      |                                        |                                                        | 37 |
| 38         | V     |      |                           |            |                                       |                      |                                        |                                                        | 38 |
| 39         | Total |      |                           | \$ 912,810 |                                       |                      | \$ 781,815                             | \$ * (130,995)                                         | 39 |

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

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒ YES ☐ NO

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

| 1          |       | 2    | 3 Cost Per General Ledger | 4            | 5 Cost to Related Organization                | 6                    | 7                                      | 8 Difference:                                          |    |
|------------|-------|------|---------------------------|--------------|-----------------------------------------------|----------------------|----------------------------------------|--------------------------------------------------------|----|
| Schedule V |       | Line | Item                      | Amount       | Name of Related Organization                  | Percent of Ownership | Operating Cost of Related Organization | Adjustments for Related Organization Costs (7 minus 4) |    |
| 15         | V     | 39   | Revenue - therapy         | \$ 1,584,914 | Community Physical Therapy & Associates, Ltd. | 0.00%                | \$ 1,516,356                           | \$ (68,558)                                            | 15 |
| 16         | V     |      |                           |              |                                               |                      |                                        |                                                        | 16 |
| 17         | V     |      |                           |              |                                               |                      |                                        |                                                        | 17 |
| 18         | V     |      |                           |              |                                               |                      |                                        |                                                        | 18 |
| 19         | V     |      |                           |              |                                               |                      |                                        |                                                        | 19 |
| 20         | V     |      |                           |              |                                               |                      |                                        |                                                        | 20 |
| 21         | V     |      |                           |              |                                               |                      |                                        |                                                        | 21 |
| 22         | V     |      |                           |              |                                               |                      |                                        |                                                        | 22 |
| 23         | V     |      |                           |              |                                               |                      |                                        |                                                        | 23 |
| 24         | V     |      |                           |              |                                               |                      |                                        |                                                        | 24 |
| 25         | V     |      |                           |              |                                               |                      |                                        |                                                        | 25 |
| 26         | V     |      |                           |              |                                               |                      |                                        |                                                        | 26 |
| 27         | V     |      |                           |              |                                               |                      |                                        |                                                        | 27 |
| 28         | V     |      |                           |              |                                               |                      |                                        |                                                        | 28 |
| 29         | V     |      |                           |              |                                               |                      |                                        |                                                        | 29 |
| 30         | V     |      |                           |              |                                               |                      |                                        |                                                        | 30 |
| 31         | V     |      |                           |              |                                               |                      |                                        |                                                        | 31 |
| 32         | V     |      |                           |              |                                               |                      |                                        |                                                        | 32 |
| 33         | V     |      |                           |              |                                               |                      |                                        |                                                        | 33 |
| 34         | V     |      |                           |              |                                               |                      |                                        |                                                        | 34 |
| 35         | V     |      |                           |              |                                               |                      |                                        |                                                        | 35 |
| 36         | V     |      |                           |              |                                               |                      |                                        |                                                        | 36 |
| 37         | V     |      |                           |              |                                               |                      |                                        |                                                        | 37 |
| 38         | V     |      |                           |              |                                               |                      |                                        |                                                        | 38 |
| 39         | Total |      |                           | \$ 1,584,914 |                                               |                      | \$ 1,516,356                           | \$ * (68,558)                                          | 39 |

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

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒ YES ☐ NO

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

| 1          |       | 2    | 3 Cost Per General Ledger | 4         | 5 Cost to Related Organization           | 6                    | 7                                      | 8 Difference:                                          |    |
|------------|-------|------|---------------------------|-----------|------------------------------------------|----------------------|----------------------------------------|--------------------------------------------------------|----|
| Schedule V |       | Line | Item                      | Amount    | Name of Related Organization             | Percent of Ownership | Operating Cost of Related Organization | Adjustments for Related Organization Costs (7 minus 4) |    |
| 15         | V     | 6    | Repair & Maintenance      | \$ 25,374 | Alden Bennett Construction Company, Inc. | 0.00%                | \$ 25,571                              | \$ 197                                                 | 15 |
| 16         | V     |      |                           |           |                                          |                      |                                        |                                                        | 16 |
| 17         | V     |      |                           |           |                                          |                      |                                        |                                                        | 17 |
| 18         | V     |      |                           |           |                                          |                      |                                        |                                                        | 18 |
| 19         | V     |      |                           |           |                                          |                      |                                        |                                                        | 19 |
| 20         | V     |      |                           |           |                                          |                      |                                        |                                                        | 20 |
| 21         | V     |      |                           |           |                                          |                      |                                        |                                                        | 21 |
| 22         | V     |      |                           |           |                                          |                      |                                        |                                                        | 22 |
| 23         | V     |      |                           |           |                                          |                      |                                        |                                                        | 23 |
| 24         | V     |      |                           |           |                                          |                      |                                        |                                                        | 24 |
| 25         | V     |      |                           |           |                                          |                      |                                        |                                                        | 25 |
| 26         | V     |      |                           |           |                                          |                      |                                        |                                                        | 26 |
| 27         | V     |      |                           |           |                                          |                      |                                        |                                                        | 27 |
| 28         | V     |      |                           |           |                                          |                      |                                        |                                                        | 28 |
| 29         | V     |      |                           |           |                                          |                      |                                        |                                                        | 29 |
| 30         | V     |      |                           |           |                                          |                      |                                        |                                                        | 30 |
| 31         | V     |      |                           |           |                                          |                      |                                        |                                                        | 31 |
| 32         | V     |      |                           |           |                                          |                      |                                        |                                                        | 32 |
| 33         | V     |      |                           |           |                                          |                      |                                        |                                                        | 33 |
| 34         | V     |      |                           |           |                                          |                      |                                        |                                                        | 34 |
| 35         | V     |      |                           |           |                                          |                      |                                        |                                                        | 35 |
| 36         | V     |      |                           |           |                                          |                      |                                        |                                                        | 36 |
| 37         | V     |      |                           |           |                                          |                      |                                        |                                                        | 37 |
| 38         | V     |      |                           |           |                                          |                      |                                        |                                                        | 38 |
| 39         | Total |      |                           | \$ 25,374 |                                          |                      | \$ 25,571                              | \$ * 197                                               | 39 |

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

Facility Name & ID Number Alden-Des Plaines Rehabilitation and Health Care Center, Inc. # 0042010 Report Period Beginning: 1/1/2011 Ending: 12/31/2011

## VII. RELATED PARTIES

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

|    | 1<br>OWNERS |             | 2<br>RELATED NURSING HOMES                        |                 | 3<br>OTHER RELATED BUSINESS ENTITIES |                   |                        |    |
|----|-------------|-------------|---------------------------------------------------|-----------------|--------------------------------------|-------------------|------------------------|----|
|    | Name        | Ownership % | Name                                              | City            | Name                                 | City              | Type of Business       |    |
| 1  |             |             |                                                   |                 |                                      |                   |                        | 1  |
| 2  |             |             | Heather Health Care Center, Inc.                  | Harvey          | The Forum Profession                 | Chicago           | Home Office rental     | 2  |
| 3  |             |             | Alden-Long Grove Rehabilitation and Health Ca     | Long Grove      |                                      |                   |                        | 3  |
| 4  |             |             | Alden-Lincoln Park Rehabilitation and Health C    | Chicago         | Forum Extended Care Se               | Chicago           | Pharmacy               | 4  |
| 5  |             |             | Alden-Northmoor Rehabilitation and Health Car     | Chicago         | Alden Management Serv                | Chicago           | Management             | 5  |
| 6  |             |             | Alden-Lakeland Rehabilitation and Health Care (   | Chicago         |                                      |                   |                        | 6  |
| 7  |             |             | Alden of Old Town East, Inc.                      | Bloomingtondale | Alden Gardens of Bloom               | Bloomingtondale   | Supportive Living Fac  | 7  |
| 8  |             |             | Alden Terrace of McHenry Rehabilitation and He    | McHenry         | Alden Garden Courts of               | DesPlaines        | Assisted Living/Alzhei | 8  |
| 9  |             |             | Alden - Wentworth Rehabilitation and Health Ca    | Chicago         | Alden Courts of Waterfo              | Aurora            | Alzheimers Facility    | 9  |
| 10 |             |             | Alden Estates of Naperville, Inc.                 | Naperville      | Alden Gardens of Water               | Aurora            | Assisted Living        | 10 |
| 11 |             |             | Alden - Valley Ridge Rehabilitation and Health C  | Bloomingtondale | Prism Health Care Servi              | Schaumburg        | Nursing and Durable    | 11 |
| 12 |             |             | Alden Village Health Facility for Children and Yo | Bloomingtondale | Community Physical The               | Addison           | Therapy Provider       | 12 |
| 13 |             |             | Alden - Orland Park Rehabilitation and Health C   | Orland Park     | Alden Bennett Construct              | Chicago           | General Contractor     | 13 |
| 14 |             |             | Alden - Princeton Rehabilitation and Health Car   | Chicago         | Fort Medical Equipment               | Fort Atkinson, WI | Nursing and Durable    | 14 |
| 15 |             |             | Alden of Old Town West, Inc.                      | Bloomingtondale | Fort Healthcare, LLC                 | Fort Atkinson, WI | SNF w/in hospital      | 15 |
| 16 |             |             | Alden - Town Manor Rehabilitation and Health C    | Cicero          |                                      |                   |                        | 16 |
| 17 |             |             | Alden Trails, Inc.                                | Bloomingtondale |                                      |                   |                        | 17 |
| 18 |             |             | Alden - Poplar Creek Rehabilitation and Health (  | Hoffman Estates |                                      |                   |                        | 18 |
| 19 |             |             | Alden - North Shore Rehabilitation and Health C   | Skokie          |                                      |                   |                        | 19 |
| 20 |             |             | Alden Estates of Evanston, Inc.                   | Evanston        |                                      |                   |                        | 20 |
| 21 |             |             | Alden - Alma Nelson Manor, Inc.                   | Rockford        |                                      |                   |                        | 21 |
| 22 |             |             | Alden - Park Strathmoor, Inc.                     | Rockford        |                                      |                   |                        | 22 |
| 23 |             |             | Alden - Meadow Park Health Care Center, Inc.      | Clinton, WI     |                                      |                   |                        | 23 |
| 24 |             |             | Alden Estates of Barrington, Inc.                 | Barrington      |                                      |                   |                        | 24 |
| 25 |             |             | Alden of Waterford, LLC                           | Aurora          |                                      |                   |                        | 25 |
| 26 |             |             | Alden Springs, Inc.                               | Bloomingtondale |                                      |                   |                        | 26 |
| 27 |             |             | Alden Village North, Inc.                         | Chicago         |                                      |                   |                        | 27 |
| 28 |             |             | Alden Estates of Skokie, Inc.                     | Skokie          |                                      |                   |                        | 28 |
| 29 |             |             | Alden Estates of Countryside, Inc.                | Jefferson, WI   |                                      |                   |                        | 29 |
| 30 |             |             |                                                   |                 |                                      |                   |                        | 30 |

