

		FOR BHF USE					

LL1

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: 004-2036

Facility Name: Alden of Waterford, LLC

Address: 2012 Randi Drive Aurora 60504-4758
Number City Zip Code

County: Kane

Telephone Number: (630) 851-7266 Fax # (630) 851-7585

HFS ID Number:

Date of Initial License for Current Owners: 08/01/2001

Type of Ownership:

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

X PROPRIETARY
Individual
Partnership
Corporation
"Sub-S" Corp.
X 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)
(Type or Print Name) Joan Carl
(Title) Vice-President

Paid Preparer

(Signed)
(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 of Waterford, LLC

004-2036 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	99	Skilled (SNF)	99	36,135	1
2		Skilled Pediatric (SNF/PED)		0	2
3		Intermediate (ICF)		0	3
4		Intermediate/DD		0	4
5		Sheltered Care (SC)		0	5
6		ICF/DD 16 or Less		0	6
7	99	TOTALS	99	36,135	7

B. Census-For the entire report period.

	1 Level of Care	2 3 4 5 Patient Days by Level of Care and Primary Source of Payment				
		Medicaid Recipient	Private Pay	Other	Total	
8	SNF	1,346	5,566	14,261	21,173	8
9	SNF/PED					9
10	ICF	7,128	1,771	19	8,918	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	8,474	7,337	14,280	30,091	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 83.27%

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 x

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES NO x

I. On what date did you start providing long term care at this location?

Date started 12/29/01

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

YES NO x

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

YES x NO If YES, enter number of beds certified 99 and days of care provided 13,724

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

ACCRAUAL x MODIFIED CASH* CASH*

Is your fiscal year identical to your tax year? YES x 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 of Waterford, LLC # 004-2036 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- ification 5	Reclassified Total 6	Adjust- ments 7	Adjusted Total 8	FOR BHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	A. General Services											
1	Dietary	508,034	30,369	22,800	561,203	934	562,137	(7,430)	554,707			1
2	Food Purchase		295,996		295,996	(25,895)	270,101	(16,283)	253,818			2
3	Housekeeping	138,023	29,349		167,372	1,224	168,596	4,966	173,562			3
4	Laundry	36,378	13,254		49,632	148	49,780		49,780			4
5	Heat and Other Utilities			243,628	243,628		243,628	(963)	242,665			5
6	Maintenance	31,669		316,103	347,772	436	348,208	81,402	429,610			6
7	Other (specify):* Security/Related party			1,650	1,650		1,650	5,660	7,310			7
8	TOTAL General Services	714,104	368,968	584,181	1,667,253	(23,153)	1,644,100	67,352	1,711,452			8
	B. Health Care and Programs											
9	Medical Director			36,000	36,000		36,000		36,000			9
10	Nursing and Medical Records	2,408,313	224,717	5,155	2,638,185	634	2,638,819	27,238	2,666,057			10
10a	Therapy		4,625	12,988	17,613		17,613		17,613			10a
11	Activities	91,996	3,333	30,024	125,353	185	125,538		125,538			11
12	Social Services	46,752			46,752		46,752		46,752			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):* Related party							3,911	3,911			15
16	TOTAL Health Care and Programs	2,547,061	232,675	84,167	2,863,903	819	2,864,722	31,149	2,895,871			16
	C. General Administration											
17	Administrative	130,349			130,349		130,349	60,315	190,664			17
18	Directors Fees											18
19	Professional Services			648,268	648,268	(10,142)	638,126	(603,384)	34,742			19
20	Dues, Fees, Subscriptions & Promotions			117,711	117,711		117,711	(107,238)	10,473			20
21	Clerical & General Office Expenses	252,474	23,693	78,803	354,970	(300)	354,670	181,256	535,926			21
22	Employee Benefits & Payroll Taxes			647,889	647,889	17,203	665,092	(12,394)	652,698			22
23	Inservice Training & Education											23
24	Travel and Seminar			3,815	3,815		3,815	1,699	5,514			24
25	Other Admin. Staff Transportation			5,087	5,087		5,087	10,449	15,536			25
26	Insurance-Prop.Liab.Malpractice			105,497	105,497		105,497	10,288	115,785			26
27	Other (specify):* Related party			122,573	122,573		122,573	(84,059)	38,514			27
28	TOTAL General Administration	382,823	23,693	1,729,643	2,136,159	6,761	2,142,920	(543,068)	1,599,852			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	3,643,988	625,336	2,397,991	6,667,315	(15,573)	6,651,742	(444,567)	6,207,175			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			15,872	15,872		15,872	309,795	325,667			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			110,965	110,965		110,965	608,824	719,789			32
33	Real Estate Taxes			46,440	46,440	(46,440)		50,713	50,713			33
34	Rent-Facility & Grounds			906,072	906,072	46,440	952,512	(952,512)				34
35	Rent-Equipment & Vehicles			12,469	12,469		12,469	24,077	36,546			35
36	Other (specify):* M.I.P.							63,223	63,223			36
37	TOTAL Ownership			1,091,818	1,091,818		1,091,818	104,120	1,195,938			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		982,038	1,784,305	2,766,343	15,573	2,781,916	(280,861)	2,501,055			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			101,683	101,683		101,683		101,683			42
43	Other (specify):*											43
44	TOTAL Special Cost Centers		982,038	1,885,988	2,868,026	15,573	2,883,599	(280,861)	2,602,738			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	3,643,988	1,607,374	5,375,797	10,627,159		10,627,159	(621,308)	10,005,851			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		(25,894.82)	Employee Meals
	22	25,894.82	Employee Meals
22		(8,692.00)	Uniforms
	1	934.00	Uniforms
	3	1,224.00	Uniforms
	4	148.00	Uniforms
	6	(14.00)	Uniforms
	10	6,065.00	Uniforms
	11	185.00	Uniforms
	21	150.00	Uniforms
10		(15,572.95)	Oxygen - to appropriate cost center
	39	15,572.95	Oxygen - to appropriate cost center
33		(46,440.00)	Rent - Real Estate Tax on associated landowner (Pg 6)
	34	46,440.00	Rent - Real Estate Tax on associated landowner (Pg 6)
21		(450.00)	Vendor Settlements
	6	450.00	Vendor Settlements
Others, if any:			
19		(10,142.00)	Clinical Coordinators (Pathway Billing)
	10	10,142.00	Clinical Coordinators (Pathway Billing)
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 Amount	2 Refer- ence	3 BHF USE ONLY	
1	Day Care	\$		\$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals				4
5	Telephone, TV & Radio in Resident Rooms	(6,570)	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	(193,644)	30		9
10	Interest and Other Investment Income	(5,218)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(4,224)	2		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees	(6,230)	21		17
18	Fines and Penalties				18
19	Entertainment	(3,854)	20		19
20	Contributions	(11,068)	20		20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers	(15,837)	19		22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(122,573)	27		24
25	Fund Raising, Advertising and Promotional	(36,459)	20		25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	CNA Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule				29
30	SUBTOTAL (A): (Sum of lines 1-29)	\$ (405,677)		\$	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 Amount	2 Reference	
31	Non-Paid Workers-Attach Schedule*	\$		31
32	Donated Goods-Attach Schedule*			32
33	Amortization of Organization & Pre-Operating Expense			33
34	Adjustments for Related Organization Costs (Schedule VII)	99,049	Various	34
35	Other- Attach Schedule	(314,680)	Pg 5A	35
36	SUBTOTAL (B): (sum of lines 31-35)	\$ (215,631)		36
37	(sum of SUBTOTALS TOTAL ADJUSTMENTS (A) and (B))	\$ (621,308)		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 Yes	2 No	3 Amount	4 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#

