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: 0051581

Facility Name: The Grove At The Lake Living And Rehab

Address: 2534 Elim Avenue (Number) Zion (City) 60099 (Zip Code)

County: Lake

Telephone Number: (847) 746-8435 **Fax #** (847) 746-1744

HFS ID Number:

Date of Initial License for Current Owners: 10/10/82

Type of Ownership:

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

In the event there are further questions about this report, please contact:
Name: Steve Lavenda **Telephone Number:** (847) 236-1111
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 01/01/11 to 12/31/11 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)
(Title)

Paid Preparer
(Signed) (Date)
(Print Name and Title) Cary C. Buxbaum, C.P.A.
(Firm Name & Address) Frost, Ruttenberg & Rothblatt, P.C.
111 Pfingsten Road, Suite 300 Deerfield, IL 60015
(Telephone) (847) 236-1111 Fax # (847) 236-1155

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	67	Skilled (SNF)	67	24,455	1
2		Skilled Pediatric (SNF/PED)			2
3	163	Intermediate (ICF)	163	59,495	3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	230	TOTALS	230	83,950	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	270		7,719	7,989	8
9	SNF/PED					9
10	ICF	61,306	2,997	681	64,984	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	61,576	2,997	8,400	72,973	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 86.92%

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)
N/A

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 10/10/1982

J. Was the facility purchased or leased after January 1, 1978?
YES [X] Date 10/10/1982 NO [ ]

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 67 and days of care provided 7,447

Medicare Intermediary National Government Services

IV. ACCOUNTING BASIS

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

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

Tax Year: 12/31/2011 Fiscal Year: 12/31/2011

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	543,456	81,570	23,737	648,763		648,763		648,763			1
2	Food Purchase		516,874		516,874	(65,415)	451,459	(170)	451,288			2
3	Housekeeping	341,549	80,045	1,327	422,921		422,921	445	423,366			3
4	Laundry	105,454	34,959	33,209	173,622		173,622		173,622			4
5	Heat and Other Utilities			270,459	270,459		270,459	(7,563)	262,896			5
6	Maintenance	209,619	34,500	196,531	440,650		440,650	(5,358)	435,292			6
7	Other (specify):*											7
8	TOTAL General Services	1,200,078	747,948	525,263	2,473,289	(65,415)	2,407,874	(12,646)	2,395,228			8
	B. Health Care and Programs											
9	Medical Director			14,879	14,879		14,879		14,879			9
10	Nursing and Medical Records	3,939,114	321,745	140,612	4,401,471		4,401,471	15,605	4,417,076			10
10a	Therapy	177,570	19,187	12,535	209,292		209,292		209,292			10a
11	Activities	176,904	25,965	21,524	224,393		224,393		224,393			11
12	Social Services	167,361		8,352	175,713		175,713		175,713			12
13	CNA Training											13
14	Program Transportation			2,843	2,843		2,843		2,843			14
15	Other (specify):*							1,311	1,311			15
16	TOTAL Health Care and Programs	4,460,949	366,897	200,745	5,028,591		5,028,591	16,916	5,045,507			16
	C. General Administration											
17	Administrative	142,181		343,395	485,576		485,576	(257,762)	227,814			17
18	Directors Fees											18
19	Professional Services			235,208	235,208	(10,587)	224,621	(72,954)	151,667			19
20	Dues, Fees, Subscriptions & Promotions			132,421	132,421		132,421	(80,020)	52,401			20
21	Clerical & General Office Expenses	298,004	9,494	457,046	764,544		764,544	(380,019)	384,525			21
22	Employee Benefits & Payroll Taxes			1,339,224	1,339,224	65,415	1,404,639	(2,808)	1,401,832			22
23	Inservice Training & Education											23
24	Travel and Seminar			12,149	12,149		12,149	(434)	11,715			24
25	Other Admin. Staff Transportation			18,278	18,278		18,278		18,278			25
26	Insurance-Prop.Liab.Malpractice			237,434	237,434		237,434	(1,182)	236,252			26
27	Other (specify):*							12,381	12,381			27
28	TOTAL General Administration	440,185	9,494	2,775,155	3,224,834	54,828	3,279,662	(782,797)	2,496,865			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	6,101,212	1,124,339	3,501,163	10,726,714	(10,587)	10,716,127	(778,527)	9,937,600			29

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

SEE ACCOUNTANTS' COMPILATION REPORT

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 The Grove At The Lake Living And Rehab #0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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			264,274	264,274		264,274	208,114	472,388			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			111,160	111,160		111,160	325,392	436,552			32
33	Real Estate Taxes			171,684	171,684	10,587	182,271	78,429	260,700			33
34	Rent-Facility & Grounds			552,000	552,000		552,000	(552,000)				34
35	Rent-Equipment & Vehicles			26,782	26,782		26,782		26,782			35
36	Other (specify):*											36
37	TOTAL Ownership			1,125,900	1,125,900	10,587	1,136,487	59,935	1,196,422			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		431,982	883,989	1,315,971		1,315,971		1,315,971			39
40	Barber and Beauty Shops											40
41	Coffee and Gift Shops											41
42	Provider Participation Fee			125,925	125,925		125,925		125,925			42
43	Other (specify):*	35,163		40,105	75,268		75,268	(75,268)	(0)			43
44	TOTAL Special Cost Centers	35,163	431,982	1,050,019	1,517,164		1,517,164	(75,268)	1,441,896			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	6,136,375	1,556,321	5,677,082	13,369,778		13,369,778	(793,860)	12,575,918			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 The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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				4
5	Telephone, TV & Radio in Resident Rooms	(8,484)	05		5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	205,351	30		9
10	Interest and Other Investment Income	(1,862)	32		10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax	(212)	02		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)	(401)	10		16
17	Non-Care Related Fees				17
18	Fines and Penalties	(398)	21		18
19	Entertainment				19
20	Contributions	(30,355)	20		20
21	Owner or Key-Man Insurance	(1,350)	26		21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(263,228)	21		24
25	Fund Raising, Advertising and Promotional	(44,096)	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	(363,401)			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (508,437)		$	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)	(285,423)		34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$ (285,423)		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (793,860)		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