Facility Name & ID Number Alden-Des Plaines Rehabilitation and Health # 0042010 Report Period Beginning: 1/1/2011 Ending: 12/31/2011

## 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<br>Name                                                                                                                                                            | 2<br>Title             | 3<br>Function     | 4<br>Ownership Interest | 5<br>Compensation Received From Other Nursing Homes* | 6<br>Average Hours Per Work Week Devoted to this Facility and % of Total Work Week |         | 7<br>Compensation Included in Costs for this Reporting Period** |          | 8<br>Schedule V. Line & Column Reference |    |
|----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------|-------------------------|------------------------------------------------------|------------------------------------------------------------------------------------|---------|-----------------------------------------------------------------|----------|------------------------------------------|----|
|    |                                                                                                                                                                      |                        |                   |                         |                                                      | Hours                                                                              | Percent | Description                                                     | Amount   |                                          |    |
| 1  | Floyd A. Schlossberg                                                                                                                                                 | President              | CEO               | 100.00                  | 181,221                                              | 0.816                                                                              | 2.04    | Salary                                                          | \$ 3,779 | 17-7                                     | 1  |
| 2  | Lauren Magnusson                                                                                                                                                     | Dir. Of Clinical Servi | Technical Nursing | 0.00                    | 67,238                                               | 0.816                                                                              | 2.04    | Salary                                                          | 1,402    | 10-7                                     | 2  |
| 3  | Terry Magnusson                                                                                                                                                      | Dir. of Purchasing     | Supervise Mainten | 0.00                    | 38,713                                               | 0.816                                                                              | 2.04    | Salary                                                          | 807      | 6-7                                      | 3  |
| 4  |                                                                                                                                                                      |                        |                   |                         |                                                      |                                                                                    |         |                                                                 |          |                                          | 4  |
| 5  |                                                                                                                                                                      |                        |                   |                         |                                                      |                                                                                    |         |                                                                 |          |                                          | 5  |
| 6  |                                                                                                                                                                      |                        |                   |                         |                                                      |                                                                                    |         |                                                                 |          |                                          | 6  |
| 7  | A. Floyd Schlossberg is the President and sole stockholder of Alden Management Services, Inc.                                                                        |                        |                   |                         |                                                      |                                                                                    |         |                                                                 |          |                                          | 7  |
| 8  | B. Lauren Magnusson is the daughter of Floyd Schlossberg. Lauren is the Director of Clinical Services and provides technical support for the entire nursing staff.   |                        |                   |                         |                                                      |                                                                                    |         |                                                                 |          |                                          | 8  |
| 9  | C. Terry Magnusson is the son-in-law of Floyd Schlossberg. Terry coordinates the purchase of all building maintenance items as well as supervise building engineers. |                        |                   |                         |                                                      |                                                                                    |         |                                                                 |          |                                          | 9  |
| 10 |                                                                                                                                                                      |                        |                   |                         |                                                      |                                                                                    |         |                                                                 |          |                                          | 10 |
| 11 |                                                                                                                                                                      |                        |                   |                         |                                                      |                                                                                    |         |                                                                 |          |                                          | 11 |
| 12 |                                                                                                                                                                      |                        |                   |                         |                                                      |                                                                                    |         |                                                                 |          |                                          | 12 |
| 13 |                                                                                                                                                                      |                        |                   |                         |                                                      |                                                                                    |         | TOTAL                                                           | \$ 5,988 |                                          | 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 Alden-Des Plaines Rehabilitation and Health Care Center, I # 0042010 Report Period Beginning: 1/1/2011 Ending: 2/31/2011

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 Alden Management Services, Inc.  
Street Address 4200 W. Peterson  
City / State / Zip Code Chicago, IL 60646  
Phone Number ( 773-724-6622  
Fax Number ( 773-724-6622

|    | 1          | 2                               | 3                        | 4           | 5               | 6              | 7                | 8        | 9                    |    |
|----|------------|---------------------------------|--------------------------|-------------|-----------------|----------------|------------------|----------|----------------------|----|
|    | Schedule V |                                 | Unit of Allocation       |             | Number of       | Total Indirect | Amount of Salary | Facility | Allocation           |    |
|    | Line       | Item                            | (i.e.,Days, Direct Cost, | Total Units | Subunits Being  | Cost Being     | Cost Contained   | Units    | (col.8/col.4)x col.6 |    |
|    | Reference  |                                 | Square Feet)             |             | Allocated Among | Allocated      | in Column 6      |          |                      |    |
| 1  | 5          | Utilities                       | Patient Days             | 1,315,389   | 34              | \$ 78,619      | \$               | 26,873   | \$ 1,606             | 1  |
| 2  | 24         | Travel & Seminar                | Patient Days             | 1,315,389   | 34              | 89,570         |                  | 26,873   | 1,830                | 2  |
| 3  | 25         | Other admin travel              | Patient Days             | 1,315,389   | 34              | 456,762        |                  | 26,873   | 9,332                | 3  |
| 4  | 26         | Insurance                       | Patient Days             | 1,315,389   | 34              | 4,082          |                  | 26,873   | 83                   | 4  |
| 5  | 20         | Dues/subscriptions/fees etc     | Patient Days             | 1,315,389   | 34              | 56,361         |                  | 26,873   | 1,151                | 5  |
| 6  | 30         | Depreciation                    | No. of Providers/usage   | 34          | 34              | 291,758        |                  | 1        | 8,187                | 6  |
| 7  | 33         | Real estate taxes               | Patient Days/usage       | 1,315,389   | 34              | 156,401        |                  | 26,873   | 2,882                | 7  |
| 8  | 35         | Rent-equipment/vehicles         | Patient Days             | 1,315,389   | 34              | 1,052,493      |                  | 26,873   | 21,502               | 8  |
| 9  | 32         | Interest                        | Patient Days/usage       | 1,315,389   | 34              | 1,368,621      |                  | 26,873   | 3,845                | 9  |
| 10 | 1          | Salaries-Dietary Aide           | Patient Days             | 1,315,389   | 34              | 145,718        | 145,718          | 26,873   | 2,977                | 10 |
| 11 | 3          | Salaries-Housekeeping Coord.    | Patient Days             | 1,315,389   | 34              | 217,102        | 217,102          | 26,873   | 4,435                | 11 |
| 12 | 7          | Employee Benefits-general Svcs  | Patient Days             | 1,315,389   | 34              | 207,899        |                  | 26,873   | 4,247                | 12 |
| 13 | 10         | Salaries-Nurse & Med. Records   | Patient Days/usage       | 1,315,389   | 34              | 1,184,449      | 1,184,449        | 26,873   | 30,912               | 13 |
| 14 | 15         | Employee Benefits-health care   | Patient Days             | 1,315,389   | 34              | 170,963        |                  | 26,873   | 3,493                | 14 |
| 15 | 17         | Salaries-Total Admin            | Patient Days/usage       | 1,315,389   | 34              | 2,886,253      | 2,886,253        | 26,873   | 53,865               | 15 |
| 16 | 27         | Employee Benefits-general admin | Patient Days             | 1,315,389   | 34              | 1,372,783      |                  | 26,873   | 28,046               | 16 |
| 17 | 19         | Professional fees               | Patient Days             | 1,315,389   | 34              | 1,146,467      | 654,108          | 26,873   | 23,422               | 17 |
| 18 | 21         | Clerical and G & A              | Patient Days             | 1,315,389   | 34              | 7,066,809      | 5,970,419        | 26,873   | 144,373              | 18 |
| 19 | 6          | Maintenance                     | Patient Days             | 1,315,389   | 34              | 1,343,350      | 1,077,524        | 26,873   | 27,444               | 19 |
| 20 |            |                                 |                          |             |                 |                |                  |          |                      | 20 |
| 21 |            |                                 |                          |             |                 |                |                  |          |                      | 21 |
| 22 |            |                                 |                          |             |                 |                |                  |          |                      | 22 |
| 23 |            |                                 |                          |             |                 |                |                  |          |                      | 23 |
| 24 |            |                                 |                          |             |                 |                |                  |          |                      | 24 |
| 25 | TOTALS     |                                 |                          |             |                 | \$ 19,296,460  | \$ 12,135,573    |          | \$ 373,632           | 25 |