004-2036

1/1/2011

12/31/2011

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference	
1	Elim Deprec Exp on Pg 12 items under \$2,500 -	\$ (1,568)	30	1
2	Elim Deprec Exp on Pg 13 items under \$2500 -	(10,301)	30	2
3	Expense Pg 12 items under \$2,500 - curr yr purchs +	4,337	6	3
4	Expense Pg 13 items under \$2,500 - curr yr purchs +	20,934	6	4
5	Correct YTD depreciation	3,644	30	5
6				6
7				7
8	Late fees on utilities	(2,761)	5	8
9	Flu shot income	(171)	21	9
10	Misc income - wage service fee [g/l 4977-100-006]	(114)	21	10
11	Misc income - record copies [g/l 4977-100-001]	(526)	10	11
12	Marketing Mgr & Aides [g/l 6701 sub 009 & 015]	(69,707)	21	12
13	Mktg Mgr & Aides employee benefits deduction	(12,394)	22	13
14	IL Health Care Assoc. dues (30%)	(1,639)	20	14
15	Leadership (Deming) training cost [1,750 x 20%]	(350)	24	15
16	Aurora, Batavia, Naperville chambers of commerce fees	(625)	20	16
17	Back out LP mtg int in excess of CON asset limit	(222,746)	32	17
18	Back out LP MIP int in excess of CON asset limit	(20,693)	36	18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	Total	(314,680)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Alden of Waterford, LLC # 004-2036 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	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS	
													(to Sch V, col.7)	
1	Dietary	0	0	3,333	(10,763)	0	0	0	0	0	0	0	(7,430)	1
2	Food Purchase	(4,224)	0	0	(12,059)	0	0	0	0	0	0	0	(16,283)	2
3	Housekeeping	0	0	4,966	0	0	0	0	0	0	0	0	4,966	3
4	Laundry	0	0	0	0	0	0	0	0	0	0	0	0	4
5	Heat and Other Utilities	(2,761)	0	1,798	0	0	0	0	0	0	0	0	(963)	5
6	Maintenance	18,701	3,932	(5,550)	0	0	0	296	64,023	0	0	0	81,402	6
7	Other (specify):*	0	0	4,756	904	0	0	0	0	0	0	0	5,660	7
8	TOTAL General Services	11,716	3,932	9,303	(21,918)	0	0	296	64,023	0	0	0	67,352	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	(526)	0	25,810	34	1,920	0	0	0	0	0	0	27,238	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	3,911	0	0	0	0	0	0	0	0	3,911	15
16	TOTAL Health Care and Programs	(526)	0	29,721	34	1,920	0	0	0	0	0	0	31,149	16
	C. General Administration													
17	Administrative	0	0	60,315	0	0	0	0	0	0	0	0	60,315	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(15,837)	4,928	(592,475)	0	0	0	0	0	0	0	0	(603,384)	19
20	Fees, Subscriptions & Promotions	(53,645)	0	(53,593)	0	0	0	0	0	0	0	0	(107,238)	20
21	Clerical & General Office Expenses	(76,222)	800	161,661	21,203	73,814	0	0	0	0	0	0	181,256	21
22	Employee Benefits & Payroll Taxes	(12,394)	0	0	0	0	0	0	0	0	0	0	(12,394)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	(350)	0	2,049	0	0	0	0	0	0	0	0	1,699	24
25	Other Admin. Staff Transportation	0	0	10,449	0	0	0	0	0	0	0	0	10,449	25
26	Insurance-Prop.Liab.Malpractice	0	10,195	93	0	0	0	0	0	0	0	0	10,288	26
27	Other (specify):*	(122,573)	0	31,404	2,263	4,847	0	0	0	0	0	0	(84,059)	27
28	TOTAL General Administration	(281,021)	15,923	(380,097)	23,466	78,661	0	0	0	0	0	0	(543,068)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(269,831)	19,855	(341,073)	1,582	80,581	0	296	64,023	0	0	0	(444,567)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Alden of Waterford, LLC # 004-2036 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