SEE ACCOUNTANTS' COMPILATION REPORT

The Grove At The Lake Living And Rehab

ID# 0051581

Report Period Beginning: 01/01/11

Ending: 12/31/11

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	Bank Charges	$ (6,392)	21	1
2	Building Company Legal Fees	(83,000)	19	2
3	Building Company Professional Fees	(14,796)	19	3
4	Building Company Bank Charges	(45)	21	4
5	Building Company Amortization	(2,200)	31	5
6	Additional R&M	3,011	06	6
7	Marketing Wages	(25,017)	43	7
8	Partners Life Insurance	(2,808)	22	8
9	Marketing	(23,838)	43	9
10	Vendor Finance Charges	(501)	21	10
11	Gain/Loss on Asset Disposals	(26,413)	43	11
12	Non-Allowable Legal	(9,852)	19	12
13	Misc. Income	(152,816)	21	13
14	Capitalized R&M	(10,512)	06	14
15	Non-Allowable Seminar	(603)	24	15
16	COPE Dues	(5,619)	20	16
17	LTC Consultants	(2,000)	19	17
18				18
19				19
20				20
21				21
22				22
23				23
24				24
25				25
26				26
27				27
28				28
29				29
30				30
31				31
32				32
33				33
34				34
35				35
36				36
37				37
38				38
39				39
40				40
41				41
42				42
43				43
44				44
45				45
46				46
47				47
48				48
49	**Total**	(363,401)		49

The Grove At The Lake Living And Rehab

ID# 0051581

Report Period Beginning: 01/01/11

Ending: 12/31/11

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
50		$		1
51				2
52				3
53				4
54				5
55				6
56				7
57				8
58				9
59				10
60				11
61				12
62				13
63				14
64				15
65				16
66				17
67				18
68				19
69				20
70				21
71				22
72				23
73				24
74				25
75				26
76				27
77				28
78				29
79				30
80				31
81				32
82				33
83				34
84				35
85				36
86				37
87				38
88				39
89				40
90				41
91				42
92				43
93				44
94				45
95				46
96				47
97				48
98				49

STATE OF ILLINOIS **Summary A**

Facility Name & ID Number The Grove At The Lake Living And Rehab **#** 0051581 **Report Period Beginning:** 01/01/11 **Ending:** 12/31/11

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	
	A. General Services	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	TOTALS (to Sch V, col.7)	
1	Dietary													1
2	Food Purchase	(212)		42									(170)	2
3	Housekeeping			445									445	3
4	Laundry													4
5	Heat and Other Utilities	(8,484)		921									(7,563)	5
6	Maintenance	(7,501)		2,143									(5,358)	6
7	Other (specify):*													7
8	**TOTAL General Services**	(16,197)		3,551									(12,646)	8
	B. Health Care and Programs													
9	Medical Director													9
10	Nursing and Medical Records	(401)					16,006						15,605	10
10a	Therapy													10a
11	Activities													11
12	Social Services													12
13	CNA Training													13
14	Program Transportation													14
15	Other (specify):*						1,311						1,311	15
16	**TOTAL Health Care and Programs**	(401)					17,317						16,916	16
	C. General Administration													
17	Administrative			(216,395)		(41,367)							(257,762)	17
18	Directors Fees													18
19	Professional Services	(109,648)	97,796	(61,203)			101						(72,954)	19
20	Fees, Subscriptions & Promotions	(80,070)		23	12		15						(80,020)	20
21	Clerical & General Office Expenses	(423,380)	45	43,288			28						(380,019)	21
22	Employee Benefits & Payroll Taxes	(2,808)											(2,808)	22
23	Inservice Training & Education													23
24	Travel and Seminar	(603)		169									(434)	24
25	Other Admin. Staff Transportation													25
26	Insurance-Prop.Liab.Malpractice	(1,350)		168									(1,182)	26
27	Other (specify):*			10,139		2,242							12,381	27
28	**TOTAL General Administration**	(617,859)	97,841	(223,810)	12	(39,125)	144						(782,797)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(634,457)	97,841	(220,258)	12	(39,125)	17,461						(778,527)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 **Report Period Beginning:** 01/01/11 **Ending:** 12/31/11

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	205,351		275	2,488								208,114	30
31	Amortization of Pre-Op. & Org.	(2,200)	2,200											31
32	Interest	(1,862)	324,820	3	2,431								325,392	32
33	Real Estate Taxes		76,177		2,252								78,429	33
34	Rent-Facility & Grounds		(552,000)	6,554	(6,554)								(552,000)	34
35	Rent-Equipment & Vehicles													35
36	Other (specify):*													36
37	**TOTAL Ownership**	201,289	(148,803)	6,832	618								59,935	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation													38
39	Ancillary Service Centers													39
40	Barber and Beauty Shops													40
41	Coffee and Gift Shops													41
42	Provider Participation Fee													42
43	Other (specify):*	(75,268)											(75,268)	43
44	**TOTAL Special Cost Centers**	(75,268)											(75,268)	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	(508,437)	(50,962)	(213,427)	630	(39,125)	17,461						(793,860)	45

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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
See Supplemental		See Supplemental		See Supplemental		

