FOR BHF USE

LL1

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.

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

I. IDPH License ID Number: 0023218

Facility Name: Friendship Vill. Schaumburg

Address: 350 W. Schaumburg Road (Number) Schaumburg (City) 60194 (Zip Code)

County: Cook

Telephone Number: (847) 843-4259 **Fax #** (847) 884-5718

HFS ID Number:

Date of Initial License for Current Owners: 01/01/1977

Type of Ownership:

X	VOLUNTARY,NON-PROFIT		PROPRIETARY		GOVERNMENTAL
X	Charitable Corp.		Individual		State
	Trust		Partnership		County
IRS Exemption Code			Corporation		Other
			"Sub-S" Corp.		
			Limited Liability Co.		
			Trust		
			Other		

In the event there are further questions about this report, please contact:
Name: Chad Kunze **Telephone Number:** (314) 925-4321
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 04/01/10 to 03/31/11 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) R. Kim Klockenga
(Title) CFO

Paid Preparer

(Signed) (Date)
(Print Name and Title) Chad D. Kunze, CPA, Principal
(Firm Name & Address) LarsonAllen LLP, 600 Washington Ave, Suite 1800 St. Louis, MO 63101
(Telephone) (314) 925-4300 Fax # (314) 925-4350

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 Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

III. STATISTICAL DATA

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

	1 Beds at Beginning of Report Period	2 Licensure Level of Care	3 Beds at End of Report Period	4 Licensed Bed Days During Report Period	
1	250	Skilled (SNF)	250	91,250	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	250	TOTALS	250	91,250	7

B. Census-For the entire report period.

	1 Level of Care	2 Patient Days by Level of Care and Primary Source of Payment: Medicaid Recipient	3 Private Pay	4 Other	5 Total	
8	SNF	25,288	42,594	15,186	83,068	8
9	SNF/PED					9
10	ICF					10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	25,288	42,594	15,186	83,068	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 91.03%

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)
Home Health, Clinic, Adult Day Care

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 [X] NO [ ]

I. On what date did you start providing long term care at this location?
Date started 01/01/1977

J. Was the facility purchased or leased after January 1, 1978?
YES [ ] Date _____ NO [X]

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 250 and days of care provided 15,186

Medicare Intermediary Wisconsin Physician Services

IV. ACCOUNTING BASIS

ACCRUAL [X] MODIFIED CASH* [ ] CASH* [ ]

Is your fiscal year identical to your tax year? YES [X] NO [ ]

Tax Year: 03/31/11 Fiscal Year: 03/31/11

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

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR BHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	A. General Services	1	2	3	4	5	6	7	8	9	10	
1	Dietary	2,071,249	184,246	218,981	2,474,476		2,474,476	(1,102,602)	1,371,874			1
2	Food Purchase		1,624,679		1,624,679		1,624,679	(749,132)	875,547			2
3	Housekeeping	996,728	170,237	31,439	1,198,404		1,198,404	(1,106,374)	92,030			3
4	Laundry	236,481	50,980	6,250	293,711		293,711	(20,834)	272,877			4
5	Heat and Other Utilities			1,894,598	1,894,598		1,894,598	(1,749,104)	145,494			5
6	Maintenance	1,406,276	196,143	1,043,764	2,646,183		2,646,183	(2,442,972)	203,211			6
7	Other (specify):* Medical Waste			3,906	3,906		3,906	(3,606)	300			7
8	**TOTAL General Services**	4,710,734	2,226,285	3,198,938	10,135,957		10,135,957	(7,174,624)	2,961,333			8
	B. Health Care and Programs											
9	Medical Director			13,200	13,200		13,200		13,200			9
10	Nursing and Medical Records	6,654,045	397,502	681,946	7,733,493		7,733,493	(3,860)	7,729,633			10
10a	Therapy	80,985	70		81,055		81,055		81,055			10a
11	Activities	261,991	3,087	721	265,799		265,799		265,799			11
12	Social Services	115,268		8,343	123,611		123,611		123,611			12
13	CNA Training											13
14	Program Transportation											14
15	Other (specify):*											15
16	**TOTAL Health Care and Programs**	7,112,289	400,659	704,210	8,217,158		8,217,158	(3,860)	8,213,298			16
	C. General Administration											
17	Administrative	1,118,836		1,291,491	2,410,327		2,410,327	(1,694,110)	716,217			17
18	Directors Fees											18
19	Professional Services			44,700	44,700		44,700	(41,267)	3,433			19
20	Dues, Fees, Subscriptions & Promotions			111,514	111,514		111,514		111,514			20
21	Clerical & General Office Expenses	946,045	20,119	587,524	1,553,688		1,553,688	(979,679)	574,009			21
22	Employee Benefits & Payroll Taxes			4,355,923	4,355,923		4,355,923	(1,992,395)	2,363,528			22
23	Inservice Training & Education											23
24	Travel and Seminar			21,123	21,123		21,123	(5,603)	15,520			24
25	Other Admin. Staff Transportation							(1,960)	(1,960)			25
26	Insurance-Prop.Liab.Malpractice			514,175	514,175		514,175	(474,689)	39,486			26
27	Other (specify):*											27
28	**TOTAL General Administration**	2,064,881	20,119	6,926,450	9,011,450		9,011,450	(5,189,703)	3,821,747			28
29	**TOTAL Operating Expense (sum of lines 8, 16 & 28)**	13,887,904	2,647,063	10,829,598	27,364,565		27,364,565	(12,368,187)	14,996,378			29