	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	(201,869)	503,477	8,187	0	0	0	0	0	0	0	0	309,795	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(227,964)	830,057	4,305	0	2,426	0	0	0	0	0	0	608,824	32
33	Real Estate Taxes	0	46,439	3,227	0	1,047	0	0	0	0	0	0	50,713	33
34	Rent-Facility & Grounds	0	(952,512)	0	0	0	0	0	0	0	0	0	(952,512)	34
35	Rent-Equipment & Vehicles	0	0	24,077	0	0	0	0	0	0	0	0	24,077	35
36	Other (specify):*	(20,693)	83,916	0	0	0	0	0	0	0	0	0	63,223	36
37	TOTAL Ownership	(450,526)	511,377	39,796	0	3,473	0	0	0	0	0	0	104,120	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	(37,442)	(216,290)	(27,129)	0	0	0	0	0	(280,861)	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	(37,442)	(216,290)	(27,129)	0	0	0	0	0	(280,861)	44
	GRAND TOTAL COST													
45	(sum of lines 29, 37 & 44)	(720,357)	531,232	(301,277)	(35,860)	(132,236)	(27,129)	296	64,023	0	0	0	(621,308)	45

VII. RELATED PARTIES

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

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
Alden of Waterford Investments, LLC	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	Rental income	\$ 952,512	Waterford Rehab and Courts, LLC		\$	\$ (952,512)	1
2	V	32	Interest income-R/R	2,857	Waterford Rehab and Courts, LLC			(2,857)	2
3	V	32	Interest income	109,589	Waterford Rehab and Courts, LLC			(109,589)	3
4	V	19	Accounting fees		Waterford Rehab and Courts, LLC		4,928	4,928	4
5	V	32	Loan Prepayment fee		Waterford Rehab and Courts, LLC		110,589	110,589	5
6	V	6	Repairs & Maintenance		Waterford Rehab and Courts, LLC		3,932	3,932	6
7	V	21	Other administrative		Waterford Rehab and Courts, LLC		800	800	7
8	V	33	Real estate taxes		Waterford Rehab and Courts, LLC		46,439	46,439	8
9	V	26	Property & liability insurance		Waterford Rehab and Courts, LLC		10,195	10,195	9
10	V	36	Mortgage insurance premium		Waterford Rehab and Courts, LLC		83,916	83,916	10
11	V	32	Mortgage interest		Waterford Rehab and Courts, LLC		824,841	824,841	11
12	V	30	Depreciation		Waterford Rehab and Courts, LLC		503,477	503,477	12
13	V	32	Amortization		Waterford Rehab and Courts, LLC		7,073	7,073	13
14	Total			\$ 1,064,958			\$ 1,596,190	\$ * 531,232	14

* 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	5	Utilities	\$	Alden Management Services, Inc.	0.00%	\$ 1,798	\$ 1,798	15
16	V	24	Travel / Seminar		Alden Management Services, Inc.		2,049	2,049	16
17	V	25	Other Admin Travel		Alden Management Services, Inc.		10,449	10,449	17
18	V	26	Insurance		Alden Management Services, Inc.		93	93	18
19	V	20	Dues / Subscriptions	54,882	Alden Management Services, Inc.		1,289	(53,593)	19
20	V	30	Depreciation		Alden Management Services, Inc.		8,187	8,187	20
21	V	33	Real Estate Tax		Alden Management Services, Inc.		3,227	3,227	21
22	V	35	Rent-Equip/Vehicle		Alden Management Services, Inc.		24,077	24,077	22
23	V	32	Interest		Alden Management Services, Inc.		4,305	4,305	23
24	V	1	Dietary Salary		Alden Management Services, Inc.		3,333	3,333	24
25	V	3	Housekeeping Salary		Alden Management Services, Inc.		4,966	4,966	25
26	V	7	Employee Benef-Gen'l Servs		Alden Management Services, Inc.		4,756	4,756	26
27	V	10	Nursing & Medical records salaries		Alden Management Services, Inc.		25,810	25,810	27
28	V	15	Employee Benef-Health Care		Alden Management Services, Inc.		3,911	3,911	28
29	V	17	Administrative Salary		Alden Management Services, Inc.		60,315	60,315	29
30	V	27	Employee Benef-Administrative		Alden Management Services, Inc.		31,404	31,404	30
31	V	19	Professional Fees	618,702	Alden Management Services, Inc.		26,227	(592,475)	31
32	V	21	Gen'l & Admin		Alden Management Services, Inc.		161,661	161,661	32
33	V	6	Repair & Maintenance	36,281	Alden Management Services, Inc.		30,731	(5,550)	33
34	V								34
35	V								35
36	V								36
37	V								37
38	V								38
39	Total			\$ 709,865			\$ 408,588	\$ * (301,277)	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	Diet. Consultant	\$ 22,800	Prism Health Care Services, Inc.	0.00%	\$ 380	\$ (22,420)	15
16	V	1	Dietary Salary		Prism Health Care Services, Inc.		11,657	11,657	16
17	V	2	Tube Feeding	27,362	Prism Health Care Services, Inc.		15,303	(12,059)	17
18	V	10	Equip. Rental	6,660	Prism Health Care Services, Inc.		6,694	34	18
19	V	39	Ancillary Services	60,931	Prism Health Care Services, Inc.		23,489	(37,442)	19
20	V	21	Gen'l & Admin Salary		Prism Health Care Services, Inc.		13,562	13,562	20
21	V	27	Employee Benefits		Prism Health Care Services, Inc.		2,263	2,263	21
22	V	7	Employee Benefits		Prism Health Care Services, Inc.		904	904	22
23	V	21	Gen'l & Admin		Prism Health Care Services, Inc.		7,641	7,641	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			\$ 117,753			\$ 81,893	\$ * (35,860)	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	\$ 454,763	Forum Extended Care Services II, Inc.	0.00%	\$ 630,222	\$ 175,459	15
16	V	39	I.V.	443,123	Forum Extended Care Services II, Inc.		52,092	(391,031)	16
17	V	39	Wound Care	3,439	Forum Extended Care Services II, Inc.		2,721	(718)	17
18	V	10	House Stock	13,464	Forum Extended Care Services II, Inc.		12,457	(1,007)	18
19	V	10	Pharm Consult	3,908	Forum Extended Care Services II, Inc.		6,835	2,927	19
20	V	27	Employee Vaccin.	4,501	Forum Extended Care Services II, Inc.		3,559	(942)	20
21	V	27	Employee Benef: G & A		Forum Extended Care Services II, Inc.		5,789	5,789	21
22	V	21	Salary: G & A		Forum Extended Care Services II, Inc.		46,502	46,502	22
23	V	21	Gen'l & Admin.		Forum Extended Care Services II, Inc.		27,312	27,312	23
24	V	32	Interest		Forum Extended Care Services II, Inc.		2,426	2,426	24
25	V	33	Real Estate Tax		Forum Extended Care Services II, Inc.		1,047	1,047	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			\$ 923,198			\$ 790,962	\$ * (132,236)	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	39	Therapy	\$ 1,719,537	Community Physical Therapy & Associates, Ltd.	0.00%	\$ 1,692,408	\$ (27,129)	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			\$ 1,719,537			\$ 1,692,408	\$ * (27,129)	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	Repairs & Maintenance	\$ 38,016	Alden Bennett Construction Company, Inc.	0.00%	\$ 38,312	\$ 296	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			\$ 38,016			\$ 38,312	\$ * 296	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	Grounds maintenance	\$ 100,980	Waterford Management Services, Inc.	0.00%	\$ 165,003	\$ 64,023	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			\$ 100,980			\$ 165,003	\$ * 64,023	39