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	34	Rent	$ 552,000	Grove at the Lake Realty, LLC	100.00%	$	$ (552,000)	1
2	V	19	Legal Fees		Grove at the Lake Realty, LLC	100.00%	83,000	83,000	2
3	V	19	Professional Fees		Grove at the Lake Realty, LLC	100.00%	14,796	14,796	3
4	V	21	Bank Service Charges		Grove at the Lake Realty, LLC	100.00%	45	45	4
5	V	33	Real Estate Taxes		Grove at the Lake Realty, LLC	100.00%	76,177	76,177	5
6	V	32	Interest Expense		Grove at the Lake Realty, LLC	100.00%	324,820	324,820	6
7	V	31	Amortization of Closing Costs		Grove at the Lake Realty, LLC	100.00%	2,200	2,200	7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			$ 552,000			$ 501,038	$ * (50,962)	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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. [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)	
15	V	2	FOOD	$	Legacy Healthcare Financial Services	100.00%	$ 42	$ 42	15
16	V	3	HOUSEKEEPING		Legacy Healthcare Financial Services	100.00%	445	445	16
17	V	5	UTILITIES		Legacy Healthcare Financial Services	100.00%	921	921	17
18	V	6	GROUNDS & MAINTENANCE		Legacy Healthcare Financial Services	100.00%	2,143	2,143	18
19	V								19
20	V	19	PROFESSIONAL FEES		Legacy Healthcare Financial Services	100.00%	1,647	1,647	20
21	V	20	FEES, SUBSCRIPTIONS		Legacy Healthcare Financial Services	100.00%	23	23	21
22	V	21	CLERICAL & GENERAL		Legacy Healthcare Financial Services	100.00%	43,288	43,288	22
23	V	24	SEMINARS		Legacy Healthcare Financial Services	100.00%	169	169	23
24	V	26	INSURANCE		Legacy Healthcare Financial Services	100.00%	168	168	24
25	V	27	EMP. BEN.-GEN. ADMIN.		Legacy Healthcare Financial Services	100.00%	10,139	10,139	25
26	V	30	DEPRECIATION		Legacy Healthcare Financial Services	100.00%	275	275	26
27	V	32	INTEREST		Legacy Healthcare Financial Services	100.00%	3	3	27
28	V	34	RENT		Legacy Healthcare Financial Services	100.00%	6,554	6,554	28
29	V								29
30	V								30
31	V	17	MANAGEMENT FEES	256,395	Legacy Healthcare Financial Services	100.00%		(256,395)	31
32	V	19	BOOKKEEPING FEES	62,850	Legacy Healthcare Financial Services	100.00%		(62,850)	32
33	V								33
34	V	17	MANAGEMENT FEES- C. RAJCHENBACH		Legacy Healthcare Financial Services	100.00%	20,000	20,000	34
35	V	17	MANAGEMENT FEES- M. SHABAT		Legacy Healthcare Financial Services	100.00%	20,000	20,000	35
36	V								36
37	V								37
38	V								38
39	Total			$ 319,245			$ 105,818	$ * (213,427)	39

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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. [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)	
15	V	20	DUES & SUBSCRIPTIONS		Legacy Real Properties	100.00%	12	$ 12	15
16	V	30	DEPRECIATION		Legacy Real Properties	100.00%	2,488	2,488	16
17	V	32	INTEREST EXPENSE		Legacy Real Properties	100.00%	2,431	2,431	17
18	V	33	REAL ESTATE TAXES		Legacy Real Properties	100.00%	2,252	2,252	18
19	V								19
20	V								20
21	V								21
22	V								22
23	V	34	RENT	6,554	Legacy Real Properties	100.00%		(6,554)	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			$ 6,554			$ 7,183	$ * 630	39

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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. [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)	
15	V	17	SALARY - STAN ARON	$	PRO HEALTH CARE, INC.	100.00%	$ 45,633	$ 45,633	15
16	V	27	PAYROLL TAXES		PRO HEALTH CARE, INC.	100.00%	2,242	2,242	16
17	V								17
18	V								18
19	V								19
20	V	17	MNGMNT. FEES - PRO HEALTH	87,000				(87,000)	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			$ 87,000			$ 47,875	$ * (39,125)	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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. [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)	
15	V	10	RN SALARY		Progressive Healthcare Consulting	100.00%	16,006	$ 16,006	15
16	V	15	EMP. BEN.-NURSING		Progressive Healthcare Consulting	100.00%	1,311	1,311	16
17	V	19	PROFESSIONAL FEES		Progressive Healthcare Consulting	100.00%	101	101	17
18	V	20	FEES, SUBSCRIPTIONS		Progressive Healthcare Consulting	100.00%	15	15	18
19	V	21	CLERICAL & GENERAL		Progressive Healthcare Consulting	100.00%	28	28	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			$			$ 17,461	$ * 17,461	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 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)	
15	V			$			$	$	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			$			$	$ *	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 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)	
15	V			$			$	$	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			$			$	$ *	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 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)	
15	V			$			$	$	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			$			$	$ *	39

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 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)	
15	V			$			$	$	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			$			$	$ *	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 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)	
15	V			$			$	$	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			$			$	$ *	39

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	CHAIM RAJCHENBACH	28.000%	ASTORIA PLACE LIVING AND REHABILITATION CENTER,LLC	CHICAGO	THE GROVE AT THE LAKE REA		BUILDING CO.	1
2	MENACHEM SHABAT	28.000%	ELMBROOK NURSING,LLC	ELMHURST				2
3	JACK RAJCHENBACH FAMILY TRUST	14.500%	THE GROVE NORTH LIVING AND REHAB CENTER,LLC	SKOKIE	LEGACY REAL PROPERTIES , L	LINCOLNWOOD	BUILDING CO	3
4	RONALD SHABAT	24.500%	THE GROVE OF EVANSTON,LLC	EVANSTON	LEGACY HEALTHCARE & FINA	LINCOLNWOOD	HOME OFFICE / BOOKK	4
5	DEMETRIOS KOUZIOUS	5.000%	THE GROVE OF LAGRANGE PARK,LLC	LAGRANGE PARK	PRO HEALTH CARE	DEERFIELD	MANAGEMENT CO	5
6			THE GROVE AT LINCOLN PARK LIVING AND REHAB CENTER,LLC	CHICAGO				6
7			LAKEFRONT NURSING & REHABILITATION CENTER, L.L.C.	CHICAGO				7
8			PARK VILLA NURSING AND REHABILITATION CENTER,LLC	MELROSE PARK				8
9			PETERSON PARK ASSOCIATES LIMITED PARTNERSHIP	CHICAGO				9
10			WINDSOR PARK	CHICAGO				10
11			CHALET LIVING & REHAB CENTER	CHICAGO				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 The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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								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 The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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: Hours	Percent	Compensation Included in Costs for this Reporting Period**: Description	Amount	Schedule V. Line & Column Reference	
1	Stan Aron	Previous Owner	Administrative	0.00%	See Attached	14	25.45%	Alloc Mgmt Fe	$ 45,633	17-07	1
2	Chaim Rajchenbach	Owner	Administrative	28.00%	See Attached	5	10.00%	Alloc Mgmt Fee	20,000	17-07	2
3	Menachem Shabat	Owner	Administrative	28.00%	See Attached	5	10.00%	Alloc Mgmt Fee	20,000	17-07	3
4											4
5											5
6											6
7											7
8											8
9											9
10	Where applicable, the amounts reported on this page have been adjusted from the actual costs										10
11	to reflect only amount anticipated to be considered allowable by the IL. Dept of HFS										11
12											12
13								TOTAL	$ 85,633		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 The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 [ ] NO [X]