**A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)**

|    | 1                            | 2         |    | 3                            | 4                        | 5            | 6              | 7             | 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  | Cambridge Realty             |           | x  | Mortgage                     |                          | 9/1/2005     | \$ 10,390,300  | \$ 9,801,894  | 4/1/2044      | 5.4000                   | \$ 508,928                        | 1  |
| 2  | Cambridge Realty             |           | x  | Operating loss loan          |                          | 3/1/2004     | 1,690,000      | 1,537,832     | 6/1/2040      | 5.1000                   | 78,981                            | 2  |
| 3  |                              |           |    | Int exp in excess of CON cap |                          |              |                |               |               |                          | (142,500)                         | 3  |
| 4  | Bank Leumi                   |           | x  | Working capital              | varies                   | 12/23/2010   | 1,071,730      | 1,071,730     | 7/2/2012      | 4.5000                   | 52,091                            | 4  |
| 5  | Amortization-Fin/Refin Fee   |           | x  |                              |                          |              |                |               |               |                          | 8,063                             | 5  |
|    | Working Capital              |           |    |                              |                          |              |                |               |               |                          |                                   |    |
| 6  | Related party-AMS            |           | x  | Working Capital              |                          |              |                |               |               |                          | 3,845                             | 6  |
| 7  | Related party-FECH           |           | x  | Working Capital              |                          |              |                |               |               |                          | 2,399                             | 7  |
| 8  |                              |           |    |                              |                          |              |                |               |               |                          |                                   | 8  |
| 9  | TOTAL Facility Related       |           |    |                              |                          |              | \$ 13,152,030  | \$ 12,411,456 |               |                          | \$ 511,807                        | 9  |
|    | B. Non-Facility Related*     |           |    |                              |                          |              |                |               |               |                          |                                   |    |
| 10 | DP Rehab & HCC, LCC          | x         |    | Interest-Replacement Res     |                          |              |                |               |               |                          | (550)                             | 10 |
| 11 | Patient interest income      |           | x  |                              |                          |              |                |               |               |                          | (3,518)                           | 11 |
| 12 | Insurance Interest           |           | x  | Medical Malpractice          |                          |              |                |               |               |                          | 1,528                             | 12 |
| 13 |                              |           |    |                              |                          |              |                |               |               |                          |                                   | 13 |
| 14 | TOTAL Non-Facility Related   |           |    |                              |                          |              | \$             | \$            |               |                          | \$ (2,540)                        | 14 |
| 15 | TOTALS (line 9+line14)       |           |    |                              |                          |              | \$ 13,152,030  | \$ 12,411,456 |               |                          | \$ 509,267                        | 15 |

**Line #** **36**

**(See instructions.)**

**(See instructions.)**

|                                                                                                                                                                                                                                                                                                    |  |                                                                                                                            |  |                  |                                       |    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------------------------------------------------------------|--|------------------|---------------------------------------|----|
| 1. Real Estate Tax accrual used on 2010 report.                                                                                                                                                                                                                                                    |  | Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report. |  | \$               | 415,200                               | 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.)                                                                                                                                              |  |                                                                                                                            |  | \$               | 442,527                               | 2  |
| 3. Under or (over) accrual (line 2 minus line 1).                                                                                                                                                                                                                                                  |  |                                                                                                                            |  | \$               | 27,327                                | 3  |
| 4. Real Estate Tax accrual used for 2011 report. (Detail and explain your calculation of this accrual on the lines below.)                                                                                                                                                                         |  |                                                                                                                            |  | \$               | 455,800                               | 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.<br>(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.<br>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.                                                                                                                                                                                        |  |                                                                                                                            |  | \$               | 483,127                               | 7  |
| Real Estate Tax History:                                                                                                                                                                                                                                                                           |  | Plus: Related Party Taxes (2) - See Pg RE_Tax                                                                              |  | \$               | 3,918                                 |    |
| Real Estate Tax Bill for Calendar Year:                                                                                                                                                                                                                                                            |  |                                                                                                                            |  | \$               | 487,045                               |    |
|                                                                                                                                                                                                                                                                                                    |  |                                                                                                                            |  | FOR BHF USE ONLY |                                       |    |
|                                                                                                                                                                                                                                                                                                    |  |                                                                                                                            |  | 13               | FROM R. E. TAX STATEMENT FOR 2010 \$  | 13 |
|                                                                                                                                                                                                                                                                                                    |  |                                                                                                                            |  | 14               | PLUS APPEAL COST FROM LINE 5 \$       | 14 |
|                                                                                                                                                                                                                                                                                                    |  |                                                                                                                            |  | 15               | LESS REFUND FROM LINE 6 \$            | 15 |
|                                                                                                                                                                                                                                                                                                    |  |                                                                                                                            |  | 16               | AMOUNT TO USE FOR RATE CALCULATION \$ | 16 |

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.

2010 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME      Alden-Des Plaines Rehabilitation and Health Care Center, Inc      COUNTY      Cook

FACILITY IDPH LICENSE NUMBER      0042010

CONTACT PERSON REGARDING THIS REPORT      Steven M. Kroll

TELEPHONE      (773) 724-6622      FAX #:      (773-283-3997

A.      **Summary of Real Estate Tax Cost**

Enter the tax index number and real estate tax assessed for 2010 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 2010.

|     | (A)                            | (B)                                       | (C)                         | (D)                                                       |
|-----|--------------------------------|-------------------------------------------|-----------------------------|-----------------------------------------------------------|
|     | <u>Tax Index Number</u>        | <u>Property Description</u>               | <u>Total Tax</u>            | <u>Tax</u><br><u>Applicable to</u><br><u>Nursing Home</u> |
| 1.  | <u>See attached supplement</u> | <u>Related Party-Alden Management Ser</u> | \$ <u>300,377.00</u>        | \$ <u>2,882.00</u>                                        |
| 2.  | <u>See attached supplement</u> | <u>Related Party-Forum Extended Care</u>  | \$ <u>42,023.00</u>         | \$ <u>1,036.00</u>                                        |
| 3.  | <u>09-17-200-128-0000</u>      | <u>Nursing Home Facility</u>              | \$ <u>257,231.00</u>        | \$ <u>257,231.00</u>                                      |
| 4.  | <u>09-17-200-129-0000</u>      | <u>Nursing Home Facility</u>              | \$ <u>185,286.00</u>        | \$ <u>185,286.00</u>                                      |
| 5.  | <u></u>                        | <u></u>                                   | \$ <u></u>                  | \$ <u></u>                                                |
| 6.  | <u></u>                        | <u></u>                                   | \$ <u></u>                  | \$ <u></u>                                                |
| 7.  | <u></u>                        | <u></u>                                   | \$ <u></u>                  | \$ <u></u>                                                |
| 8.  | <u></u>                        | <u></u>                                   | \$ <u></u>                  | \$ <u></u>                                                |
| 9.  | <u></u>                        | <u></u>                                   | \$ <u></u>                  | \$ <u></u>                                                |
| 10. | <u></u>                        | <u></u>                                   | \$ <u></u>                  | \$ <u></u>                                                |
|     |                                | <b>TOTALS</b>                             | \$ <u><u>784,917.00</u></u> | \$ <u><u>446,435.00</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 2010 tax bills which were listed in Section A to this statement. Be sure to use the 2010 tax bill which is normally paid during 2011.

**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.**

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 51,490

B. General Construction Type: Exterior BrickFrame SteelNumber of Stories 3

C. Does the Operating Entity? (a) Own the Facility (x) (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? (x) (a) Own the Equipment (x) (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 (x) 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:

A. Land.

|   | 1<br>Use         | 2<br>Square Feet | 3<br>Year Acquired | 4<br>Cost    |   |
|---|------------------|------------------|--------------------|--------------|---|
| 1 | Nursing facility | 51,490           | 2000               | \$ 1,016,045 | 1 |
| 2 |                  |                  |                    |              | 2 |
| 3 | TOTALS           | 51,490           |                    | \$ 1,016,045 | 3 |