***Attach a schedule if more than one type of cost is included on this line, or if the total exceeds $1000.**
NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number Friendship Vill. Schaumburg #0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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							
	D. Ownership	1	2	3	4	5	6	7	8	9	10	
30	Depreciation			6,637,800	6,637,800		6,637,800	(6,334,848)	302,952			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			6,795,242	6,795,242		6,795,242	(6,346,222)	449,020			32
33	Real Estate Taxes			630,266	630,266		630,266	(581,865)	48,401			33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles			32,743	32,743		32,743		32,743			35
36	Other (specify):* Other Capital			155,582	155,582		155,582	(140,640)	14,942			36
37	TOTAL Ownership			14,251,633	14,251,633		14,251,633	(13,403,575)	848,058			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers	62,225	918,968	1,432,835	2,414,028		2,414,028		2,414,028			39
40	Barber and Beauty Shops			60,973	60,973		60,973		60,973			40
41	Coffee and Gift Shops	56,762	26,854	6,536	90,152		90,152	(83,616)	6,536			41
42	Provider Participation Fee			137,850	137,850		137,850		137,850			42
43	Other (specify):* Non-Reimbursable	2,393,865	452,566	1,514,991	4,361,422		4,361,422	(4,361,422)				43
44	TOTAL Special Cost Centers	2,512,852	1,398,388	3,153,185	7,064,425		7,064,425	(4,445,038)	2,619,387			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	16,400,756	4,045,451	28,234,416	48,680,623		48,680,623	(30,216,800)	18,463,823			45

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

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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	(21,836)	02		4
5	Telephone, TV & Radio in Resident Rooms	(101,265)	21		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation		30		9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax		02		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(5,603)	24		24
25	Fund Raising, Advertising and Promotional				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 Non-Allowable Expenses	(29,496,467)			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (29,625,171)		$	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)	(591,629)		34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$ (591,629)		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (30,216,800)		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.			$		38
39						39
40	Gift and Coffee Shops					40
41	Barber and Beauty Shops					41
42	Laboratory and Radiology					42
43	Prescription Drugs					43
44						44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

Friendship Vill. Schaumburg

ID# 0023218

Report Period Beginning: 04/01/10

Ending: 03/31/11

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	Vending Machine Revenue	$ (3,355)	02	1
2	lnvestment Income	(790,589)	32	2
3	Village Store lncome	(83,616)	41	3
4	Assisted Living/lndependent Living	(2,105,195)	43	4
5				5
6	Marketing Wages	(659,011)	43	6
7	Marketing Expenses	(1,186,765)	43	7
8	Bank Fees	(33,840)	21	8
9	Bridgewater Place Depreciation	(2,692,817)	30	9
10	Amortization of Bond Costs	(140,640)	36	10
11	Remarketing Fee Expense	(12,102)	32	11
12	Investment Fees	(116,348)	21	12
13	HCC - Wheel Chair Revenue	(3,860)	10	13
14	Home Health Wages	(406,456)	43	14
15	Home Health Expenses	(3,995)	43	15
16	Misc. Income	(17,571)	21	16
17	Out of State Travel	(1,960)	25	17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29	Non-I-ICC Adjustment:			29
30	Dietary	(1,102,602)	1	30
31	Food Purchase	(723,941)	2	31
32	Housekeeping	(1,106,374)	3	32
33	Laundry	(20,834)	4	33
34	Heat & Utilities	(1,749,104)	5	34
35	Maintenance	(2,442,972)	6	35
36	Other (Disposal, Waste)	(3,606)	7	36
37	Administrative	(1,102,481)	17	37
38	Professional Services	(41,267)	19	38
39	Clerical & General	(710,655)	21	39
40	Employee Benefits	(1,992,395)	22	40
41	Insurance	(474,689)	26	41
42	Depreciation	(3,642,031)	30	42
43	Interest	(5,543,531)	32	43
44	Real Estate Taxes	(581,865)	33	44
45				45
46				46
47				47
48				48
49	**Total**	(29,496,467)		49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 **Report Period Beginning:** 04/01/10 **Ending:** 03/31/11