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

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number ( )
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
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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: Legacy Healthcare Financial Services
Street Address: 7040 N. Ridgeway
City / State / Zip Code: Lincolnwood, IL 60712
Phone Number: (847) 679-9797
Fax Number: (847) 679-1126

	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	2	FOOD	AVAIL. BED DAYS	590,233	12	$ 890	$	28,060	$ 42	1
2	3	HOUSEKEEPING	AVAIL. BED DAYS	590,233	12	9,370	9,260	28,060	445	2
3	5	UTILITIES	AVAIL. BED DAYS	590,233	12	19,367		28,060	921	3
4	6	GROUNDS & MAINTENANCE	AVAIL. BED DAYS	590,233	12	45,083	9,228	28,060	2,143	4
5										5
6	19	PROFESSIONAL FEES	AVAIL. BED DAYS	590,233	12	34,648		28,060	1,647	6
7	20	FEES, SUBSCRIPTIONS	AVAIL. BED DAYS	590,233	12	493		28,060	23	7
8	21	CLERICAL & GENERAL	AVAIL. BED DAYS	590,233	12	910,553	832,276	28,060	43,288	8
9	24	SEMINARS	AVAIL. BED DAYS	590,233	12	3,552		28,060	169	9
10	26	INSURANCE	AVAIL. BED DAYS	590,233	12	3,535		28,060	168	10
11	27	EMP. BEN.-GEN. ADMIN.	AVAIL. BED DAYS	590,233	12	213,280		28,060	10,139	11
12	30	DEPRECIATION	AVAIL. BED DAYS	590,233	12	5,774		28,060	275	12
13	32	INTEREST	AVAIL. BED DAYS	590,233	12	62		28,060	3	13
14	34	RENT	AVAIL. BED DAYS	590,233	12	137,855		28,060	6,554	14
15										15
16	17	MANAGEMENT FEES- C. RAJ	AVG HOURS WKD	50	11	200,000		5	20,000	16
17	17	MANAGEMENT FEES- M. SHA	AVG HOURS WKD	50	11	200,000		5	20,000	17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$ 1,784,461	$ 850,764		$ 105,818	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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: Legacy Real Properties
Street Address: 7040 N. Ridgeway
City / State / Zip Code: Lincolnwood, IL 60712
Phone Number: (847) 679-9797
Fax Number: (847) 679-1126

	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	20	DUES & SUBSCRIPTIONS	AVAIL. BED DAYS	590,233	12	250		28,060	12	1
2	30	DEPRECIATION	AVAIL. BED DAYS	590,233	12	52,340		28,060	2,488	2
3	32	INTEREST EXPENSE	AVAIL. BED DAYS	590,233	12	51,132		28,060	2,431	3
4	33	REAL ESTATE TAXES	AVAIL. BED DAYS	590,233	12	47,377		28,060	2,252	4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$ 151,099	$		$ 7,183	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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: PRO HEALTH CARE, INC. C/O FR&R
Street Address: 111 PFINGSTEN ROAD
City / State / Zip Code: DEERFIELD, IL 60115
Phone Number: (847)236-1111
Fax Number: (847)236-1155

	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	17	SALARY - STAN ARON	AVG. HOURS WORKED	41	4	$ 133,640	$ 133,640	14	$ 45,633	1
2	27	PAYROLL TAXES	AVG. HOURS WORKED	41	4	6,566		14	2,242	2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$ 140,206	$ 133,640		$ 47,875	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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: Progressive Healthcare Consulting
Street Address: 7040 N. Ridgeway
City / State / Zip Code: Lincolnwood, IL 60712
Phone Number: (847) 679-9797
Fax Number: (847) 679-1126

	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	10	RN SALARY	AVAIL. BED DAYS	465,768	10	265,681	265,681	28,060	16,006	1
2	15	EMP. BEN.-NURSING	AVAIL. BED DAYS	465,768	10	21,767		28,060	1,311	2
3	19	PROFESSIONAL FEES	AVAIL. BED DAYS	465,768	10	1,681		28,060	101	3
4	20	FEES, SUBSCRIPTIONS	AVAIL. BED DAYS	465,768	10	250		28,060	15	4
5	21	CLERICAL & GENERAL	AVAIL. BED DAYS	465,768	10	472		28,060	28	5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$ 289,851	$ 265,681		$ 17,461	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 ☐ NO ☐

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

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number ( )
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
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 ☐ NO ☐

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

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number ( )
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
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 ☐ NO ☐

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

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number ( )
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
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 ☐ NO ☐

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

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number ( )
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
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 ☐ NO ☐

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

Name of Related Organization
Street Address
City / State / Zip Code
Phone Number ( )
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
2										2
3										3
4										4
5										5
6										6
7										7
8										8
9										9
10										10
11										11
12										12
13										13
14										14
15										15
16										16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$	$		$	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	Private Bank		X	Mortgage			$	$ 11,225,000			$ 324,820	1
2	MB Financial Bank		X	Prior Owner Mortgage							66,868	2
3												3
4												4
5	See Supplemental Schedule											5
	Working Capital											
6	Private Bank		X	Line of Credit				970,000			6,540	6
7	Alloc. From Legacy Healthcare	X									3	7
8	See Supplemental Schedule										40,183	8
9	TOTAL Facility Related						$	$ 12,195,000			$ 438,414	9
	B. Non-Facility Related*											
10	Interest Income		X								(1,862)	10
11												11
12												12
13	See Supplemental Schedule											13
14	TOTAL Non-Facility Related						$	$			$ (1,862)	14
15	TOTALS (line 9+line14)						$	$ 12,195,000			$ 436,552	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.)**

SEE ACCOUNTANTS' COMPILATION REPORT

**** 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 The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE - SUPPLEMENTAL SCHEDULE

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							$	$			$	1
2												2
3												3
4												4
5												5
6												6
7	TOTAL Long-Term											7
	Working Capital											
8	Alloc. From Legacy Real Prop.	X					$	$			$ 2,431	8
9	MB Financial		X	Prior Owner Line of Credit							37,285	9
10	Imperial Credit Corp.		X	Property/Liablity Insurance							467	10
11												11
12												12
13												13
14	TOTAL Working Capital										40,183	14
	B. Non-Facility Related*											
15							$	$			$	15
16												16
17												17
18												18
19												19
20	TOTAL Non-Facility Related											20