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

|    | 1<br>Beds*                                              | FOR BHF USE ONLY | 2<br>Year<br>Acquired | 3<br>Year<br>Constructed | 4<br>Cost   | 5<br>Current Book<br>Depreciation | 6<br>Life<br>in Years | 7<br>Straight Line<br>Depreciation | 8<br>Adjustments | 9<br>Accumulated<br>Depreciation |    |
|----|---------------------------------------------------------|------------------|-----------------------|--------------------------|-------------|-----------------------------------|-----------------------|------------------------------------|------------------|----------------------------------|----|
| 4  | 110                                                     |                  | 2000                  | 2000                     | 9,685,956   | 242,149                           | 40                    | 174,652                            | (67,497)         | \$ 2,033,142                     | 4  |
| 5  | Adjustment to correct to CON costs (net=6,986,060)      |                  |                       |                          | (2,699,896) |                                   |                       |                                    |                  |                                  | 5  |
| 6  |                                                         |                  |                       |                          |             |                                   |                       |                                    |                  |                                  | 6  |
| 7  |                                                         |                  |                       |                          |             |                                   |                       |                                    |                  |                                  | 7  |
| 8  |                                                         |                  |                       |                          |             |                                   |                       |                                    |                  |                                  | 8  |
|    | Improvement Type**                                      |                  |                       |                          |             |                                   |                       |                                    |                  |                                  |    |
| 9  | ISS/Chicago Sound & Communication(vent alarm interface) |                  |                       | 2000                     | 3,400       |                                   | 10                    |                                    |                  | 3,400                            | 9  |
| 10 | Alden Bennett Construction(multiple wireless install)   |                  |                       | 2001                     | 4,894       | 165                               | 10                    | 165                                |                  | 4,894                            | 10 |
| 11 | Owners extras (change orders)                           |                  |                       | 2000                     | 524,876     | 26,244                            | 20                    | 26,244                             |                  | 299,618                          | 11 |
| 12 | Owners extras (change orders)                           |                  |                       | 2000                     | 12,972      | 648                               | 20                    | 648                                |                  | 7,402                            | 12 |
| 13 | ABC-parking lot sealcoat/stripe                         |                  |                       | 2002                     | 3,852       |                                   | 7                     |                                    |                  | 3,852                            | 13 |
| 14 | ABC-screened patio enclosure                            |                  |                       | 2002                     | 10,069      |                                   | 7                     |                                    |                  | 10,069                           | 14 |
| 15 | EWS Welding-alarm                                       |                  |                       | 2002                     | 1,076       | 53                                | 10                    | 53                                 |                  | 1,023                            | 15 |
| 16 | New Horizons-residents phones                           |                  |                       | 2002                     | 1,646       | 165                               | 10                    | 165                                |                  | 1,593                            | 16 |
| 17 | New Horizons-residents phones                           |                  |                       | 2002                     | 3,161       | 316                               | 10                    | 316                                |                  | 3,029                            | 17 |
| 18 | ABC-owners extras                                       |                  |                       | 2003                     | 2,571       | 171                               | 15                    | 171                                |                  | 1,540                            | 18 |
| 19 | ABC-owners extras                                       |                  |                       | 2003                     | 5,511       | 367                               | 15                    | 367                                |                  | 3,304                            | 19 |
| 20 | ABC [GT Mechanical]-Replace B1 compressor               |                  |                       | 2007                     | 3,383       | 141                               | 5                     | 141                                |                  | 3,243                            | 20 |
| 21 | Mohawk-Calhoun Carpet Admin area                        |                  |                       | 2007                     | 2,747       | 549                               | 5                     | 549                                |                  | 2,288                            | 21 |
| 22 | ABC-New carpeting Nile Room                             |                  |                       | 2007                     | 6,053       | 1,211                             | 5                     | 1,211                              |                  | 5,348                            | 22 |
| 23 | ABC-New patio door operator                             |                  |                       | 2007                     | 4,046       | 405                               | 10                    | 405                                |                  | 1,789                            | 23 |
| 24 | GTMECH-Exhaust motor & wheel blade                      |                  |                       | 2007                     | 4,791       | 479                               | 10                    | 479                                |                  | 2,036                            | 24 |
| 25 | ABC-Removal & repair of hot water piping                |                  |                       | 2007                     | 4,170       | 167                               | 25                    | 167                                |                  | 696                              | 25 |
| 26 | Replace Gas Oxygen Units                                |                  |                       | 2008                     | 9,275       | 928                               | 10                    | 928                                |                  | 3,325                            | 26 |
| 27 | GTMECH-Repair Boiler Pumps                              |                  |                       | 2008                     | 3,242       | 324                               | 10                    | 324                                |                  | 1,107                            | 27 |
| 28 |                                                         |                  |                       |                          |             |                                   |                       |                                    |                  |                                  | 28 |
| 29 | ABC - Pavement Asphalt                                  |                  |                       | 2010                     | 11,722      | 1,465                             | 8                     | 1,465                              |                  | 1,953                            | 29 |
| 30 | Nursing Station Repair                                  |                  |                       | 2010                     | 2,600       | 520                               | 5                     | 520                                |                  | 607                              | 30 |
| 31 | ABC - Repair Laundry Chute & Grease Interceptor         |                  |                       | 2010                     | 8,248       | 1,650                             | 5                     | 1,650                              |                  | 1,787                            | 31 |
| 32 | ABC - HVAC Pump                                         |                  |                       | 2010                     | 4,738       | 316                               | 15                    | 316                                |                  | 395                              | 32 |
| 33 | Smoke Vent Relocation (non-hvac)                        |                  |                       | 2011                     | 3,345       | 223                               | 5                     | 223                                |                  | 223                              | 33 |
| 34 | Fish Tank Repair                                        |                  |                       | 2011                     | 3,700       | 185                               | 5                     | 185                                |                  | 185                              | 34 |
| 35 | Sprinkler Heads & Gauges Replaced                       |                  |                       | 2011                     | 7,072       | 118                               | 10                    | 118                                |                  | 118                              | 35 |
| 36 |                                                         |                  |                       |                          |             |                                   |                       |                                    |                  |                                  | 36 |

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

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

See Page 12A, Line 70 for total

Facility Name &amp; ID Number Alden-Des Plaines Rehabilitation and Health Care Center, Inc.

# 0042010

Report Period Beginning:

1/1/2011

Ending:

12/31/2011

**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                        |    |
|----|---------------------------------------------------------------|------------------|--------------|---------------------------|---------------|----------------------------|-------------|--------------------------|----|
|    | Improvement Type**                                            | Year Constructed | Cost         | Current Book Depreciation | Life in Years | Straight Line Depreciation | Adjustments | Accumulated Depreciation |    |
| 1  | <b>Totals from Page 12C, Carried Forward</b>                  |                  | \$ 7,639,220 | \$ 278,958                |               | \$ 211,461                 | \$ (67,497) | \$ 2,397,966             | 1  |
| 2  | Forum Prof Ctr: Remodeling                                    | 1979             | 13,418       |                           | 20            |                            |             | 13,418                   | 2  |
| 3  | Forum Prof Ctr: Build Improv - multiple                       | 1980             | 26,131       |                           | 15            |                            |             | 26,131                   | 3  |
| 4  | Forum Prof Ctr: Tennant Improv                                | 1986             | 824          |                           | 13            |                            |             | 824                      | 4  |
| 5  | Forum Prof Ctr: AMS remodel                                   | 1990             | 5,604        |                           | 10            |                            |             | 5,604                    | 5  |
| 6  | Forum Prof Ctr: Roof                                          | 1994             | 2,956        |                           | 16            |                            |             | 2,956                    | 6  |
| 7  | Forum Prof Ctr: Build Improv-multiple                         | 1995             | 1,042        | 65                        | 16            | 65                         |             | 1,039                    | 7  |
| 8  | Forum Prof Ctr: Asphalt/Design/etc.                           | 2000             | 1,646        | 13                        | 10            | 13                         |             | 1,605                    | 8  |
| 9  | Forum Prof Ctr: Remodel/electrical                            | 2001             | 641          | 24                        | 7             | 24                         |             | 595                      | 9  |
| 10 | Forum Prof Ctr: bathroom remodel                              | 2002             | 567          | 53                        | 5             | 53                         |             | 527                      | 10 |
| 11 | Forum Prof Ctr: remodel suites/etc.                           | 2003             | 729          | 74                        | 9             | 74                         |             | 657                      | 11 |
| 12 | Forum Prof Ctr: lunchroom/suites remodel/concrete/plaster/etc | 2004             | 2,245        | 104                       | 7             | 104                        |             | 1,954                    | 12 |
| 13 | Forum Prof Ctr: Suite renovation                              | 2005             | 453          | 27                        | 10            | 27                         |             | 537                      | 13 |
| 14 | Forum Prof Ctr: Superior installations, etc.                  | 2006             | 108          | 3                         | 4             | 3                          |             | 108                      | 14 |
| 15 | Forum Prof Ctr: Sidewalks/major hvac/Condensor                | 2007             | 435          | 68                        | 7             | 68                         |             | 294                      | 15 |
| 16 | Forum Prof Ctr: Park. Lot/glass/maj hvac                      | 2008             | 374          | 54                        | 7             | 54                         |             | 208                      | 16 |
| 17 | Forum Prof Ctr: Maj Hvac/re-stucco bldg                       | 2009             | 761          | 73                        | 7             | 73                         |             | 162                      | 17 |
| 18 | Forum Prof Ctr: Building Renovations                          | 2010             | 1,296        | 263                       | 7             | 263                        |             | 340                      | 18 |
| 19 | Forum Prof Ctr: Building Renovations                          | 2011             | 5,684        | 137                       | 7             | 137                        |             | 137                      | 19 |
| 20 | Alden Mgt Servs: Remodel suites                               | 1993             | 6,963        |                           | 7             |                            |             | 6,963                    | 20 |
| 21 | Alden Mgt Servs: Remodel suites                               | 2002             | 290          |                           | 7             |                            |             | 290                      | 21 |
| 22 | Alden Mgt Servs: Remodel suites                               | 2003             | 6,295        |                           | 7             |                            |             | 6,295                    | 22 |
| 23 |                                                               |                  |              |                           |               |                            |             |                          | 23 |
| 24 |                                                               |                  |              |                           |               |                            |             |                          | 24 |
| 25 | Adj for ABC related party profit                              | 2008             | (53)         | (6)                       |               | (6)                        |             | (21)                     | 25 |
| 26 | Adj for ABC related party profit                              | 2010             | (302)        | (18)                      |               | (18)                       |             | (27)                     | 26 |
| 27 | Adj for ABC related party profit                              | 2011             | 110          | 4                         |               | 4                          |             | 4                        | 27 |
| 28 |                                                               |                  |              |                           |               |                            |             |                          | 28 |
| 29 |                                                               |                  |              |                           |               |                            |             |                          | 29 |
| 30 |                                                               |                  |              |                           |               |                            |             |                          | 30 |
| 31 |                                                               |                  |              |                           |               |                            |             |                          | 31 |
| 32 |                                                               |                  |              |                           |               |                            |             |                          | 32 |
| 33 |                                                               |                  |              |                           |               |                            |             |                          | 33 |
| 34 | <b>TOTAL (lines 1 thru 33)</b>                                |                  | \$ 7,717,437 | \$ 279,896                |               | \$ 212,399                 | \$ (67,497) | \$ 2,468,566             | 34 |