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

VII. RELATED PARTIES

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

	1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES			
	Name	Ownership %	Name	City	Name	City	Type of Business	
1								1
2	Floyd Schlossberg	40.72	Heather Health Care Center, Inc.	Harvey	The Forum Profession	Chicago	Home Office rental	2
3	Alden Group	26	Alden-Long Grove Rehabilitation and Health Ca	Long Grove				3
4	Hilda Dworiki	2.08	Alden-Lincoln Park Rehabilitation and Health C	Chicago	Forum Extended Care Se	Chicago	Pharmacy	4
5	Josef Dembo	3.12	Alden-Northmoor Rehabilitation and Health Car	Chicago	Alden Management Serv	Chicago	Management	5
6	Edward & Paulina Osser	3.12	Alden-Lakeland Rehabilitation and Health Care (	Chicago				6
7	Robert & Charlotte Traverso Family Trust	6.24	Alden of Old Town East, Inc.	Bloomingtondale	Alden Gardens of Bloom	Bloomingtondale	Supportive Living Fac	7
8	Max Fisch	2.08	Alden Terrace of McHenry Rehabilitation and He	McHenry	Alden Garden Courts of	DesPlaines	Assisted Living/Alzhei	8
9	Joan & Sam Carl	3.12	Alden - Wentworth Rehabilitation and Health Ca	Chicago	Alden Courts of Waterfo	Aurora	Alzheimers Facility	9
10	David Sezonov	3.12	Alden Estates of Naperville, Inc.	Naperville	Alden Gardens of Water	Aurora	Assisted Living	10
11	Joe & Goldie Dembo	1.04	Alden - Valley Ridge Rehabilitation and Health C	Bloomingtondale	Prism Health Care Servi	Schaumburg	Nursing and Durable	11
12	Edward & Paulina Osser	1.04	Alden Village Health Facility for Children and Yo	Bloomingtondale	Community Physical The	Addison	Therapy Provider	12
13	Joe & Goldie Dembo	1.04	Alden - Orland Park Rehabilitation and Health C	Orland Park	Alden Bennett Construct	Chicago	General Contractor	13
14	Edward & Paulina Osser	1.04	Alden - Princeton Rehabilitation and Health Car	Chicago	Fort Medical Equipment	Fort Atkinson, WI	Nursing and Durable	14
15	Joan & Sam Carl	3.12	Alden of Old Town West, Inc.	Bloomingtondale	Fort Healthcare, LLC	Fort Atkinson, WI	SNF w/in hospital	15
16	John Vercillo	3.12	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 - Des Plaines Rehabilitation and Health C	Des Plaines				20
21			Alden Estates of Evanston, Inc.	Evanston				21
22			Alden - Alma Nelson Manor, Inc.	Rockford				22
23			Alden - Park Strathmoor, Inc.	Rockford				23
24			Alden - Meadow Park Health Care Center, Inc.	Clinton, WI				24
25			Alden Estates of Barrington, Inc.	Barrington				25
26								26
27			Alden Springs, Inc.	Bloomingtondale				27
28			Alden Village North, Inc.	Chicago				28
29			Alden Estates of Skokie, Inc.	Skokie				29
30			Alden Estates of Countryside, Inc.	Jefferson, WI				30

Facility Name & ID Number Alden of Waterford, LLC # 004-2036 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 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	Floyd A. Schlossberg	President	CEO	40.72	180,768	0.916	2.29	Salary	\$ 4,232	17-7	1
2	Lauren Magnusson	Dir. Of Clinical Servi	Technical Nursing	0.00	67,070	0.916	2.29	Salary	1,570	10-7	2
3	Terry Magnusson	Dir. of Purchasing	Supervise Mainten	0.00	38,616	0.916	2.29	Salary	904	6-7	3
4	Joan Carl	Secretary	Vice-President	6.24	180,768	0.916	2.29	Salary	4,232	17-7	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	D. Joan Carl is the Secretary of Alden Management Services and all nursing facilities. She has an equity interest in Waterford. She has an equity interest in										10
11	the real estate of Alma Nelson, Park Strathmoor and Meadow Park.										11
12											12
13								TOTAL	\$ 10,938		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