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 TOTALS	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
1	Dietary	(1,102,602)	0	0	0	0	0	0	0	0	0	0	(1,102,602)	1
2	Food Purchase	(749,132)	0	0	0	0	0	0	0	0	0	0	(749,132)	2
3	Housekeeping	(1,106,374)	0	0	0	0	0	0	0	0	0	0	(1,106,374)	3
4	Laundry	(20,834)	0	0	0	0	0	0	0	0	0	0	(20,834)	4
5	Heat and Other Utilities	(1,749,104)	0	0	0	0	0	0	0	0	0	0	(1,749,104)	5
6	Maintenance	(2,442,972)	0	0	0	0	0	0	0	0	0	0	(2,442,972)	6
7	Other (specify):*	(3,606)	0	0	0	0	0	0	0	0	0	0	(3,606)	7
8	**TOTAL General Services**	(7,174,624)	0	0	0	0	0	0	0	0	0	0	(7,174,624)	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	(3,860)	0	0	0	0	0	0	0	0	0	0	(3,860)	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	CNA Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	15
16	**TOTAL Health Care and Programs**	(3,860)	0	0	0	0	0	0	0	0	0	0	(3,860)	16
	C. General Administration													
17	Administrative	(1,102,481)	(591,629)	0	0	0	0	0	0	0	0	0	(1,694,110)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	(41,267)	0	0	0	0	0	0	0	0	0	0	(41,267)	19
20	Fees, Subscriptions & Promotions	0	0	0	0	0	0	0	0	0	0	0	0	20
21	Clerical & General Office Expenses	(979,679)	0	0	0	0	0	0	0	0	0	0	(979,679)	21
22	Employee Benefits & Payroll Taxes	(1,992,395)	0	0	0	0	0	0	0	0	0	0	(1,992,395)	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	(5,603)	0	0	0	0	0	0	0	0	0	0	(5,603)	24
25	Other Admin. Staff Transportation	(1,960)	0	0	0	0	0	0	0	0	0	0	(1,960)	25
26	Insurance-Prop.Liab.Malpractice	(474,689)	0	0	0	0	0	0	0	0	0	0	(474,689)	26
27	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	27
28	**TOTAL General Administration**	(4,598,074)	(591,629)	0	0	0	0	0	0	0	0	0	(5,189,703)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(11,776,558)	(591,629)	0	0	0	0	0	0	0	0	0	(12,368,187)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 **Report Period Beginning:** 04/01/10 **Ending:** 03/31/11

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

	Capital Expense D. Ownership	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
30	Depreciation	(6,334,848)	0	0	0	0	0	0	0	0	0	0	(6,334,848)	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(6,346,222)	0	0	0	0	0	0	0	0	0	0	(6,346,222)	32
33	Real Estate Taxes	(581,865)	0	0	0	0	0	0	0	0	0	0	(581,865)	33
34	Rent-Facility & Grounds	0	0	0	0	0	0	0	0	0	0	0	0	34
35	Rent-Equipment & Vehicles	0	0	0	0	0	0	0	0	0	0	0	0	35
36	Other (specify):*	(140,640)	0	0	0	0	0	0	0	0	0	0	(140,640)	36
37	**TOTAL Ownership**	(13,403,575)	0	0	0	0	0	0	0	0	0	0	(13,403,575)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	(83,616)	0	0	0	0	0	0	0	0	0	0	(83,616)	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	(4,361,422)	0	0	0	0	0	0	0	0	0	0	(4,361,422)	43
44	**TOTAL Special Cost Centers**	(4,445,038)	0	0	0	0	0	0	0	0	0	0	(4,445,038)	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	(29,625,171)	(591,629)	0	0	0	0	0	0	0	0	0	(30,216,800)	45

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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

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. [X] 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 Schedule V	2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V	17	Management Fees	$ 2,307,096	Friendship Village Executive/ Corporate Allocation		$ 1,715,467	$ (591,629)	1
2	V								2
3	V								3
4	V								4
5	V								5
6	V								6
7	V								7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			$ 2,307,096			$ 1,715,467	$ * (591,629)	14

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

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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	See attached board of directors listing.							1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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	2	3	4	5	6		7		8	
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		Compensation Included in Costs for this Reporting Period**		Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	See Attached Board of Directors								$		1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	$		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 Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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 [X] NO [ ]

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

Name of Related Organization: Friendship Senior Options
Street Address: 350 W. Schaumburg Road
City / State / Zip Code: Schaumburg, IL 60194
Phone Number: (847) 490-6271
Fax Number: ( )