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

XI. OWNERSHIP COSTS (continued)

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

|    | Category of Equipment    | 1<br>Cost   | Current Book Depreciation 2 | Straight Line Depreciation 3 | 4<br>Adjustments | Component Life 5 | Accumulated Depreciation 6 |    |
|----|--------------------------|-------------|-----------------------------|------------------------------|------------------|------------------|----------------------------|----|
| 71 | Purchased in Prior Years | \$849,663   | \$124,637                   | \$101,199                    | \$(23,438)       | Various          | \$689,609                  | 71 |
| 72 | Current Year Purchases   | 209,560     | 12,885                      | 12,885                       |                  | Various          | 12,885                     | 72 |
| 73 | Fully Depreciated Assets | 156,414     | 2,363                       | 2,363                        |                  | Various          | 156,414                    | 73 |
| 74 |                          |             |                             |                              |                  |                  |                            | 74 |
| 75 | TOTALS                   | \$1,215,637 | \$139,885                   | \$116,447                    | \$(23,438)       |                  | \$858,908                  | 75 |

D. Vehicle Costs. (See instructions.)\*

|    | 1<br>Use            | Model, Make and Year 2 | Year Acquired 3 | 4<br>Cost | Current Book Depreciation 5 | Straight Line Depreciation 6 | 7<br>Adjustments | Life in Years 8 | Accumulated Depreciation 9 |    |
|----|---------------------|------------------------|-----------------|-----------|-----------------------------|------------------------------|------------------|-----------------|----------------------------|----|
| 76 | Bus                 | 2001                   | 2001            | \$49,826  | \$                          | \$                           | \$               | 5               | \$49,826                   | 76 |
| 77 |                     |                        |                 |           |                             |                              |                  |                 |                            | 77 |
| 78 | Related Party - AMS | Various                | 98-'02          | 4,026     |                             |                              |                  | 3               | 4,026                      | 78 |
| 79 |                     |                        |                 |           |                             |                              |                  |                 |                            | 79 |
| 80 | TOTALS              |                        |                 | \$53,852  | \$                          | \$                           | \$               |                 | \$53,852                   | 80 |

E. Summary of Care-Related Assets

|    | 1<br>Reference                                                                                                                    | 2<br>Amount  |    |
|----|-----------------------------------------------------------------------------------------------------------------------------------|--------------|----|
| 81 | Total Historical Cost<br>(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable) | \$10,002,971 | 81 |
| 82 | Current Book Depreciation<br>(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)             | \$419,781    | 82 |
| 83 | Straight Line Depreciation<br>(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)            | \$328,846    | 83 |
| 84 | Adjustments<br>(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)                           | \$(90,935)   | 84 |
| 85 | Accumulated Depreciation<br>(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)              | \$3,381,326  | 85 |

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

|    | 1<br>Description & Year Acquired | 2<br>Cost | Current Book Depreciation 3 | Accumulated Depreciation 4 |    |
|----|----------------------------------|-----------|-----------------------------|----------------------------|----|
| 86 |                                  | \$        | \$                          | \$                         | 86 |
| 87 |                                  |           |                             |                            | 87 |
| 88 |                                  |           |                             |                            | 88 |
| 89 |                                  |           |                             |                            | 89 |
| 90 |                                  |           |                             |                            | 90 |
| 91 | TOTALS                           | \$        | \$                          | \$                         | 91 |

G. Construction-in-Progress

|    | Description | Cost |    |
|----|-------------|------|----|
| 92 |             | \$   | 92 |
| 93 |             |      | 93 |
| 94 |             |      | 94 |
| 95 |             | \$   | 95 |

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

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

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease:Related party - cost is eliminated
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

xNO

|   |                    | 1<br>Year<br>Constructed | 2<br>Number<br>of Beds | 3<br>Original<br>Lease Date | 4<br>Rental<br>Amount | 5<br>Total Years<br>of Lease | 6<br>Total Years<br>Renewal Option* |   |
|---|--------------------|--------------------------|------------------------|-----------------------------|-----------------------|------------------------------|-------------------------------------|---|
| 3 | Original Building: |                          |                        |                             | \$                    |                              |                                     | 3 |
| 4 | Additions          |                          |                        |                             |                       |                              |                                     | 4 |
| 5 |                    |                          |                        |                             |                       |                              |                                     | 5 |
| 6 |                    |                          |                        |                             |                       |                              |                                     | 6 |
| 7 | TOTAL              |                          |                        |                             | \$                    |                              |                                     | 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

xNO

Terms:\*

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

15. Is Movable equipment rental included in building rental?

YES

xNO
16. Rental Amount for movable equipment: \$10,236Description:Copy machine lease & Various Office Equipment  
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

|    | 1<br>Use             | 2<br>Model Year<br>and Make | 3<br>Monthly Lease<br>Payment | 4<br>Rental Expense<br>for this Period |    |
|----|----------------------|-----------------------------|-------------------------------|----------------------------------------|----|
| 17 | related party- Pg 6A | various                     | \$ #####                      | \$ 14,605                              | 17 |
| 18 |                      |                             |                               |                                        | 18 |
| 19 |                      |                             |                               |                                        | 19 |
| 20 |                      |                             |                               |                                        | 20 |
| 21 | TOTAL                |                             | \$ #####                      | \$ 14,605                              | 21 |

10. Effective dates of current rental agreement:

Beginning7/1/2001

Ending6/30/2021

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

|     | Fiscal Year Ending | Annual Rent |
|-----|--------------------|-------------|
| 12. | 12/2012            | \$Varies    |
| 13. | 12/2013            | \$Varies    |
| 14. | 12/2014            | \$Varies    |

\* 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.

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.)

1. HAVE YOU TRAINED CNAs DURING THIS REPORT PERIOD?

☐ YES

☒ NO

If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.

Skilled nursing on site

2. CLASSROOM PORTION:

IN-HOUSE PROGRAM

IN OTHER FACILITY

COMMUNITY COLLEGE

HOURS PER CNA

☐

☐

☐

3. CLINICAL PORTION:

IN-HOUSE PROGRAM

IN OTHER FACILITY

HOURS PER CNA

☐

☐

B. EXPENSES

|    |                                 | ALLOCATION OF COSTS |           | (d)      |       |
|----|---------------------------------|---------------------|-----------|----------|-------|
|    |                                 | 1                   | 2         | 3        | 4     |
|    |                                 | Facility            |           |          |       |
|    |                                 | 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.