Ending: 2/31/2011

(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		(i.e.,Days, Direct Cost,		Subunits Being	Cost Being	Cost Contained	Units	(col.8/col.4)x col.6	
Reference	Item	Square Feet)	Total Units	Allocated Among	Allocated	in Column 6			
1	5	Utilities	Patient Days	1,315,389	34	\$ 78,619	\$ 30,091	\$ 1,798	1
2	24	Trav & Seminar	Patient Days	1,315,389	34	89,570	30,091	2,049	2
3	25	Other Admin Travel	Patient Days	1,315,389	34	456,762	30,091	10,449	3
4	26	Insurance	Patient Days	1,315,389	34	4,082	30,091	93	4
5	20	Dues & Subscriptions	Patient Days	1,315,389	34	56,361	30,091	1,289	5
6	30	Depreciation	No of Providers/usage	34	34	291,758	1	8,187	6
7	33	Real Estate Tax	Patient Days/ysage	1,315,389	34	156,401	30,091	3,227	7
8	35	Rent-Equip & Vehicle	Patient Days	1,315,389	34	1,052,493	30,091	24,077	8
9	32	Interest	Patient Days/usage	1,315,389	34	1,368,621	30,091	4,305	9
10	1	Dietary Salary	Patient Days	1,315,389	34	145,718	145,718	3,333	10
11	3	Housekeeping Salary	Patient Days	1,315,389	34	217,102	217,102	4,966	11
12	7	Employee Benefits -Gen'I Servs	Patient Days	1,315,389	34	207,899	30,091	4,756	12
13	10	Nurs & Med Records Salary	Patient Days/usage	1,315,389	34	1,184,449	1,184,449	25,810	13
14	15	Employee Benefits -Health Care	Patient Days	1,315,389	34	170,963	30,091	3,911	14
15	17	Administrative Salary	Patient Days/usage	1,315,389	34	2,886,253	2,886,253	60,315	15
16	27	Employee Benefits - Admin	Patient Days	1,315,389	34	1,372,783	30,091	31,404	16
17	19	Professional fees	Patient Days	1,315,389	34	1,146,467	654,108	26,227	17
18	21	Gen'I & Admin	Patient Days	1,315,389	34	7,066,809	5,970,419	161,661	18
19	6	Repair & Maint.	Patient Days	1,315,389	34	1,343,350	1,077,524	30,731	19
20									20
21									21
22									22
23									23
24									24
25	TOTALS					\$ 19,296,460	\$ 12,135,573	\$ 408,588	25

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

	1	2		3	4	5	6		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		x	Mortgage	\$54,288.00	4/29/11	\$ 12,667,104	\$ 12,595,386	5/1/2051	4.1700	\$ 354,100	1	
2	Int related to f/a > CON limit		x	Mortgage							(222,746)	2	
3	Cambridge		x	Operating loss loan (OLL)	\$16,318.00	5/1/08	2,870,223	2,754,695	4/1/2041	5.7800	160,171	3	
4	Heartland Bank of IL		x	Mortgage		1/1/02	12,667,104	refinanced		7.7500	310,570	4	
5	Amortization-Fin/refin fee / Loan prep	x		Operating loss loan (OLL) / Mortgage							117,662	5	
	Working Capital												
6	Related party-AMS		x	Working Capital							4,305	6	
7	Related party-FECII		x	Working Capital							2,426	7	
8	Insurance interest		x	Medical malpractice							1,376	8	
9	TOTAL Facility Related				\$70,606.00		\$ 28,204,431	\$ 15,350,081			\$ 727,864	9	
	B. Non-Facility Related*												
10	Waterford LP revenue		x	Replacement reserve interest							(2,857)	10	
11	Interest income on LLC		x	Patient interest income							(5,218)	11	
12												12	
13												13	
14	TOTAL Non-Facility Related						\$	\$			\$ (8,075)	14	
15	TOTALS (line 9+line14)						\$ 28,204,431	\$ 15,350,081			\$ 719,789	15	

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ 63,223 Line # 36

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

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

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

B. Real Estate Taxes

		Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.			
1. Real Estate Tax accrual used on 2010 report.			\$	65,040	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.)			\$	54,899	2
3. Under or (over) accrual (line 2 minus line 1).			\$	(10,141)	3
4. Real Estate Tax accrual used for 2011 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	56,580	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)			\$		5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund. TOTAL REFUND \$ For Tax Year. (Attach a copy of the real estate tax appeal board's decision.)			\$		6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.			\$	46,439	7
		Plus: Related Party Taxes (2) - See Pg RE_Tax		4,274	
Real Estate Tax History:			\$	50,713	
Real Estate Tax Bill for Calendar Year:		2006	72,841	8	
		2007	76,324	9	
		2008	91,489	10	
		2009	105,205	11	
		2010	91,499	12	
The current year accrual is based on an estimated 3% increase of the prior year tax.					

	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.

FACILITY NAME	<u>Alden of Waterford, LLC</u>	COUNTY	<u>Kane</u>
FACILITY IDPH LICENSE NUMBER	<u>004-2036</u>		
CONTACT PERSON REGARDING THIS REPORT	<u>Steven M. Kroll</u>		
TELEPHONE	<u>(773) 724-6622</u>	FAX #:	<u>(773-283-3997</u>

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.

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.)

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:

59,206

B. General Construction Type:

Exterior

Brick

Frame

Steel

Number of Stories

3

C. Does the Operating Entity?

☐

(a) Own the Facility

☒

(b) Rent from a Related Organization.

☐

(c) Rent from Completely Unrelated Organization.

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

D. Does the Operating Entity?

☒

(a) Own the Equipment

☒

(b) Rent equipment from a Related Organization.

☒

(c) Rent equipment from Completely Unrelated Organization.