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	1	Dietary	Meals Ratio	448,226	2	$ 2,474,476	$ 2,071,249	248,501	$ 1,371,874	1
2	2	Food Purchase	Meals Ratio	448,226	2	1,624,679	0	248,501	900,738	2
3	3	Housekeeping	Square Feet	737,530	2	1,198,404	996,728	56,638	92,030	3
4	4	Laundry	Pounds	1,090,814	2	293,711	236,481	1,013,439	272,877	4
5	5	Heat & Utilities	Square Feet	737,530	2	1,894,598	0	56,638	145,494	5
6	6	Maintenance	Square Feet	737,530	2	2,646,183	1,406,276	56,638	203,211	6
7	7	Other (disposal, waste)	Square Feet	737,530	2	3,906	0	56,638	300	7
8	17	Administrative	Employee Ratio	446	2	2,410,327	1,118,836	242	1,307,846	8
9	19	Professional Services	Square Feet	737,530	2	44,700	0	56,638	3,433	9
10	21	Clerical & General	Employee Ratio	446	2	1,553,688	946,045	242	843,033	10
11	22	Employee Benefits	Employee Ratio	446	2	4,355,923	0	242	2,363,528	11
12	26	Insurance	Square Feet	737,530	2	514,175	0	56,638	39,486	12
13	30	Depreciation	Actual	737,530	2	3,944,983	0	56,638	302,952	13
14	32	Interest	Square Feet	737,530	2	6,004,653	0	56,638	461,122	14
15	33	Real Estate Taxes	Square Feet	737,530	2	630,266	0	56,638	48,401	15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$ 29,594,672	$ 6,775,615		$ 8,356,325	25

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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** YES	Related** NO	Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note Original	Amount of Note Balance	Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
	A. Directly Facility Related Long-Term											
1	Revenue Bond Series 2005	X		Bond Issuance			$ 125,000,000	$ 71,030,158		Variable	$ 4,318,518	1
2	Revenue Bond Series 2010							34,418,514			2,417,120	2
3												3
4												4
5												5
	Working Capital											
6	Line of Credit		X					147,884			47,502	6
7												7
8												8
9	TOTAL Facility Related						$ 125,000,000	$ 105,596,556			$ 6,783,140	9
	B. Non-Facility Related*											
10	Investment Income										(790,589)	10
11												11
12												12
13	See Supplemental Schedule										(5,543,531)	13
14	TOTAL Non-Facility Related						$	$			$ (6,334,120)	14
15	TOTALS (line 9+line14)						$ 125,000,000	$ 105,596,556			$ 449,020	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. $ None Line # N/A

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

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

Facility Name & ID Number Friendship Vill. Schaumburg **#** 0023218 **Report Period Beginning:** 04/01/10 **Ending:** 03/31/11

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

B. Real Estate Taxes

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.**	$ 428,031	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.)		$ 635,798	2
3. Under or (over) accrual (line 2 minus line 1).		$ 207,767	3
4. Real Estate Tax accrual used for 2011 report. (Detail and explain your calculation of this accrual on the lines below.)		$ 422,499	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.		$ 630,266	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	2006	651,069	8
	2007	660,458	9
	2008	624,209	10
	2009	521,222	11
	2010	635,798	12

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 Friendship Vill. Schaumburg COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0023218

CONTACT PERSON REGARDING THIS REPORT Jeff Nyberg

TELEPHONE 847-843-4259 FAX #: 847-884-5718

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) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	See Attached	Long Term Care Property	$ 635,797.79	$ 48,825.56
2.			$	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 635,797.79	$ 48,825.56

B. **Real Estate Tax Cost Allocations**

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

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

C. **Tax Bills**

Attach a copy of the original 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.

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 737,530 B. General Construction Type: Exterior Brick Frame Steel Number of Stories 3

C. Does the Operating Entity? [X] (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? [X] (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).

Bridgegate Apartments - Independent Living Apartments - Buildings Separate From SNF
Bridgewater Place Apartment Homes - Independent Living Apartment Home - Buildings Separate From SNF
Crosswell Terrace Garden Homes - Independent Living Homes - Buildings Separate From SNF
The Willows Assisted Living - Buildings Separate From SNF
Reflections - Memory Support - Buildings SeperateFrom SNF
Clinic - 364,499 Square Feet of Space in Building Where SNF is Located
Home Care - 1,888 Square Feet in Building Where SNF is Located.