| XIV. SPECIAL SERVICES (Direct Cost) (See instructions.) |                                                                                |                                          |                     |      |                                                 |              |                                      |                               |                                |    |
|---------------------------------------------------------|--------------------------------------------------------------------------------|------------------------------------------|---------------------|------|-------------------------------------------------|--------------|--------------------------------------|-------------------------------|--------------------------------|----|
|                                                         |                                                                                | 1                                        | 2                   | 3    | 4                                               | 5            | 6                                    | 7                             | 8                              |    |
|                                                         | Service                                                                        | Schedule V<br>Line & Column<br>Reference | Staff               |      | Outside Practitioner<br>(other than consultant) |              | Supplies<br>(Actual or<br>Allocated) | Total Units<br>(Column 2 + 4) | Total Cost<br>(Col. 3 + 5 + 6) |    |
|                                                         |                                                                                |                                          | Units of<br>Service | Cost | Units                                           | Cost         |                                      |                               |                                |    |
| 1                                                       | Licensed Occupational Therapist                                                | 39-3                                     | hrs                 | \$   |                                                 | \$ 483,272   | \$                                   |                               | \$ 483,272                     | 1  |
| 2                                                       | Licensed Speech and Language<br>Development Therapist                          | 39-3                                     | hrs                 |      |                                                 | 54,600       |                                      |                               | 54,600                         | 2  |
| 3                                                       | Licensed Recreational Therapist                                                |                                          | hrs                 |      |                                                 |              |                                      |                               |                                | 3  |
| 4                                                       | Licensed Physical Therapist                                                    | 39-3                                     | hrs                 |      |                                                 | 1,047,042    |                                      |                               | 1,047,042                      | 4  |
| 5                                                       | Physician Care                                                                 |                                          | visits              |      |                                                 |              |                                      |                               |                                | 5  |
| 6                                                       | Dental Care                                                                    |                                          | visits              |      |                                                 |              |                                      |                               |                                | 6  |
| 7                                                       | Work Related Program                                                           |                                          | hrs                 |      |                                                 |              |                                      |                               |                                | 7  |
| 8                                                       | Habilitation                                                                   |                                          | hrs                 |      |                                                 |              |                                      |                               |                                | 8  |
| 9                                                       | Pharmacy                                                                       | See Pg 16A                               | # of<br>prescrpts   |      |                                                 |              | 610,784                              |                               | 610,784                        | 9  |
| 10                                                      | Psychological Services<br>(Evaluation and Diagnosis/<br>Behavior Modification) |                                          | hrs                 |      |                                                 |              |                                      |                               |                                | 10 |
| 11                                                      | Academic Education                                                             |                                          | hrs                 |      |                                                 |              |                                      |                               |                                | 11 |
| 12                                                      | Other (specify):                                                               | 39-1,39-3, if any                        |                     |      |                                                 |              |                                      |                               |                                | 12 |
| 13                                                      | Other (specify): See Pg 16A                                                    |                                          |                     |      |                                                 | (68,558)     | 155,280                              |                               | 86,722                         | 13 |
| 14                                                      | TOTAL                                                                          |                                          |                     | \$   |                                                 | \$ 1,516,356 | \$ 766,064                           |                               | \$ 2,282,420                   | 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.

|                                     |                                                |            |          | Page 16             |
|-------------------------------------|------------------------------------------------|------------|----------|---------------------|
|                                     |                                                |            |          | Col 5: PT,OT, & ST  |
|                                     |                                                |            |          | Col 6: Supplies     |
| XIV. Special Services (Direct Cost) |                                                |            |          |                     |
| Line                                | Service                                        | Col. 1:    | Ref. No. | To Pg 16: Col. No.  |
| 1.                                  | OT                                             |            | 39-3     | To Col \$483,271.69 |
| 2.                                  | ST                                             |            | 39-3     | To Col 54,600.19    |
| 3.                                  |                                                |            |          |                     |
| 4.                                  | PT                                             |            | 39-3     | To Col 1,047,042.19 |
| 5.                                  |                                                |            |          |                     |
| 6.                                  |                                                |            |          |                     |
| 7.                                  |                                                |            |          |                     |
| 8.                                  |                                                |            |          |                     |
|                                     | Pharmacy Supplies per GL                       |            |          | 440,736.06          |
|                                     | Manual Input from Related Party- Forum Drugs   |            |          | 170,048.00          |
| 9.                                  | Total to line 9 Pharmacy                       | See Pg 16A |          | To Col 610,784.06   |
| 10.                                 |                                                |            |          |                     |
| 11.                                 |                                                |            |          |                     |
| 12.                                 | Exceptional Care-Salaries:                     | See pg 16A |          | To Co 0.00          |
| 12.                                 | Exceptional Care-Supplies:                     | See pg 16A |          | To Col 0.00         |
|                                     | Total Exceptional Care (Line 12, Col 8)        |            |          | 0.00                |
| 13.                                 | Other:                                         | See Pg 16A |          |                     |
| 13.                                 | Col 5: Manual Input: Related Party - CPT       |            |          | To C (68,558.00)    |
|                                     | Other                                          |            |          | 564,752.98          |
|                                     | Manual Input: Related Party - Prism            |            |          | (41,671.00)         |
|                                     | Manual Input: Related Party FECII - I.V.       |            |          | (383,242.00)        |
|                                     | Manual Input: Related Party FECII - Wound Care |            |          | (293.00)            |
|                                     | Oxygen, from reclass worksheet (Pg 4A)         |            |          | 15,733.00           |
| 13.                                 | Col 6: Supplies Total                          |            |          | To Col 155,279.98   |
| 13.                                 | Total Line 13, Column 8                        |            |          | 155,279.98          |
| 14.                                 | Total                                          |            |          | 2,282,420.11        |

Facility Name & ID Number Alden-Des Plaines Rehabilitation and Health Care Center, In# 0042010 Report Period Beginning: 1/1/2011 Ending: 12/31/2011  
 XV. BALANCE SHEET - Unrestricted Operating Fund. As of 12/31/2011 (last day of reporting year)

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

|    |                                                                                 | 1<br>Operating | 2<br>After<br>Consolidation* |    |
|----|---------------------------------------------------------------------------------|----------------|------------------------------|----|
|    | <b>A. Current Assets</b>                                                        |                |                              |    |
| 1  | Cash on Hand and in Banks                                                       | \$             | \$ 657                       | 1  |
| 2  | Cash-Patient Deposits                                                           |                |                              | 2  |
| 3  | Accounts & Short-Term Notes Receivable-Patients (less allowance <u>60,000</u> ) | 1,336,765      | 1,336,765                    | 3  |
| 4  | Supply Inventory (priced at )                                                   |                |                              | 4  |
| 5  | Short-Term Investments                                                          |                | 20,337                       | 5  |
| 6  | Prepaid Insurance                                                               |                | 55,361                       | 6  |
| 7  | Other Prepaid Expenses                                                          | 7,691          | 7,691                        | 7  |
| 8  | Accounts Receivable (owners or related parties)                                 |                |                              | 8  |
| 9  | Other(specify): <u>Due from 3rd parties</u>                                     | 34,805         | 229,016                      | 9  |
| 10 | <b>TOTAL Current Assets (sum of lines 1 thru 9)</b>                             | \$ 1,379,261   | \$ 1,649,827                 | 10 |
|    | <b>B. Long-Term Assets</b>                                                      |                |                              |    |
| 11 | Long-Term Notes Receivable                                                      |                |                              | 11 |
| 12 | Long-Term Investments                                                           |                |                              | 12 |
| 13 | Land                                                                            |                | 1,003,985                    | 13 |
| 14 | Buildings, at Historical Cost                                                   |                | 9,685,956                    | 14 |
| 15 | Leasehold Improvements, at Historical Cost                                      | 611,332        | 666,347                      | 15 |
| 16 | Equipment, at Historical Cost                                                   | 300,936        | 1,844,856                    | 16 |
| 17 | Accumulated Depreciation (book methods)                                         | (585,593)      | (4,270,488)                  | 17 |
| 18 | Deferred Charges                                                                | 70,416         | 70,416                       | 18 |
| 19 | Organization & Pre-Operating Costs                                              |                |                              | 19 |
| 20 | Accumulated Amortization - Organization & Pre-Operating Costs                   |                |                              | 20 |
| 21 | Restricted Funds                                                                |                | 498,369                      | 21 |
| 22 | Other Long-Term Assets (spe <u>Refinancing Fee</u>                              |                | 165,742                      | 22 |
| 23 | Other(specify): <u>Due from affiliates</u>                                      | 4,349,683      | 7,160,680                    | 23 |
| 24 | <b>TOTAL Long-Term Assets (sum of lines 11 thru 23)</b>                         | \$ 4,746,774   | \$ 16,825,863                | 24 |
| 25 | <b>TOTAL ASSETS (sum of lines 10 and 24)</b>                                    | \$ 6,126,035   | \$ 18,475,690                | 25 |

|    |                                                              | 1<br>Operating | 2<br>After<br>Consolidation* |    |
|----|--------------------------------------------------------------|----------------|------------------------------|----|
|    | <b>C. Current Liabilities</b>                                |                |                              |    |
| 26 | Accounts Payable                                             | \$ 566,311     | \$ 566,861                   | 26 |
| 27 | Officer's Accounts Payable                                   |                |                              | 27 |
| 28 | Accounts Payable-Patient Deposits                            | 129,298        | 129,298                      | 28 |
| 29 | Short-Term Notes Payable                                     | 89,797         | 89,797                       | 29 |
| 30 | Accrued Salaries Payable                                     | 398,001        | 398,001                      | 30 |
| 31 | Accrued Taxes Payable (excluding real estate taxes)          | 70,254         | 70,254                       | 31 |
| 32 | Accrued Real Estate Taxes(Sch.IX-B)                          |                | 455,800                      | 32 |
| 33 | Accrued Interest Payable                                     | 11,664         | 62,308                       | 33 |
| 34 | Deferred Compensation                                        |                |                              | 34 |
| 35 | Federal and State Income Taxes                               |                |                              | 35 |
|    | <b>Other Current Liabilities(specify):</b>                   |                |                              |    |
| 36 | <u>Accr Exp,Due HFS,SalesTax,Etc.</u>                        | 8,403          | 8,403                        | 36 |
| 37 | <u>Due to Affiliates ST part of LT debt/Deferr</u>           | 1,904,624      | 2,388,676                    | 37 |
| 38 | <b>TOTAL Current Liabilities (sum of lines 26 thru 37)</b>   | \$ 3,178,352   | \$ 4,169,398                 | 38 |
|    | <b>D. Long-Term Liabilities</b>                              |                |                              |    |
| 39 | Long-Term Notes Payable                                      | 1,071,730      | 2,584,970                    | 39 |
| 40 | Mortgage Payable                                             |                | 9,686,673                    | 40 |
| 41 | Bonds Payable                                                |                |                              | 41 |
| 42 | Deferred Compensation                                        |                |                              | 42 |
|    | <b>Other Long-Term Liabilities(specify):</b>                 |                |                              |    |
| 43 | <u>Due to affiliates</u>                                     |                |                              | 43 |
| 44 | <u>S/holder loans, others</u>                                |                |                              | 44 |
| 45 | <b>TOTAL Long-Term Liabilities (sum of lines 39 thru 44)</b> | \$ 1,071,730   | \$ 12,271,643                | 45 |
| 46 | <b>TOTAL LIABILITIES (sum of lines 38 and 45)</b>            | \$ 4,250,082   | \$ 16,441,041                | 46 |
| 47 | <b>TOTAL EQUITY(page 18, line 24)</b>                        | \$ 1,875,953   | \$ 2,034,649                 | 47 |
| 48 | <b>TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)</b> | \$ 6,126,035   | \$ 18,475,690                | 48 |