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

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

None

F. Does this cost report reflect any organization or pre-operating costs which are being amortized?

☐

YES

☒

NO

If so, please complete the following:

1. Total Amount Incurred:

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	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	Nursing facility	152,896	1994	\$ 662,733	1
2					2
3	TOTALS	152,896		\$ 662,733	3

Facility Name & ID Number Alden of Waterford, LLC

004-2036

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		
	Beds*	FOR BHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation	
4	99			2001	\$ 11,880,012	\$ 297,000	40	\$ 171,168	\$ (125,832)	\$ 1,933,771	4
5	Adjustment to correct to CON costs (net=6,846,713)				(5,033,299)						5
6											6
7											7
8											8
	Improvement Type**										
9	storm/sewer-ltd p/s			2001	218,336	8,733	25	8,733		90,242	9
10	concrete/curbs/gutters-ltd p/s			2001	21,491	1,433	15	1,433		14,807	10
11	concrete walks-ltd p/s			2001	46,391	3,093	15	3,093		31,961	11
12	asphalt paving-ltd p/s			2001	40,929	2,728	10	2,728		40,929	12
13	street lighting-ltd p/s			2001	129,677	8,645	15	8,645		89,332	13
14	wrought iron fencing-ltd p/s			2001	60,821	2,433	25	2,433		25,141	14
15	piers-ltd p/s			2001	64,296	4,286	15	4,286		44,259	15
16	exterior signs-ltd p/s			2001	20,853	1,738	12	1,738		17,959	16
17	brick pavers-ltd p/s			2001	5,213	350	10	350		5,213	17
18	waterfalls-ltd p/s			2001	53,870	2,693	20	2,693		27,828	18
19	gate house-ltd p/s			2001	26,066	1,738	15	1,738		17,959	19
20	retaining walls-ltd p/s			2001	19,115	956	20	956		9,878	20
21	external roads-ltd p/s			2001	261,213	17,417	10	17,417		261,213	21
22											22
23	storm/sewer-ltd p/s			2003	16,853	674	25	674		6,066	23
24	concrete/curbs/gutters-ltd p/s			2003	1,659	111	15	111		999	24
25	concrete walks-ltd p/s			2003	3,581	239	15	239		2,151	25
26	asphalt paving-ltd p/s			2003	3,159	316	10	316		2,844	26
27	street lighting-ltd p/s			2003	10,009	667	15	667		6,003	27
28	wrought iron fencing-ltd p/s			2003	4,695	188	25	188		1,539	28
29	piers-ltd p/s			2003	4,963	331	15	331		2,979	29
30	exterior signs-ltd p/s			2003	1,610	134	12	134		1,206	30
31	brick pavers-ltd p/s			2003	402	40	10	40		360	31
32	waterfalls-ltd p/s			2003	4,158	208	20	208		1,872	32
33	gate house-ltd p/s			2003	2,012	134	15	134		1,206	33
34	retaining walls-ltd p/s			2003	1,475	74	20	74		666	34
35	external roads-ltd p/s			2003	20,163	2,016	10	2,016		18,144	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 & ID Number Alden of Waterford, LLC

004-2036

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	
37	Mech. Projects- install exhaust,gas line, electric to steamer-corp	2002	4,254	213	20	213		2,128	37
38	Long elevator- correct elevator problem-corp	2001	882	82	10	82		882	38
39	Affcus- repair fire alarm-corp	2002	1,552		5			1,552	39
40	GT Mech- chiller repair-corp	2002	1,924		5			1,924	40
41	ISS replace nurses station	2003	1,956		5			1,956	41
42	CSI Coker-filter system (boiler)	2004	1,723	86	20	86		681	42
43	ABC-medical gas repair	2004	2,291	229	10	229		1,813	43
44	CSI Coker-filter system (boiler)	2004	2,050	103	20	103		805	44
45	ABC-sod yards/parkway/etc	2004	9,189	919	10	919		7,045	45
46	ISS/Chicago Sound-power supply call light	2004	2,084	139	15	139		1,019	46
47	Central States-Adapters/valve caps	2005	1,243	83	15	83		574	47
48	ABC [Stripe-It-Right] - Sealcoat, crackfill & stripe asphalt	2005	3,079	308	10	308		1,976	48
49	Cybor Fire Protection - Sprinkler head replacement	2005	2,900	193	15	193		1,239	49
50	ABC [ISS/Chicago Sound]-8 Jeron provider 680 vent alarms	2005	3,381	225	15	225		1,426	50
51	GT Mechanical - Compressor & chiller circuit	2005	8,600	573	15	573		3,534	51
52	ABC - Replace ceiling tiles	2005	952	79	12	79		474	52
53	ABC - Emergency outlets vent	2007	4,268	213	20	213		1,065	53
54	Wtrfd Inv - Montgomery Road expansion	2006	16,186	405	40	405		2,059	54
55									55
56									56
57	ABC-[Cobra Concrete&Stripe It]-Replace walk/curb concrete with wire i	2007	1,694	113	15	113		508	57
58	ABC [Amer Bldg Serv]-Replace worn locksets	2007	4,325	433	10	433		2,056	58
59	ABC [Amer Bldg Serv]-Replace worn locksets	2007	4,325	433	10	433		1,984	59
60	GT Mechanical-HVAC parts(bearing assembliescouplemotor)	2008	5,171	517	10	517		1,910	60
61									61
62	GT Mechanical - Replace bearing assembly/seal/motor	2009	2,773	555	5	555		1,572	62
63	GT Mechanical - HVAC bearing assembly seal & coupler	2009	3,210	642	5	642		1,338	63
64	GT Mechanical - Pump elect. (bearing assembly)	2009	2,823	565	5	565		1,177	64
65									65
66	Top Notch - Compressor for freezer	2010	2,464	493	5	493		863	66
67									67
68	Fish tank modification and repair	2011	4,200	350	5	350		350	68
69									69
70	TOTAL (lines 4 thru 69)		\$ 7,989,221	\$ 366,326		\$ 240,494	\$ (125,832)	\$ 2,700,437	70