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 Use	2 Square Feet	3 Year Acquired	4 Cost	
1		Approx. 50 Acres	1977	$ 132,065	1
2					2
3	TOTALS	#VALUE!		$ 132,065	3

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

XI. OWNERSHIP COSTS (continued)

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

	1 Beds*	FOR BHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	180		1977	1977	$ 1,760,825	$ 44,021	40	$ 44,021	$	$	4
5	10		1993	1993	1,102,771	27,569	40	27,569			5
6	60		1998	1998	2,934,069	73,352	40	73,352			6
7											7
8											8
	Improvement Type**										
9	1977 Fixed Assets			1977	106,955		Various				9
10	1986 Fixed Assets			1986	60,910		Various				10
11	1988 Fixed Assets			1988	43,130		Various				11
12	1989 Fixed Assets			1989	64,518		Various				12
13	1990 Fixed Assets			1990	47,446		Various				13
14	1991 Fixed Assets			1991	45,448		Various				14
15	1992 Fixed Assets			1992	13,719		Various				15
16	1993 Fixed Assets			1993	16,879		Various				16
17	1994 Fixed Assets			1994	36,357		Various				17
18	1995 Fixed Assets			1995	272,667		Various				18
19	1996 Fixed Assets			1996	204,229		Various				19
20	1997 Fixed Assets			1997	636,288		Various				20
21	1998 Fixed Assets			1998	1,051,362		Various				21
22	1999 Fixed Assets			1999	274,179		Various				22
23	2000 Fixed Assets			2000	266,127		Various				23
24	2001 Fixed Assets			2001	1,247,924		Various				24
25	2002 Fixed Assets			2002	382,382		Various				25
26	2003 Fixed Assets			2003	979,835		Various				26
27	2004 Fixed Assets			2004	47,842		Various				27
28	2005 Fixed Assets			2005	97,957		Various				28
29	2006 Fixed Assets			2006	820,039		Various				29
30	2007 Fixed Assets			2007	36,004		Various				30
31											31
32											32
33											33
34											34
35											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 Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

XI. OWNERSHIP COSTS (continued)

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

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37	Install 4 new hdtv tuners and mods	2007	$ 388	$		$	$	$	37
38	Roof Repairs	2007	364						38
39	Development Costs (57041)	2007	7,638						39
40	Village Market and Café (34136)	2007	4,571						40
41	Sheffild Dining Room Renovations (76694)	2007	10,270						41
42	Sheffild Dining Room Renovations Design only (4995)	2007	669						42
43	Repair Asphault Drive Along North Road & Stripping (9160)	2007	1,227						43
44	F Wing circuit breaker repait	2007	1,261						44
45	bathroom grab bars	2007	4,288						45
46	install valves, tub, and showers	2007	2,885						46
47	repair broken sprinkler heads (2750)	2007	368						47
48	repair leak in fire system sprinklers (3069)	2007	411						48
49	Repairs to Frint Entrance (4521)	2007	605						49
50	Change Combustion Motors and Farn Wheels on HVAC (2689)	2007	360						50
51	Roof Repairs (2615)	2007	350						51
52	Roof Repairs (2610)	2007	349						52
53	Renovation of Associate Store (895)	2008	69						53
54	Sheffield Kitchen Steel Double Exterior Doors (1575)	2008	121						54
55	Tile Replacement in Kitchen and Cart Room (7000)	2008	538						55
56	Sidewalk Slab Replacements (5425)	2008	417						56
57	Garden Way to HCC Sidewalk (4500)	2008	346						57
58	Connecting Garden Wat to Pleasant Drive (2798)	2008	215						58
59	Special Care Phase li Design Cost	2008	74,919						59
60	Gazebo Landscaping	2008	3,348						60
61	Special Care Phase li Renovation	2008	174,683						61
62	Gazebo Replacement	2008	15,360						62
63	Gazebo Replacement	2008	11,100						63
64	Air Conditioner in Pantries	2008	6,041						64
65	Wanderguard Replacements	2008	2,901						65
66	Delayed Egress Magnetic Lock for E/F Vestibule Interior	2008	3,052						66
67	Automatic Door Lock for Max's lounge	2008	3,041						67
68	Flooring for Max's Lounge		2,775						68
69									69
70	TOTAL (lines 4 thru 69)		$ 12,884,792	$ 144,942		$ 144,942	$	$	70