\*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

|    |                                                              | 1<br>Total   |      |
|----|--------------------------------------------------------------|--------------|------|
| 1  | Balance at Beginning of Year, as Previously Reported         | \$ 1,386,864 | 1    |
| 2  | Restatements (describe):                                     |              | 2    |
| 3  | Allocate Personnel Director Salary                           | (36,279)     | 3    |
| 4  |                                                              |              | 4    |
| 5  |                                                              |              | 5    |
| 6  | Balance at Beginning of Year, as Restated (sum of lines 1-5) | \$ 1,350,585 | 6    |
|    | A. Additions (deductions):                                   |              |      |
| 7  | NET Income (Loss) (from page 19, line 43)                    | 525,368      | 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)             | \$ 525,368   | 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)            | \$ 1,875,953 | 24 * |

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

Facility Name & ID Number **Alden-Des Plaines Rehabilitation and Health Care ( # 0042010** Report Period Beginning: **1/1/2011** Ending: **12/31/2011**

**XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.**

**Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.**

| 1   |                                                           |               |     |
|-----|-----------------------------------------------------------|---------------|-----|
|     | Revenue                                                   | Amount        |     |
|     | <b>A. Inpatient Care</b>                                  |               |     |
| 1   | Gross Revenue -- All Levels of Care                       | \$ 11,586,500 | 1   |
| 2   | Discounts and Allowances for all Levels                   | ( )           | 2   |
| 3   | <b>SUBTOTAL Inpatient Care (line 1 minus line 2)</b>      | \$ 11,586,500 | 3   |
|     | <b>B. Ancillary Revenue</b>                               |               |     |
| 4   | Day Care                                                  |               | 4   |
| 5   | Other Care for Outpatients                                |               | 5   |
| 6   | Therapy                                                   | 24,627        | 6   |
| 7   | Oxygen                                                    | 18,004        | 7   |
| 8   | <b>SUBTOTAL Ancillary Revenue (lines 4 thru 7)</b>        | \$ 42,631     | 8   |
|     | <b>C. Other Operating Revenue</b>                         |               |     |
| 9   | Payments for Education                                    |               | 9   |
| 10  | Other Government Grants                                   |               | 10  |
| 11  | CNA Training Reimbursements                               |               | 11  |
| 12  | Gift and Coffee Shop                                      | 407           | 12  |
| 13  | Barber and Beauty Care                                    | 643           | 13  |
| 14  | Non-Patient Meals                                         |               | 14  |
| 15  | Telephone, Television and Radio                           | (481)         | 15  |
| 16  | Rental of Facility Space                                  |               | 16  |
| 17  | Sale of Drugs                                             | 5,008         | 17  |
| 18  | Sale of Supplies to Non-Patients                          |               | 18  |
| 19  | Laboratory                                                |               | 19  |
| 20  | Radiology and X-Ray                                       |               | 20  |
| 21  | Other Medical Services                                    | 1,128         | 21  |
| 22  | Laundry                                                   |               | 22  |
| 23  | <b>SUBTOTAL Other Operating Revenue (lines 9 thru 22)</b> | \$ 6,705      | 23  |
|     | <b>D. Non-Operating Revenue</b>                           |               |     |
| 24  | Contributions                                             |               | 24  |
| 25  | Interest and Other Investment Income***                   | 3,518         | 25  |
| 26  | <b>SUBTOTAL Non-Operating Revenue (lines 24 and 25)</b>   | \$ 3,518      | 26  |
|     | <b>E. Other Revenue (specify):****</b>                    |               |     |
| 27  | <b>Settlement Income (Insurance, Legal, Etc.)</b>         |               | 27  |
| 28  | <b>Misc Income &amp; Gain on Sale of Assets</b>           | 5,396         | 28  |
| 28a |                                                           |               | 28a |
| 29  | <b>SUBTOTAL Other Revenue (lines 27, 28 and 28a)</b>      | \$ 5,396      | 29  |
| 30  | <b>TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)</b>   | \$ 11,644,750 | 30  |

| 2  |                                                                |               |    |
|----|----------------------------------------------------------------|---------------|----|
|    | Expenses                                                       | Amount        |    |
|    | <b>A. Operating Expenses</b>                                   |               |    |
| 31 | General Services                                               | 1,603,323     | 31 |
| 32 | Health Care                                                    | 3,004,662     | 32 |
| 33 | General Administration                                         | 2,365,398     | 33 |
|    | <b>B. Capital Expense</b>                                      |               |    |
| 34 | Ownership                                                      | 1,495,371     | 34 |
|    | <b>C. Ancillary Expense</b>                                    |               |    |
| 35 | Special Cost Centers                                           | 2,590,403     | 35 |
| 36 | Provider Participation Fee                                     | 60,225        | 36 |
|    | <b>D. Other Expenses (specify):</b>                            |               |    |
| 37 |                                                                |               | 37 |
| 38 |                                                                |               | 38 |
| 39 |                                                                |               | 39 |
| 40 | <b>TOTAL EXPENSES (sum of lines 31 thru 39)*</b>               | \$ 11,119,382 | 40 |
| 41 | <b>Income before Income Taxes (line 30 minus line 40)**</b>    | 525,368       | 41 |
| 42 | <b>Income Taxes</b>                                            |               | 42 |
| 43 | <b>NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)</b> | \$ 525,368    | 43 |

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

\*\* Does this agree with taxable income (loss) per Federal Income Tax Return? not yet done 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      Alden-Des Plaines Rehabilitation and Heal    #    001-7319      Report Period Beginning:    1/1/2011    Ending:    12/31/2011

Details of Page 19, Line 28

| <u>Description</u>              | <u>Amount</u>       |
|---------------------------------|---------------------|
| Misc Income (Record copies)     | 2,026               |
| Misc Income (Jury Duty)         | 69                  |
| Misc Income (Wage Service fees) | 60                  |
| Gain on Sale of Assets          | 3,241               |
| Line 28 Total:                  | <u><u>5,396</u></u> |

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.<br>Actually<br>Worked | # of Hrs.<br>Paid and<br>Accrued | Reporting Period<br>Total Salaries,<br>Wages | Average<br>Hourly<br>Wage |    |
| 1  | Director of Nursing                | 1,728                           | 1,884                            | \$ 72,041                                    | \$ 38.24                  | 1  |
| 2  | Assistant Director of Nursing      | 903                             | 903                              | 35,746                                       | 39.59                     | 2  |
| 3  | Registered Nurses                  | 24,753                          | 25,981                           | 815,212                                      | 31.38                     | 3  |
| 4  | Licensed Practical Nurses          | 18,735                          | 19,790                           | 518,368                                      | 26.19                     | 4  |
| 5  | CNAs & Orderlies                   | 62,224                          | 67,374                           | 872,661                                      | 12.95                     | 5  |
| 6  | CNA Trainees                       |                                 |                                  |                                              |                           | 6  |
| 7  | Licensed Therapist                 |                                 |                                  |                                              |                           | 7  |
| 8  | Rehab/Therapy Aides                | 1,855                           | 2,185                            | 38,392                                       | 17.57                     | 8  |
| 9  | Activity Director                  | 2,080                           | 2,080                            | 47,395                                       | 22.79                     | 9  |
| 10 | Activity Assistants                | 7,753                           | 8,393                            | 87,120                                       | 10.38                     | 10 |
| 11 | Social Service Workers             | 2,595                           | 2,599                            | 47,618                                       | 18.32                     | 11 |
| 12 | Dietician                          |                                 |                                  |                                              |                           | 12 |
| 13 | Food Service Supervisor            | 2,080                           | 2,080                            | 58,800                                       | 28.27                     | 13 |
| 14 | Head Cook                          | 3,066                           | 3,066                            | 64,398                                       | 21.00                     | 14 |
| 15 | Cook Helpers/Assistants            | 40,248                          | 43,941                           | 496,108                                      | 11.29                     | 15 |
| 16 | Dishwashers                        |                                 |                                  |                                              |                           | 16 |
| 17 | Maintenance Workers                | 1,619                           | 1,619                            | 44,029                                       | 27.20                     | 17 |
| 18 | Housekeepers                       | 15,901                          | 17,442                           | 177,612                                      | 10.18                     | 18 |
| 19 | Laundry                            | 2,859                           | 3,213                            | 33,074                                       | 10.29                     | 19 |
| 20 | Administrator                      | 2,080                           | 2,080                            | 102,747                                      | 49.40                     | 20 |
| 21 | Assistant Administrator            | 320                             | 320                              | 12,500                                       | 39.06                     | 21 |
| 22 | Other Administrative               | 8,197                           | 8,221                            | 211,552                                      | 25.73                     | 22 |
| 23 | Office Manager                     | 400                             | 400                              | 4,405                                        | 11.01                     | 23 |
| 24 | Clerical                           | 3,740                           | 3,940                            | 36,390                                       | 9.24                      | 24 |
| 25 | Vocational Instruction             |                                 |                                  |                                              |                           | 25 |
| 26 | Academic Instruction               |                                 |                                  |                                              |                           | 26 |
| 27 | Medical Director                   |                                 |                                  |                                              |                           | 27 |
| 28 | Qualified MR Prof. (QMRP)          |                                 |                                  |                                              |                           | 28 |
| 29 | Resident Services Coordinator      | 4,026                           | 4,095                            | 122,248                                      | 29.85                     | 29 |
| 30 | Habilitation Aides (DD Homes)      |                                 |                                  |                                              |                           | 30 |
| 31 | Medical Records                    | 1,600                           | 1,600                            | 23,950                                       | 14.97                     | 31 |
| 32 | Other Health Care(specify)         |                                 |                                  |                                              |                           | 32 |
| 33 | Other(specify) <u>Unit Manager</u> | 792                             | 816                              | 12,215                                       | 14.97                     | 33 |
| 34 | TOTAL (lines 1 - 33)               | 209,554                         | 224,022                          | \$ 3,934,581 *                               | \$ 17.56                  | 34 |