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

Facility Name & ID Number Alden of Waterford, LLC

004-2036

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	Totals from Page 12A, Carried Forward		\$ 7,989,221	\$ 366,326		\$ 240,494	\$ (125,832)	\$ 2,700,437	1
2									2
3	Forum Prof Ctr: Remodeling	1979	13,418		20			13,418	3
4	Forum Prof Ctr: Build Improv - multiple	1980	26,131		15			26,131	4
5	Forum Prof Ctr: Tennant Improv	1986	824		13			824	5
6	Forum Prof Ctr: AMS remodel	1990	5,604		10			5,604	6
7	Forum Prof Ctr: Roof	1994	2,956		16			2,956	7
8	Forum Prof Ctr: Build Improv-multiple	1995	1,042	65	16	65		1,039	8
9	Forum Prof Ctr: Asphalt/Design/etc.	2000	1,646	13	10	13		1,605	9
10	Forum Prof Ctr: Remodel/electrical	2001	641	24	7	24		595	10
11	Forum Prof Ctr: bathroom remodel	2002	567	53	5	53		527	11
12	Forum Prof Ctr: remodel suites/etc.	2003	729	74	9	74		657	12
13	Forum Prof Ctr: lunchroom/suites remodel/concrete/plaster/etc	2004	2,245	104	7	104		1,954	13
14	Forum Prof Ctr: Suite renovation	2005	453	27	10	27		537	14
15	Forum Prof Ctr: Superior installations, etc.	2006	108	3	4	3		108	15
16	Forum Prof Ctr: Sidewalks/major hvac/Condensor	2007	435	68	7	68		294	16
17	Forum Prof Ctr: Park. Lot/glass/maj hvac	2008	374	54	7	54		208	17
18	Forum Prof Ctr: Maj Hvac/re-stucco bldg	2009	761	73	7	73		162	18
19	Forum Prof Ctr: Building Renovations	2010	1,296	263	7	263		340	19
20	Forum Prof Ctr: Building Renovations	2011	5,684	137	7	137		137	20
21	Alden Mgt Servs: Remodel suites	1993	6,963		7			6,963	21
22	Alden Mgt Servs: Remodel suites	2002	290		7			290	22
23	Alden Mgt Servs: Remodel suites	2003	6,295					6,295	23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		\$ 8,067,684	\$ 367,284		\$ 241,452	\$ (125,832)	\$ 2,771,081	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 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$732,070	\$141,862	\$74,050	\$(67,812)		\$388,378	71
72	Current Year Purchases	69,713	7,542	7,542			5,993	72
73	Fully Depreciated Assets	129,181	2,623	2,623			129,181	73
74								74
75	TOTALS	\$930,964	\$152,027	\$84,215	\$(67,812)		\$523,552	75

D. Vehicle Costs. (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76	Passenger Bus	2001 Ford Eldorado	2001	\$50,888	\$	\$	\$	4	\$50,888	76
77										77
78										78
79	Related party - AMS		'98-'02	4,026				3	4,026	79
80	TOTALS			\$54,914	\$	\$	\$		\$54,914	80

E. Summary of Care-Related Assets

	1	2	
	Reference	Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$9,716,295	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$519,311	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$325,667	83
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$(193,644)	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$3,349,547	85

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

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88					88
89					89
90					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 backed out
2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
If NO, see instructions.☐ YES☒ NO

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

**

8. List separately any amortization of lease expense included on page 4, line 34.
This amount was calculated by dividing the total amount to be amortized
by the length of the lease.

9. Option to Buy:☐ YES☒ NO Terms:

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

15. Is Movable equipment rental included in building rental?☐ YES☒ NO
16. Rental Amount for movable equipment: \$12,846 Description:Copy machine lease \$11,380, postage meter \$1,090, various office equipment \$376
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17	related party- Pg 6A	various	\$ #####	\$ 16,354	17
18					18
19					19
20					20
21	TOTAL		\$ #####	\$ 16,354	21

10. Effective dates of current rental agreement:

Beginning05/01/2001

Ending07/31/2021

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.

XIII. EXPENSES RELATING TO CERTIFIED NURSE AIDE (CNA) TRAINING PROGRAMS (See instructions.)

A. TYPE OF TRAINING PROGRAM (If CNAs are trained in another facility program, attach a schedule listing the facility name, address and cost per CNA trained in that facility.)

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)	\$			

- (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.

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	

- (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 Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
1	Licensed Occupational Therapist	39-3	hrs	\$		\$ 608,059	\$		\$ 608,059	1
2	Licensed Speech and Language Development Therapist	39-3	hrs			242,540			242,540	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39-3	hrs			868,938			868,938	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 prescrpts				630,222		630,222	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
	Academic Education		hrs							11
12	Other (specify):	39-1,39-3, if any								12
13	Other (specify): See Pg 16A					(27,129)	178,425		151,296	13
14	TOTAL			\$		\$ 1,692,408	\$ 808,647		\$ 2,501,055	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
XIV. Special Services (Direct Cost)				Col 6: Supplies
Line	Service	Col. 1: Ref. No.	To Pg 16: Col. No.	
1.	OT	39-3	To Col 5	\$608,059.00
2.	ST	39-3	To Col 5	242,540.00
3.				
4.	PT	39-3	To Col 5	868,938.00
5.				
6.				
7.				
8.				
	Pharmacy Supplies per GL			454,763.00
	Manual Input from Related Party- Forum Drugs			175,459.00
9.	Total to line 9 Pharmacy	See Pg 16A	To Col 6	630,222.00
10.				
11.				
12.	Exceptional Care-Salaries:	See pg 16A	To Col. 3	0.00
12.	Exceptional Care-Supplies:	See pg 16A	To Col. 6	0.00
	Total Exceptional Care (Line 12, Col 8)			0.00
13.	Other:	See Pg 16A		0.00
13.	Col 5: Manual Input: Related Party - CPT		To Col 5	(27,129.00)
	Other			592,044.00
	Manual Input: Related Party - Prism			(37,442.00)
	Manual Input: Related Party FECII - I.V.			(391,031.00)
	Manual Input: Related Party FECII - Wound Care			(719.00)
	Oxygen, from reclass worksheet (Pg 4A)			15,573.00
13.	Col 6: Supplies Total		To Col 6	178,425.00
13.	Total Line 13, Column 8			151,296.00
14.	Total			2,501,055.00