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

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

XI. OWNERSHIP COSTS (continued)

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

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12A, Carried Forward		$ 12,884,792	$ 144,942		$ 144,942	$	$	1
2	Ceiling Tiles, Repaired & touched up ceilings, painting (5040)	2008	667		20				2
3	Plumbing and interior wall replacement	2008	336		20				3
4	replace gasket and seal kit on hot water pump #2 in bldg G.	2008	3,240		20				4
5	replace thermostat, cover plate, motor (3006)	2008	222		20				5
6	electrical to fix pole lights around sidewalk (4373)	2008	387		20				6
7	elevator repairs (8683)	2008	5,223		20				7
8	replace compressor in hvac unit for max's lounge	2008	262		20				8
9	motors, bearing assembly, impeller, sequencer, pump (2885)	2008	231		20				9
10	shut down commercial irrigation and repair leaks in water line	2008	204		20				10
11	shut down commercial irrigation for repairs (2650)	2008	277		20				11
12	fire system repairs (6970)	2008	535		20				12
13	telephone system installation completion (16602)	2009	1,275		20				13
14	uninterupted power supply replacement (20395)	2009	1,566		20				14
15	wireless survey (3500)	2009	269		20				15
16	freezer floor replacement (4250)	2009	326		20				16
17	dish room garbage disposal (4814)	2009	370		20				17
18	sprinklers for walk-in cooler and walk in freezer (3385)	2009	260		20				18
19	countertop replacement (6135)	2009	471		20				19
20	automatic door operators	2009	19,698		20				20
21	fire hydrant and aux valve replacement	2009	4,295		20				21
22	landscaping (6000)	2009	461		20				22
23	chiller repair (3269)	2009	251		20				23
24	hvad repairs (4104)	2009	315		20				24
25	replace compressor in hvac unit	2009	5,495		20				25
26	hvac repairs	2009	20,991		20				26
27	fire alarm system repairs	2009	3,118		20				27
28	hallway sprinkler damage repair	2009	6,860		20				28
29	replace the valve and actuator	2009	3,980		20				29
30	irrigation system repair (32322)	2009	2,482		20				30
31	kitchen water damage repairs (3461)	2009	266		20				31
32	acoustical design services (2600)	2009	200		20				32
33	fire alarm system repairs (5605)	2009	430		20				33
34	TOTAL (lines 1 thru 33)		$ 12,969,755	$ 144,942		$ 144,942	$	$	34

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

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

XI. OWNERSHIP COSTS (continued)

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

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
1	Totals from Page 12B, Carried Forward		$ 12,969,755	$ 144,942		$ 144,942	$	$	1
2	Bathroom Fixtures (2524)	2009	194		20				2
3	Spa Pump Repairs (2585)	2009	199		20				3
4	HVAC repairs (4690)	2010	360		20				4
5	regrout kitchen floor (3017)	2010	232		20				5
6	sprinkler repairs (12913)	2010	992		20				6
7	Briarwood Anti-Elopement Door	2011	130,985		10				7
8	Associate Store Renovation	2011	4,499		15				8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33	Financial Statement Depreciation			158,010		158,010			33
34	TOTAL (lines 1 thru 33)		$ 13,107,216	$ 302,952		$ 302,952	$	$	34

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

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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	$ 3,070,559	$	$	$		$	71
72	Current Year Purchases							72
73	Fully Depreciated Assets							73
74								74
75	TOTALS	$ 3,070,559	$	$	$		$	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		96 Chevy Pickup	1996	$ 8,996	$	$	$	5	$	76
77		Van	2005	20,852				5		77
78		Pick-up Truck	2005	18,259				5		78
79										79
80	TOTALS			$ 48,107	$	$	$		$	80

E. Summary of Care-Related Assets

		1 Reference	2 Amount		
81	Total Historical Cost	(line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	$ 16,357,947	81	
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 302,952	82	
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 302,952	83	**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$	84	
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$	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	Marketing Office - 2002	$ 34,792	$	$	86
87					87
88					88
89					89
90					90
91	TOTALS	$ 34,792	$	$	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.

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A
2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4?
   If NO, see instructions. ☐ YES ☐ NO

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

10. Effective dates of current rental agreement:
    Beginning
    Ending

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

	Fiscal Year Ending	Annual Rent
12.	/2012	$
13.	/2013	$
14.	/2014	$

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: $ 32,743 Description: Various medical equipment items.
    (Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			$	$	17
18					18
19					19
20					20
21	TOTAL		$	$	21

* If there is an option to buy the building, please provide complete details on attached schedule.

** This amount plus any amortization of lease expense must agree with page 4, line 34.

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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
   - [X] NO

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

   No CNA training took place at the facility, all training was completed off-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.

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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	10a-3	hrs	$	6,113	$ 393,641	$	6,113	$ 393,641	1
2	Licensed Speech and Language Development Therapist	10a-3	hrs		936	73,962		936	73,962	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	10a-3	hrs		10,886	783,210		10,886	783,210	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	39-02	# of prescrpts				918,968		918,968	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):									12
13	Other (specify):									13
14	TOTAL			$	17,935	$ 1,250,813	$ 918,968	17,935	$ 2,169,781	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.