B. CONSULTANT SERVICES

|    |                                 | 1                                      | 2                                                   | 3                                           |    |
|----|---------------------------------|----------------------------------------|-----------------------------------------------------|---------------------------------------------|----|
|    |                                 | Number<br>of Hrs.<br>Paid &<br>Accrued | Total Consultant<br>Cost for<br>Reporting<br>Period | Schedule V<br>Line &<br>Column<br>Reference |    |
| 35 | Dietary Consultant              | Monthly                                | \$ 10,709                                           | 1-3                                         | 35 |
| 36 | Medical Director                | Monthly                                | 60,000                                              | 10-3                                        | 36 |
| 37 | Medical Records Consultant      |                                        |                                                     |                                             | 37 |
| 38 | Nurse Consultant                |                                        |                                                     |                                             | 38 |
| 39 | Pharmacist Consultant           | Monthly                                | 2,618                                               | 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             | 16                                     | 1,088                                               | 11-3                                        | 44 |
| 45 | Social Service Consultant       | 12                                     | 840                                                 | 11-3                                        | 45 |
| 46 | Other(specify)                  |                                        |                                                     |                                             | 46 |
| 47 |                                 |                                        |                                                     |                                             | 47 |
| 48 |                                 |                                        |                                                     |                                             | 48 |
| 49 | TOTAL (lines 35 - 48)           | 28                                     | \$ 75,255                                           |                                             | 49 |

C. CONTRACT NURSES

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

\* This total must agree with page 4, column 1, line 45.

\*\* See instructions.

STATE OF ILLINOIS

Facility Name & ID Number

Alden-Des Plaines Rehabilitation and Health Care C

# 0042010

Report Period Beginning:

1/1/2011

Page 21

Ending:

12/31/2011

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

| Name                                                                                           | Function      | Ownership % | Amount     |
|------------------------------------------------------------------------------------------------|---------------|-------------|------------|
| Annette Borcky                                                                                 | Administrator | 0           | \$ 102,747 |
| Catalin Dragomir                                                                               | Asst. Admin.  | 0           | 12,500     |
|                                                                                                |               | 0           |            |
|                                                                                                |               | 0           |            |
|                                                                                                |               | 0           |            |
|                                                                                                |               | 0           |            |
|                                                                                                |               | 0           |            |
| TOTAL (agree to Schedule V, line 17, col. 1)<br>(List each licensed administrator separately.) |               |             | \$ 115,247 |

B. Administrative - Other

| Description                                                                                         | Amount |
|-----------------------------------------------------------------------------------------------------|--------|
|                                                                                                     | \$     |
|                                                                                                     |        |
|                                                                                                     |        |
|                                                                                                     |        |
| TOTAL (agree to Schedule V, line 17, col. 3)<br>(Attach a copy of any management service agreement) | \$     |

C. Professional Services

| Vendor/Payee                                                                                                     | Type                       | Amount     |
|------------------------------------------------------------------------------------------------------------------|----------------------------|------------|
| Alden Management Services, Inc.                                                                                  | Consulting Fees            | \$ 871,844 |
| Kenneth Fisch                                                                                                    | Legal fees:non-collections | 2,025      |
| AMS (Eliminated)                                                                                                 | Allocated Legal Fees       | 36,000     |
| Medifax EDI                                                                                                      | Billing                    | 251        |
| Pathway-Reclassified to Nursing                                                                                  | Clinical consultant        | 19,108     |
| Kenneth Fisch                                                                                                    | Legal fees:collections     | 16,269     |
| Ava P. Daley                                                                                                     | Accounting Fees            | 118        |
| Baker Tilly                                                                                                      | Accounting Fees            | 9,527      |
| BDO Seidman                                                                                                      | Accounting Fees            | 1,974      |
|                                                                                                                  |                            |            |
|                                                                                                                  |                            |            |
| TOTAL (agree to Schedule V, line 19, column 3)<br>(If total legal fees exceed \$5,000, attach copy of invoices.) |                            | \$ 957,116 |

D. Employee Benefits and Payroll Taxes

| Description                                 | Amount     |
|---------------------------------------------|------------|
| Workers' Compensation Insurance             | \$ 78,654  |
| Unemployment Compensation Insurance         | 36,655     |
| FICA Taxes                                  | 293,709    |
| Employee Health Insurance                   | 51,055     |
| Employee Meals                              | 24,994     |
| Illinois Municipal Retirement Fund (IMRF)*  |            |
| Union health & welfare                      | 94,428     |
| Union pension                               | 31,058     |
| Dental/Life/401k match/Empl rel/Misc pr     | 9,430      |
| EE drug tests/Vaccinations                  | 6,030      |
| Mktg Mgr employee benefit deduction         | (10,828)   |
| Gardens/Crts Personnel Dir. e/b deduction   | (8,669)    |
|                                             |            |
| TOTAL (agree to Schedule V, line 22, col.8) | \$ 606,516 |

E. Schedule of Non-Cash Compensation Paid to Owners or Employees

| Description | Line # | Amount |
|-------------|--------|--------|
|             |        | \$     |
|             |        |        |
|             |        |        |
|             |        |        |
|             |        |        |
|             |        |        |
|             |        |        |
|             |        |        |
|             |        |        |
| TOTAL       |        | \$     |

F. Dues, Fees, Subscriptions and Promotions

| Description                                                                 | Amount    |
|-----------------------------------------------------------------------------|-----------|
| IDPH License Fee                                                            | \$        |
| Advertising: Employee Recruitment                                           | 1,079     |
| Health Care Worker Background Check<br>(Indicate # of checks performed 92 ) | 2,260     |
| Patient Background Checks 10                                                | 5,450     |
| Surety bond fees                                                            | 300       |
| IL Health Care Assoc                                                        | 4,250     |
| IL Assoc of Health Care                                                     | 660       |
| Related parties                                                             | 1,151     |
|                                                                             |           |
| Less: Public Relations Expense                                              | ( )       |
| Non-allowable advertising                                                   | ( )       |
| Yellow page advertising                                                     | ( )       |
| TOTAL (agree to Sch. V, line 20, col. 8)                                    | \$ 15,150 |

G. Schedule of Travel and Seminar\*\*

| Description                        | Amount   |
|------------------------------------|----------|
| Out-of-State Travel                | \$       |
|                                    |          |
|                                    |          |
| In-State Travel                    |          |
|                                    |          |
|                                    |          |
| Related party - AMS                | 1,830    |
| Seminar Expense                    |          |
| Leadership training                | 1,800    |
| ILLHCA                             | 1,307    |
| IL Council & Others                | 789      |
| Entertainment Expense              | ( )      |
| (agree to Sch. V, line 24, col. 8) |          |
| TOTAL                              | \$ 5,726 |

\* Attach copy of IMRF notifications

\*\*See instructions.



XX. GENERAL INFORMATION:

(1)

Are nursing employees (RN,LPN,NA) represented by a union?

Yes

(2)

Are there any dues to nursing home associations included on the cost report?

Yes

If YES, give association name and amount.

IHCA=\$4,250   Il. Assoc. of HC=\$660

(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?

(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?

10 yrs

(6)

Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V.

\$   24,847   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.

(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.

\$   60,225

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.

\$   24,994

Has any meal income been offset against related costs?

No

Indicate the amount.

\$

(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.

\$

c. What percent of all travel expense relates to transportation of nurses and patients?

0

d. Have vehicle usage logs been maintained?

No

e. Are all vehicles stored at the nursing home during the night and all other times when not in use?

No

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?

Indicate the amount of income earned from providing such transportation during this reporting period.

\$

(17)

Has an audit been performed by an independent certified public accounting firm?

No

Firm Name:

(18)

Have all costs which do not relate to the provision of long term care been adjusted out 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.