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

		1	2	
		Operating	After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$	\$ 211,318	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 100,000)	1,745,850	1,745,850	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments		87,525	5
6	Prepaid Insurance		47,369	6
7	Other Prepaid Expenses	2,839	2,839	7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): Due from 3rd parties	63,459	63,459	9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 1,812,148	\$ 2,158,360	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		662,733	13
14	Buildings, at Historical Cost		11,880,012	14
15	Leasehold Improvements, at Historical Cost	79,145	1,142,726	15
16	Equipment, at Historical Cost	176,955	2,095,919	16
17	Accumulated Depreciation (book methods)	(161,127)	(5,053,824)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds		1,144,382	21
22	Other Long-Term Assets (spe Fin fees)		202,116	22
23	Other(specify): Due from affiliates			23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 94,973	\$ 12,074,064	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 1,907,121	\$ 14,232,424	25

		1	2	
		Operating	After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 591,469	\$ 592,892	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits	124,128	124,128	28
29	Short-Term Notes Payable		166,309	29
30	Accrued Salaries Payable	372,608	372,608	30
31	Accrued Taxes Payable (excluding real estate taxes)	75,885	75,885	31
32	Accrued Real Estate Taxes(Sch.IX-B)		56,580	32
33	Accrued Interest Payable	9,078	66,115	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	Accr Exp,Due HFS,SalesTax,Etc.	73,527	73,527	36
37	Due to affiliates	2,435,728	524,721	37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 3,682,423	\$ 2,052,765	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable		2,717,102	39
40	Mortgage Payable		12,466,670	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	Due to affiliates	3,979,885	3,979,885	43
44	S/holder loans, others			44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$ 3,979,885	\$ 19,163,657	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 7,662,308	\$ 21,216,422	46
47	TOTAL EQUITY(page 18, line 24)	\$ (5,755,187)	\$ (6,983,998)	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 1,907,121	\$ 14,232,424	48

*(See instructions.)

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ (6,938,322)	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ (6,938,322)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	1,183,135	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)	\$ 1,183,135	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)	\$ (5,755,187)	24 *

* This must agree with page 17, line 47.

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.
Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

1			
	Revenue	Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	\$ 11,565,775	1
2	Discounts and Allowances for all Levels	()	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 11,565,775	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	197,559	6
7	Oxygen	22,031	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 219,590	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop	107	12
13	Barber and Beauty Care	2,307	13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	1,843	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory		19
20	Radiology and X-Ray		20
21	Other Medical Services	8,367	21
22	Laundry		22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 12,624	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	5,218	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 5,218	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	See Pg 19A	7,087	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 7,087	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 11,810,294	30

2			
	Expenses	Amount	
	A. Operating Expenses		
31	General Services	1,667,253	31
32	Health Care	2,863,903	32
33	General Administration	2,136,159	33
	B. Capital Expense		
34	Ownership	1,091,818	34
	C. Ancillary Expense		
35	Special Cost Centers	2,766,343	35
36	Provider Participation Fee	101,683	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 10,627,159	40
41	Income before Income Taxes (line 30 minus line 40)**	1,183,135	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 1,183,135	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 of Waterford, LLC** **#** **001-7319** **Report Period Beginning:** **1/1/2011** **Ending:** **12/31/2011**

Details of Page 19, Line 28

<u>Description</u>	<u>Amount</u>
Record Copies (g/l 4977-100-001)	526
Wage/Service Fees (g/l 4977-100-006)	114
Gain on sale of assets (g/l 4985)	6,447
Line 28 Total:	<u><u>7,087</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. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	2,080	2,080	\$ 100,438	\$ 48.29	1
2	Assistant Director of Nursing	2,080	2,153	77,439	35.97	2
3	Registered Nurses	40,025	42,150	1,283,310	30.45	3
4	Licensed Practical Nurses	481	573	11,839	20.66	4
5	CNAs & Orderlies	62,957	67,355	814,326	12.09	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides					8
9	Activity Director	1,968	1,994	40,840	20.48	9
10	Activity Assistants	5,656	5,891	51,156	8.68	10
11	Social Service Workers	2,024	2,024	46,752	23.10	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook	3,862	3,862	80,537	20.85	14
15	Cook Helpers/Assistants	35,832	38,250	427,497	11.18	15
16	Dishwashers					16
17	Maintenance Workers	1,267	1,280	31,669	24.74	17
18	Housekeepers	13,048	14,336	138,023	9.63	18
19	Laundry	3,904	4,130	36,378	8.81	19
20	Administrator	2,080	2,080	124,442	59.83	20
21	Assistant Administrator	320	320	5,907	18.46	21
22	Other Administrative	8,152	8,208	198,222	24.15	22
23	Office Manager	2,080	2,080	31,407	15.10	23
24	Clerical	2,689	2,710	22,845	8.43	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator	2,080	2,080	56,552	27.19	29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care Unit Director	3,896	3,926	64,409	16.41	32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	196,481	207,482	\$ 3,643,988 *	\$ 17.56	34

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	1,900/monthly	\$ 22,800	1-3	35
36	Medical Director	3,000/monthly	36,000	10-3	36
37	Medical Records Consultant				37
38	Nurse Consultant			10-3	38
39	Pharmacist Consultant	198/monthly	2,376	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	2,289/monthly	27,472	11-3	44
45	Social Service Consultant				45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)		\$ 88,648		49

C. CONTRACT NURSES

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

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

** 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 \$3,826 IL Assoc. of HC \$1,189
- (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. \$ 26,985 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. \$ 101,683
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. \$ 25,895 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? No
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 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.