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

SEE ACCOUNTANTS' COMPILATION REPORT

** 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 The Grove At The Lake Living And Rehab **#** 0051581 **Report Period Beginning:** 01/01/11 **Ending:** 12/31/11

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.**	$ 176,687	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.)		$ 211,389	2
3. Under or (over) accrual (line 2 minus line 1).		$ 34,702	3
4. Real Estate Tax accrual used for 2011 report. (Detail and explain your calculation of this accrual on the lines below.)		$ 215,411	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.**		$ 10,587	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.		$ 260,700	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	2006	206,222	8
	2007	202,950	9
	2008	213,512	10
	2009	224,434	11
	2010	209,137	12

2011 Accrual: $209,137 X 1.03 = $215,411

Allocated From Legacy Real Properties $2,252

	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 The Grove At The Lake Living And Rehab COUNTY Lake

FACILITY IDPH LICENSE NUMBER 0051581

CONTACT PERSON REGARDING THIS REPORT Steve Lavenda

TELEPHONE (847) 236-1111 FAX #: (847) 236-1155

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.	04-22-301-007	Long Term Care Property	$ 192,361.30	$ 192,361.30
2.	04-22-301-009	Long Term Care Property	$ 16,775.86	$ 16,775.86
3.	See Attached	See Attached	$ 40,915.78	$ 1,945.16
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 250,052.94	$ 211,082.32

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.

2000 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME The Grove At The Lake Living And Rehab COUNTY Lake

FACILITY IDPH LICENSE NUMBER 0051581

CONTACT PERSON REGARDING THIS REPORT

TELEPHONE ( ) FAX #: ( )

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

Enter the tax index number and real estate tax assessed for 2000 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 2000.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.			$	$
2.			$	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$	$

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 NO

If YES, attach an explanation & 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 2000 tax bills which were listed in Section A to this statement. Be sure to use the 2000 tax bill which is normally paid during 2001.

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 83,793 B. General Construction Type: Exterior Brick Frame _____ Number of Stories 4

C. Does the Operating Entity? [ ] (a) Own the Facility [X] (b) Rent from a Related Organization. [ ] (c) Rent from Completely Unrelated Organization.

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

D. Does the Operating Entity? [X] (a) Own the Equipment [X] (b) Rent equipment from a Related Organization. [X] (c) Rent equipment from Completely Unrelated Organization.

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

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

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

1. Total Amount Incurred: _____ 2. Number of Years Over Which it is Being Amortized: _____

3. Current Period Amortization: _____ 4. Dates Incurred: _____

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

XI. OWNERSHIP COSTS:

A. Land.

	1 Use	2 Square Feet	3 Year Acquired	4 Cost	
1	Facility	50,091	1990	$ 28,460	1
2	Alloc. Legacy Real Prop.			3,889	2
3	TOTALS	50,091		$ 32,349	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	230		1990	1975	$ 5,384,307	$	39	$ 138,059	$ 138,059	$ 312,205	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9	Various			1980	5,655		20			5,655	9
10	Various			1981	13,906		20			13,906	10
11	Various			1982	1,171		20			1,171	11
12	Various			1983	17,000		20			16,819	12
13	Various			1984	36,737		20			36,737	13
14	Various			1985	135,882		20			135,840	14
15	Various			1986	63,852		20			63,018	15
16	Various			1987	60,439		20			60,094	16
17	Various			1988	24,257		20			23,967	17
18	Various			1989	102,083		20	27	27	101,988	18
19	Various			1990	84,998		20	4	4	84,998	19
20	Various			1991	10,496		20	96	96	10,496	20
21	Various			1992	18,109		20	890	890	17,495	21
22	Various			1993	39,981		20	1,999	1,999	37,331	22
23	Various			1994	123,996		20	6,200	6,200	109,027	23
24	Various			1995	157,007		20	7,850	7,850	131,672	24
25	Various			1996	210,423		20	10,521	10,521	161,852	25
26	Various			1997	97,938		20	4,897	4,897	71,461	26
27	Various			1998	76,538		20	3,827	3,827	50,752	27
28	Various			1999	232,757		20	11,331	11,331	140,309	28
29	Various			2000	88,771		20	4,409	4,409	51,499	29
30	Various			2001	147,900		20	7,583	7,583	80,787	30
31	Various			2002	156,983		20	9,839	9,839	137,391	31
32	Various			2003	478,211		20	39,570	39,570	401,891	32
33	Various			2004	276,659		20	19,922	19,922	211,079	33
34	Various			2005	89,345		20	8,680	8,680	61,192	34
35	Various			2006	90,306		20	6,521	6,521	36,283	35
36	Various			2007	115,796		20	8,336		37,718	36