STATE OF ILLINOIS

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

XV. BALANCE SHEET - Unrestricted Operating Fund.

As of 03/31/11 (last day of reporting year)

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

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	$ 5,410,212	$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 151,354)	3,342,292		3
4	Supply Inventory (priced at)	104,602		4
5	Short-Term Investments			5
6	Prepaid Insurance	215,757		6
7	Other Prepaid Expenses	151,379		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): See Attached Schedule	11,459,806		9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 20,684,048	$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	22,547,281		12
13	Land	4,524,257		13
14	Buildings, at Historical Cost	119,358,863		14
15	Leasehold Improvements, at Historical Cost	41,037,994		15
16	Equipment, at Historical Cost	12,156,007		16
17	Accumulated Depreciation (book methods)	(60,523,516)		17
18	Deferred Charges	1,620,509		18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See Attached Schedule	6,813,189		23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 147,534,584	$	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 168,218,632	$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 6,677,638	$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable			29
30	Accrued Salaries Payable	1,008,645		30
31	Accrued Taxes Payable (excluding real estate taxes)	9,559		31
32	Accrued Real Estate Taxes(Sch.IX-B)	422,499		32
33	Accrued Interest Payable	842,959		33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See Attached Schedule	319,583		36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 9,280,883	$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	147,884		39
40	Mortgage Payable			40
41	Bonds Payable	110,448,672		41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	See Attached Schedule	93,759,115		43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$ 204,355,671	$	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 213,636,554	$	46
47	**TOTAL EQUITY(page 18, line 24)**	$ (45,417,922)	$	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 168,218,632	$	48

*(See instructions.)

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 **Report Period Beginning:** 04/01/10 **Ending:** 03/31/11

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ (43,210,761)	1
2	Restatements (describe):		2
3			3
4	Change in Restricted Net Assets	(130,201)	4
5			5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ (43,340,962)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(2,076,967)	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) Rounding	7	15
16	Other (describe)		16
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ (2,076,960)	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)**	$ (45,417,922)	24 *

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

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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.

	Revenue	1 Amount	
	A. Inpatient Care		
1	Gross Revenue -- All Levels of Care	$ 22,508,985	1
2	Discounts and Allowances for all Levels	(1,911,527)	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 20,597,458	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	364,146	6
7	Oxygen	46,715	7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 410,861	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	CNA Training Reimbursements		11
12	Gift and Coffee Shop		12
13	Barber and Beauty Care	482	13
14	Non-Patient Meals	58,754	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	23,930	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	(187)	19
20	Radiology and X-Ray	160	20
21	Other Medical Services	667,528	21
22	Laundry	57,327	22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 807,994	23
	D. Non-Operating Revenue		
24	Contributions	170,334	24
25	Interest and Other Investment Income***	2,498,052	25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ 2,668,386	26
	E. Other Revenue (specify):**		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	IL/AL Revenue	20,739,599	28
28a	Other Revenue	1,379,358	28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 22,118,957	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 46,603,656	30

	Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	10,135,957	31
32	Health Care	8,217,158	32
33	General Administration	9,011,450	33
	B. Capital Expense		
34	Ownership	14,251,633	34
	C. Ancillary Expense		
35	Special Cost Centers	6,921,281	35
36	Provider Participation Fee	143,144	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 48,680,623	40
41	**Income before Income Taxes (line 30 minus line 40)****	(2,076,967)	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ (2,076,967)	43

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

** **Does this agree with taxable income (loss) per Federal Income Tax Return? N/A 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 Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)
(This schedule must cover the entire reporting period.)

		1 # of Hrs. Actually Worked	2** # of Hrs. Paid and Accrued	3 Reporting Period Total Salaries, Wages	4 Average Hourly Wage	
1	Director of Nursing	728	760	$ 35,067	$ 46.14	1
2	Assistant Director of Nursing	4,000	4,642	181,775	39.15	2
3	Registered Nurses	63,855	70,949	2,460,528	34.68	3
4	Licensed Practical Nurses	24,981	27,934	770,998	27.60	4
5	CNAs & Orderlies	180,663	200,955	2,916,726	14.51	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	6,230	7,007	80,985	11.56	8
9	Activity Director					9
10	Activity Assistants	26,467	29,156	318,421	10.92	10
11	Social Service Workers	5,720	6,240	179,325	28.74	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	121,006	130,227	1,830,136	14.05	15
16	Dishwashers	17,301	18,593	241,113	12.97	16
17	Maintenance Workers	82,102	91,335	1,406,276	15.40	17
18	Housekeepers	83,431	92,971	996,728	10.72	18
19	Laundry	19,817	22,216	236,481	10.64	19
20	Administrator	1,880	2,080	103,231	49.63	20
21	Assistant Administrator					21
22	Other Administrative	15,376	17,451	1,015,605	58.20	22
23	Office Manager					23
24	Clerical	59,421	66,733	1,345,340	20.16	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records	11,236	12,637	185,710	14.70	31
32	Other Health Care(specify)					32
33	Other(specify) See Attached Sch	113,299	125,685	2,096,301	16.68	33
34	TOTAL (lines 1 - 33)	837,513	927,572	$ 16,400,746 *	$ 17.68	34