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

See Page 12A, Line 70 for total

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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			$	$		$	$	$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67	Related Building Company (Pages 12F & 12G)								67
68	Related Party Allocations (Pages 12H & 12I)		59,847	1,664		2,438	774	4,405	68
69	Financial Statement Depreciation			264,274			(264,274)		69
70	TOTAL (lines 4 thru 69)		$ 8,401,350	$ 265,938		$ 292,998	$ 18,724	$ 2,609,038	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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		$ 8,401,350	$ 265,938		$ 292,998	$ 27,060	$ 2,609,038	1
2	Hucker Electric	2008	1,909		20	191	191	748	2
3	Boiler/Water Heater - Northtown	2008	17,600		20	1,467	1,467	5,744	3
4	Northtown Mechanical - Piping	2008	4,820		20	482	482	1,848	4
5	Braille Signs	2008	579		20	116	116	454	5
6	Wood Blinds	2008	1,452		20	145	145	545	6
7	Braile Sign	2008	669		20	134	134	502	7
8	Rich Signs	2008	679		20	136	136	509	8
9	Wood Blinds	2008	1,418		20	142	142	520	9
10	Braile Sign	2008	736		20	147	147	539	10
11	Lights	2008	3,196		20	639	639	2,397	11
12	Wall Sconce	2008	525		20	105	105	381	12
13	Sheridan Road Sign Lighting	2008	3,914		20	783	783	2,838	13
14	Smoke Tower Receptacle And Street Lighting	2008	4,450		20	445	445	1,595	14
15	Receptacles	2008	1,393		20	139	139	499	15
16	North Town Mechanical	2008	4,010		20	802	802	2,740	16
17	North Town Mechanical	2008	4,046		20	809	809	2,765	17
18	Senior Technologies - Wanderguard	2008	4,987		20	997	997	3,325	18
19	North Town - Replace 100 Ton Comp	2008	21,589		20	2,159	2,159	6,747	19
20	Freezer Compressor	2008	3,100		20	310	310	969	20
21	Freezer Refrigeration	2008	7,827		20	783	783	2,446	21
22	Material - Northtown	2008	2,704		20	541	541	1,712	22
23	Universal Elevator Works	2008	6,475		20	648	648	2,050	23
24	2 Elevators	2008	3,500		20	350	350	1,079	24
25	Wanderguard	2008	3,880		20	776	776	2,393	25
26	North Town - Boiler	2008	3,872		20	387	387	1,194	26
27	Replace Freezer Refrigeration	2008	7,826		20	783	783	2,413	27
28	Repair Leak, Replace Main & Circulating Pumps	2009	4,387		20	439	439	1,316	28
29	Boiler Room Pump Repair	2009	6,306		20	526	526	1,577	29
30	Overhead Line On Elevator Hoistway	2009	6,475		20	648	648	1,889	30
31	Tile & Coving Installation In Foyer Area	2009	3,396		20	340	340	962	31
32	Replace T-Couple On Cleaver Brook Boiler	2009	2,883		20	288	288	817	32
33	Replace Domestic Water Piping	2009	4,261		20	426	426	1,207	33
34	TOTAL (lines 1 thru 33)		$ 8,546,214	$ 265,938		$ 310,079	$ 44,141	$ 2,665,755	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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		$ 8,546,214	$ 265,938		$ 310,079	$ 44,141	$ 2,665,755	1
2	North Town Mechanical	2009	32,686		20	3,269	3,269	8,989	2
3	Hot Water Line	2009	2,511		20	251	251	649	3
4	Water Pipes	2009	4,260		20	426	426	1,207	4
5	Water Pipes	2009	4,080		20	408	408	1,054	5
6	Exterior Brick Work	2009	36,000		20	3,600	3,600	8,700	6
7	Roof Repairs	2009	4,960		20	496	496	1,199	7
8	Doors, Ramp, & Decking	2009	20,165		20	2,017	2,017	4,705	8
9	Windows	2009	8,909		20	891	891	1,930	9
10	Roof Drains	2009	14,156		20	1,416	1,416	3,067	10
11	Ahu Bearings	2009	2,546		20	255	255	530	11
12	Cooling Tank	2009	4,355		20	436	436	907	12
13	Jockey Pump	2009	2,601		20	260	260	542	13
14	Bearing Assembly	2009	3,043		20	304	304	659	14
15	Boiler Maintenance	2009	4,008		20	401	401	868	15
16	Electrical Circuit Work	2009	6,750		20	675	675	1,463	16
17	Painting	2009	3,720		20	372	372	1,054	17
18	Painting	2009	3,720		20	372	372	1,023	18
19	2Nd Floor Flooring	2010	43,195		20	3,960	3,960	7,919	19
20	Handrails	2010	24,153		20	2,013	2,013	4,026	20
21	Elevator Motor	2010	6,030		20	603	603	1,206	21
22	Window Installation	2010	31,620		20	2,372	2,372	4,743	22
23	New Circuits	2010	7,110		20	260	260	519	23
24	Roofing	2010	7,775		20	648	648	1,296	24
25	Security System	2010	9,739		20	730	730	1,461	25
26	Wallcoverings	2010	6,597		20	550	550	1,100	26
27	Laminate Countertop	2010	3,658		20	366	366	732	27
28	Dining Room Buildout	2010	5,974		20	548	548	1,095	28
29	Concrete Steps & Rail	2010	4,400		20	296	296	592	29
30	Wall Coverings	2010	2,844		20	190	190	379	30
31	Wallcoverings	2010	4,211		20	246	246	491	31
32	Handrails-3Rd Floor	2010	31,195		20	1,560	1,560	3,119	32
33	Refrigeration Fan	2010	2,990		20	150	150	299	33
34	TOTAL (lines 1 thru 33)		$ 8,896,174	$ 265,938		$ 340,414	$ 74,476	$ 2,733,278	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 12C, Carried Forward		$ 8,896,174	$ 265,938		$ 340,414	$ 74,476	$ 2,733,278	1
2	Air Conditioner Compressor	2010	5,429		20	226	226	452	2
3	Volt 30 Amp Circuit	2010	3,313		20	138	138	276	3
4	Insulation	2010	36,145		20	904	904	1,807	4
5	Fire Dampers	2010	3,587		20	60	60	120	5
6	Privacy Curtains	2010	11,063		20	1,291	1,291	2,581	6
7	Roller Shades	2010	9,752		20	975	975	1,950	7
8	3 Fire Dampers	2010	3,587		20	60	60	120	8
9	Exhaust Fan	2010	6,674		20	56	56	111	9
10	Wallcoverings	2010	6,597		20	385	385	770	10
11	Glass	2010	2,971		20	74	74	149	11
12	Wiring	2010	6,037		20	101	101	201	12
13	Pump And Piping	2010	13,527		20	1,353	1,353	2,705	13
14	New Windows And Doors	2010	7,200		20	360	360	720	14
15	New Windows	2010	56,746		20	2,837	2,837	5,675	15
16	Flooring	2010	60,516		20	3,026	3,026	6,052	16
17	Penthouse Air Handler & Laundry Rm Exhaust Fan Maintenance	2010	4,272		20	214	214	427	17
18	Electrical Maintenance:Panels,Receptacles,Generator	2010	3,065		20	153	153	306	18
19	Building Improvements - Arch/Planners	2011	9,003		20	300	300	300	19
20	Bimp - Sas Arch/Planners	2011	42,213		20	704	704	704	20
21	Call Light System	2011	4,278		20	36	36	36	21
22	Exhaust Fan	2011	6,674		20	334	334	334	22
23	Kitchen Air Handler	2011	9,829		20	491	491	491	23
24	Kitchen Air Handler	2011	19,956		20	998	998	998	24
25	Boiler Maintenance, Compressor Repair,	2011	38,184		20	1,909	1,909	1,909	25
26	Fence Post	2011	2,875		20	144	144	144	26
27	Drapery	2011	4,139		20	414	414	414	27
28	Repair Nurse Call	2011	4,897		20	245	245	245	28
29	Replace Leaking Gaskets On Emergency Generator	2011	2,760		20	138	138	138	29
30	Hvac Repair	2011	2,855		20	143	143	143	30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 9,284,316	$ 265,938		$ 358,480	$ 92,542	$ 2,763,555	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 12D, Carried Forward		$ 9,284,316	$ 265,938		$ 358,480	$ 92,542	$ 2,763,555	1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (lines 1 thru 33)		$ 9,284,316	$ 265,938		$ 358,480	$ 92,542	$ 2,763,555	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	Building Company Information								1
2	Buildings:								2
3									3
4									4
5									5
6									6
7									7
8	Leasehold Improvements:								8
9									9
10									10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34									34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	Building Company Information Continued		$	$		$	$	$	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
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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	TOTAL (12F & 12G lines 1 thru 33)		$	$		$	$	$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	Related Party Information		$	$		$	$	$	1
2	Buildings:								2
3									3
4	Allocated from Legacy Real Properties	2009	30,134	985	35	1,004	19	2,511	4
5									5
6									6
7									7
8	Leasehold Improvements:								8
9	Allocated from Legacy Real Properties	2009	17,113	394	20	856	462	1,212	9
10	Allocated from Legacy Real Properties	2010	5,204	122	20	208	86	312	10
11	Allocated from Legacy Real Properties	2011	7,396	163	20	370	207	370	11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34									34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	Related Party Information Continued								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
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23									23
24									24
25									25
26									26
27									27
28									28
29									29
30									30
31									31
32									32
33									33
34	TOTAL (12H & 12I lines 1 thru 33)		$ 59,847	$ 1,664		$ 2,438	$ 774	$ 4,405	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	$ 1,093,175	$ 1,097	$ 89,705	$ 88,608	10	$ 784,928	71
72	Current Year Purchases	563,675		21,877	21,877	10	21,877	72
73	Fully Depreciated Assets	946,448				10	946,448	73
74								74
75	TOTALS	$ 2,603,298	$ 1,097	$ 111,582	$ 110,485		$ 1,753,253	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	Facility	VAN	2008	$ 15,461	$	$ 2,324	$ 2,324	5	$ 9,263	76
77										77
78										78
79										79
80	TOTALS			$ 15,461	$	$ 2,324	$ 2,324		$ 9,263	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)	$ 11,935,425	81	
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 267,035	82	
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 472,386	83	**
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 205,351	84	
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$ 4,526,071	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	LAND - 1994	$ 199,000	$	$	86
87	REMODEL STORAGE ROOM - 1999	4,000			87
88	REMODEL STORAGE RM - 1999	10,000			88
89	REMODEL STORAGE ROOM - 1999	4,300			89
90	DAYCARE CTR ARCHITEC - 2000	787			90
91	TOTALS	$ 218,087	$	$	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 The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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 ☒ X NO
16. Rental Amount for movable equipment: $ 17,592 Description: See Attached Schedule
    (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	Facility	2010 Acura RL	$ 831.53	$ 9,190	17
18					18
19					19
20					20
21	TOTAL		$ 831.53	$ 9,190	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.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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.

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.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	39 - 03	hrs	$		$ 279,878	$		$ 279,878	1
2	Licensed Speech and Language Development Therapist	39 - 03	hrs			55,157			55,157	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39 - 03	hrs			251,997			251,997	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				310,388		310,388	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Other (specify):									12
13	Other (specify): See Supplemental					296,957	121,594		418,551	13
14	TOTAL			$		$ 883,989	$ 431,982		$ 1,315,971	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.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

XV. BALANCE SHEET - Unrestricted Operating Fund. As of 12/31/11 (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	$ 964,957	$ 1,162,696	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	3,037,691	3,037,691	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	44,423	181,673	6
7	Other Prepaid Expenses			7
8	Accounts Receivable (owners or related parties)	50,248	50,248	8
9	Other(specify): See Attached Schedule	55,708	55,708	9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 4,153,027	$ 4,488,016	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments			12
13	Land		1,000,000	13
14	Buildings, at Historical Cost		12,176,000	14
15	Leasehold Improvements, at Historical Cost	59,784	59,784	15
16	Equipment, at Historical Cost	522,153	522,153	16
17	Accumulated Depreciation (book methods)	(20,000)	(20,000)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify):			22
23	Other(specify): See Attached Schedule			23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 561,937	$ 13,737,937	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 4,714,964	$ 18,225,953	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 407,747	$ 407,747	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	970,000	970,000	29
30	Accrued Salaries Payable	490,779	490,779	30
31	Accrued Taxes Payable (excluding real estate taxes)	32,193	32,193	31
32	Accrued Real Estate Taxes(Sch.IX-B)		215,411	32
33	Accrued Interest Payable	4,305	89,722	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See Attached Schedule	2,460,471	4,394,670	36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 4,365,495	$ 6,600,522	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		11,225,000	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	See Attached Schedule			43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$	$ 11,225,000	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 4,365,495	$ 17,825,522	46
47	**TOTAL EQUITY(page 18, line 24)**	$ 349,469	$ 400,431	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 4,714,964	$ 18,225,953	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$	1
2	Restatements (describe):		2
3	**Change in Ownership Entry**	457,071	3
4			4
5			5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ 457,071	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(107,602)	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)**	$ (107,602)	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)**	$ 349,469	24 *

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	$ 11,179,206	1
2	Discounts and Allowances for all Levels	552,637	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 11,731,843	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	1,088,628	6
7	Oxygen		7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 1,088,628	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		13
14	Non-Patient Meals		14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	246,832	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	17,363	19
20	Radiology and X-Ray	12,961	20
21	Other Medical Services	9,417	21
22	Laundry		22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 286,573	23
	D. Non-Operating Revenue		
24	Contributions		24
25	Interest and Other Investment Income***	1,862	25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ 1,862	26
	E. Other Revenue (specify):**		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	See Supplemental Schedule	153,270	28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 153,270	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 13,262,176	30

	Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	2,473,289	31
32	Health Care	5,028,591	32
33	General Administration	3,224,834	33
	B. Capital Expense		
34	Ownership	1,125,900	34
	C. Ancillary Expense		
35	Special Cost Centers	1,391,239	35
36	Provider Participation Fee	125,925	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 13,369,778	40
41	**Income before Income Taxes (line 30 minus line 40)****	(107,602)	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ (107,602)	43