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

** See instructions.

B. CONSULTANT SERVICES

		1 Number of Hrs. Paid & Accrued	2 Total Consultant Cost for Reporting Period	3 Schedule V Line & Column Reference	
35	Dietary Consultant		$		35
36	Medical Director	Monthly	13,200	9-2	36
37	Medical Records Consultant	Monthly	2,156	10-2	37
38	Nurse Consultant				38
39	Pharmacist Consultant	Monthly	12,925	10-2	39
40	Physical Therapy Consultant	Monthly			40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	Monthly			44
45	Social Service Consultant	Monthly	480	12-03	45
46	Other(specify)				46
47	Dietary Outside Labor	Monthly	285,475	1-03	47
48					48
49	TOTAL (lines 35 - 48)		$ 314,236		49

C. CONTRACT NURSES

		1 Number of Hrs. Paid & Accrued	2 Total Contract Wages	3 Schedule V Line & Column Reference	
50	Registered Nurses	1,052	$ 81,288	10-3	50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides	860	19,851	10-3	52
53	TOTAL (lines 50 - 52)	1,912	$ 101,139		53

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Alston, Robert	CEO, FSO	0	$ 91,116
Yenchek, Stephen	CEO, FSO	0	215,164
Johnson, Rebecca	VP of HR/QI	0	144,391
Klockenga, Richard K.	VP/CFO	0	194,401
Gerke Jr., Raymond	Dir. of Financial Planning	0	111,387
Corcoran, Helene	Corp Dir Risk Mgmt	0	132,498
See Attached Schedule			229,879
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			$ 1,118,836

B. Administrative - Other

Description	Amount
Management Fees FSO	$ 1,291,491
TOTAL (agree to Schedule V, line 17, col. 3)	$ 1,291,491
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
		$
See Attached	Legal Fees	41,791
HR Advantage	Compensation Reviews	2,234
RSM McGladrey	Employee Benefit Plan	675
TOTAL (agree to Schedule V, line 19, column 3)		
(If total legal fees exceed $5,000, attach copy of invoices.)		$ 44,700

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 452,236
Unemployment Compensation Insurance	39,036
FICA Taxes	1,160,924
Employee Health Insurance	2,042,699
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
401k contributions	50,026
Life Insurance	37,468
Disability Ins.	171,629
Vaccinations	5,630
Physicals	
Employee Programs	29,312
See Supplemental Schedule	(1,625,432)
TOTAL (agree to Schedule V, line 22, col.8)	$ 2,363,528

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

Description	Line #	Amount
		$
TOTAL		$

* Attach copy of IMRF notifications

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$
Advertising: Employee Recruitment	91,417
Health Care Worker Background Check	
(Indicate # of checks performed 222)	6,080
Patient Background Checks 560	8,962
Subscriptions & Publications	5,055
Less: Public Relations Expense	( )
Non-allowable advertising	( )
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 111,514

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	
Seminar Expense	15,520
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 15,520

**See instructions.

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

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

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

Facility Name & ID Number Friendship Vill. Schaumburg # 0023218 Report Period Beginning: 04/01/10 Ending: 03/31/11

XX. GENERAL INFORMATION:

(1) Are nursing employees (RN,LPN,NA) represented by a union? **No**

(2) Are there any dues to nursing home associations included on the cost report? **Yes**
If YES, give association name and amount. **LSN $500**

(3) Did the nursing home make political contributions or payments to a political action organization? **No** If YES, have these costs been properly adjusted out of the cost report? **N/A**

(4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? **No** If YES, what is the capacity? **N/A**

(5) Have you properly capitalized all major repairs and equipment purchases? **Yes**
What was the average life used for new equipment added during this period? **10 Years**

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **102,142** Line **10**

(7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? **Yes** If NO, attach a complete explanation.

(8) Are you presently operating under a sale and leaseback arrangement? **No**
If YES, give effective date of lease. **N/A**

(9) Are you presently operating under a sublease agreement? YES **X** NO

(10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO **X** If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.
N/A

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. $ **137,850**
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? **Yes (See Page 8)** 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. $ Has any meal income been offset against related costs? **Yes** Indicate the amount. $ **85,451**

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? **No**
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? **No** If YES, please indicate the amount of income earned from such a program during this reporting period. $ **N/A**
c. What percent of all travel expense relates to transportation of nurses and patients? **None**
d. Have vehicle usage logs been maintained? **N/A**
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? **N/A**
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? **N/A**
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. $ **N/A**

(17) Has an audit been performed by an independent certified public accounting firm? **Yes**
Firm Name: **LarsonAllen LLP**

(18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? **Yes**

(19) If total legal fees are in excess of $5,000, have legal invoices and a summary of services performed been attached to this cost report? **Yes**
Attach invoices and a summary of services for all architect and appraisal fees.