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

** **Does this agree with taxable income (loss) per Federal Income Tax Return?** Not Complete **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.** SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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	1,796	1,861	$ 80,550	$ 43.29	1
2	Assistant Director of Nursing	1,837	2,155	65,798	30.53	2
3	Registered Nurses	22,475	24,132	763,669	31.64	3
4	Licensed Practical Nurses	37,948	42,001	1,211,923	28.85	4
5	CNAs & Orderlies	136,471	149,847	1,754,847	11.71	5
6	CNA Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	11,609	12,587	177,570	14.11	8
9	Activity Director	1,056	1,096	25,212	23.00	9
10	Activity Assistants	12,252	13,652	151,692	11.11	10
11	Social Service Workers	8,956	9,721	167,361	17.22	11
12	Dietician					12
13	Food Service Supervisor					13
14	Head Cook	1,563	1,613	17,650	10.95	14
15	Cook Helpers/Assistants	41,449	45,822	525,806	11.48	15
16	Dishwashers					16
17	Maintenance Workers	15,428	16,770	209,619	12.50	17
18	Housekeepers	28,522	31,737	341,549	10.76	18
19	Laundry	11,377	12,376	105,454	8.52	19
20	Administrator	2,050	2,202	115,011	52.23	20
21	Assistant Administrator	728	776	27,170	35.01	21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	15,276	17,626	298,004	16.91	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	2,413	3,313	62,327	18.81	31
32	Other Health Care(specify)					32
33	Other(specify) See Supplemental	1,231	1,295	35,163	27.16	33
34	TOTAL (lines 1 - 33)	354,437	390,580	$ 6,136,375 *	$ 15.71	34

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	Monthly	$ 23,737	01-03	35
36	Medical Director	Monthly	14,879	09-03	36
37	Medical Records Consultant	Monthly	4,956	10-03	37
38	Nurse Consultant	Monthly	7,000	10-03	38
39	Pharmacist Consultant	Monthly	12,329	10-03	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant	Monthly	12,535	10a-03	42
43	Speech Therapy Consultant				43
44	Activity Consultant	Monthly	6,815	11-03	44
45	Social Service Consultant	Monthly	8,352	12-03	45
46	Other(specify) Art Therapy	Monthly	14,709	11-03	46
47	Specialized Services	Monthly	130	10-03	47
48	Psychiatric	Monthly	9,914	10-03	48
49	TOTAL (lines 35 - 48)		$ 115,356		49

C. CONTRACT NURSES

		1 Number of Hrs. Paid & Accrued	2 Total Contract Wages	3 Schedule V Line & Column Reference	
50	Registered Nurses	4,127	$ 106,283	10-03	50
51	Licensed Practical Nurses				51
52	Certified Nurse Assistants/Aides				52
53	TOTAL (lines 50 - 52)	4,127	$ 106,283		53

SEE ACCOUNTANTS' COMPILATION REPORT

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

** See instructions.

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Julie Stangel	Administrator	0.00%	$ 115,011
Cade Miodinoff	Asst. Admin	0.00%	14,630
Wliyahu Waldman	Asst. Admin	0.00%	12,540
TOTAL (agree to Schedule V, line 17, col. 1)			
(List each licensed administrator separately.)			$ 142,181

B. Administrative - Other

Description	Amount
Legacy Healthcare & Financial Services	$ 256,395
Management Fees - Pro Health Care	87,000
TOTAL (agree to Schedule V, line 17, col. 3)	$ 343,395
(Attach a copy of any management service agreement)	

C. Professional Services

Vendor/Payee	Type	Amount
Medifax-Edi, LLC	Data Processing	$ 24
Health Systems Data	Data Processing	9,328
IVANs	Billing	216
Frost, Ruttenberg, & Rothblatt	Accounting	88,264
Legacy Healthcare	Accounting	2,850
ML Enterprises	Purchasing Consultant	1,050
Linda Smith	Long Term Care Consult	416
Personnel Planners	Unemployement Consult	3,534
IIT Sourcetech	Data Processing	335
See Attached	Legal	27,619
Adj. Page 5a	Legal	9,852
See Supplemetal Schedule		91,720
TOTAL (agree to Schedule V, line 19, column 3)		
(If total legal fees exceed $5,000, attach copy of invoices.)		$ 235,208

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 176,810
Unemployment Compensation Insurance	111,743
FICA Taxes	484,019
Employee Health Insurance	239,926
Employee Meals	65,415
Illinois Municipal Retirement Fund (IMRF)*	
Pension Expense	12,095
Other Employee Benefits	26,634
Personnel Costs	11,265
Life Insurance	4,067
AFLAC	1,479
401K Loan	(6,961)
See Supplemental Schedule	275,339
TOTAL (agree to Schedule V, line 22, col.8)	$ 1,401,831

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

Description	Line #	Amount
		$
TOTAL		$

F. Dues, Fees, Subscriptions and Promotions

Description	Amount
IDPH License Fee	$
Advertising: Employee Recruitment	31,246
Health Care Worker Background Check	2,880
(Indicate # of checks performed 288)	
Patient Background Checks	
Advertising & Promotions	44,096
Dues & Subscriptions	12,325
Licenses & Permits	5,900
Alloc. from Legacy Healthcare	23
See Supplemental Schedule	27
Less: Public Relations Expense	( )
Non-allowable advertising	(44,096)
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 52,401

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	
Seminar Expense	11,546
Allocated from Legacy Healthcare	169
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 11,715

* Attach copy of IMRF notifications

**See instructions.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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		$		$	$	$	$	$	$	$	$	$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number The Grove At The Lake Living And Rehab # 0051581 Report Period Beginning: 01/01/11 Ending: 12/31/11

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. **ILCLTC: $17,404**

(3) Did the nursing home make political contributions or payments to a political action organization? **Yes** If YES, have these costs been properly adjusted out of the cost report? **Yes**

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

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

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **78,690** Line **10-2**

(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 **X** NO If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over.
Sheridan Healthcare #0027680

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department during this cost report period. $ **125,925**
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. $ **65,415** Has any meal income been offset against related costs? **No** Indicate the amount. $ **N/A**

(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? **100% ln 14**
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? **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? **No**
Firm Name: **N/A**

(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.

SEE ACCOUNTANTS' COMPILATION REPORT