		FOR OHF USE					

LL1

2003
STATE OF ILLINOIS
DEPARTMENT OF PUBLIC AID
FINANCIAL AND STATISTICAL REPORT FOR LONG-TERM CARE FACILITIES
(FISCAL YEAR 2003)

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

I. IDPH Facility ID Number: 0023218

Facility Name: Friendship Vill Schaumburg

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

County: Cook

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

IDPA ID Number: 362815382001

Date of Initial License for Current Owners: 01/01/77

Type of Ownership:

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

In the event there are further questions about this report, please contact:
Name: Steve Lavenda **Telephone Number:** (847) 236 - 1111

II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER

I have examined the contents of the accompanying report to the State of Illinois, for the period from 04/01/02 to 03/31/03 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)	Steven N. Lavenda, 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: OFFICE OF HEALTH FINANCE
ILLINOIS DEPARTMENT OF PUBLIC AID
201 S. Grand Avenue East
Springfield, IL 62763-0001 Phone # (217) 782-1630

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

III. STATISTICAL DATA

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

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

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Public Aid Recipient	Private Pay	Other	Total	
8	SNF	12,064	30,200	6,769	49,033	8
9	SNF/PED					9
10	ICF	7,272	29,692		36,964	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	19,336	59,892	6,769	85,997	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed bed days on line 7, column 4.) 94.24%

D. How many bed-hold days during this year were paid by Public Aid?
140 (Do not include bed-hold days in Section B.)

E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)
Home Health, Clinic, Adult Day Care

F. Does the facility maintain a daily midnight census? Yes

G. Do pages 3 & 4 include expenses for services or investments not directly related to patient care?
YES [ ] NO [X]

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?
YES [X] NO [ ]

I. On what date did you start providing long term care at this location?
Date started 1/1/77

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

K. Was the facility certified for Medicare during the reporting year?
YES [X] NO [ ] If YES, enter number of beds certified 29 and days of care provided 6,675

Medicare Intermediary Mutual of Omaha

IV. ACCOUNTING BASIS

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

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

Tax Year: 3/31/03 Fiscal Year: 3/31/03

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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

	Operating Expenses	Costs Per General Ledger Salary/Wage 1	Supplies 2	Other 3	Total 4	Reclass-ification 5	Reclassified Total 6	Adjust-ments 7	Adjusted Total 8	FOR OHF USE ONLY 9	10	
	A. General Services											
1	Dietary	1,077,247	241,377	9,288	1,327,912		1,327,912	(611,568)	716,344			1
2	Food Purchase		1,373,312		1,373,312		1,373,312	(627,888)	745,424			2
3	Housekeeping	640,808	87,050	5,808	733,666		733,666	(632,150)	101,516			3
4	Laundry	183,516	49,428		232,944		232,944	(16,132)	216,812			4
5	Heat and Other Utilities			787,299	787,299		787,299	(678,362)	108,937			5
6	Maintenance	595,182	104,658	774,408	1,474,248		1,474,248	(1,291,852)	182,396			6
7	Other (specify):*			378,952	378,952		378,952	(326,517)	52,435			7
8	**TOTAL General Services**	2,496,753	1,855,825	1,955,755	6,308,333		6,308,333	(4,184,469)	2,123,864			8
	B. Health Care and Programs											
9	Medical Director			6,000	6,000		6,000		6,000			9
10	Nursing and Medical Records	5,222,196	313,425	307,900	5,843,521		5,843,521	(118,494)	5,725,027			10
10a	Therapy	105,750		41,212	146,962		146,962		146,962			10a
11	Activities	410,341	410		410,751		410,751		410,751			11
12	Social Services	91,675	327	150	92,152		92,152		92,152			12
13	Nurse Aide Training											13
14	Program Transportation			132,251	132,251		132,251		132,251			14
15	Other (specify):*											15
16	**TOTAL Health Care and Programs**	5,829,962	314,162	487,513	6,631,637		6,631,637	(118,494)	6,513,143			16
	C. General Administration											
17	Administrative	755,980			755,980		755,980	(305,888)	450,092			17
18	Directors Fees			92,715	92,715		92,715	(80,525)	12,190			18
19	Professional Services			395,639	395,639	(20,688)	374,951	(327,674)	47,277			19
20	Dues, Fees, Subscriptions & Promotions			134,848	134,848		134,848	(13,745)	121,103			20
21	Clerical & General Office Expenses	1,042,709	304,785	502,927	1,850,421		1,850,421	(749,347)	1,101,074			21
22	Employee Benefits & Payroll Taxes			2,882,342	2,882,342		2,882,342	(1,166,266)	1,716,076			22
23	Inservice Training & Education											23
24	Travel and Seminar			35,496	35,496		35,496	(5,153)	30,343			24
25	Other Admin. Staff Transportation			8,928	8,928		8,928	(6,362)	2,566			25
26	Insurance-Prop.Liab.Malpractice			468,381	468,381		468,381	(404,040)	64,341			26
27	Other (specify):*											27
28	**TOTAL General Administration**	1,798,689	304,785	4,521,276	6,624,750	(20,688)	6,604,062	(3,059,000)	3,545,062			28
29	**TOTAL Operating Expense (sum of lines 8, 16 & 28)**	10,125,404	2,474,772	6,964,544	19,564,720	(20,688)	19,544,032	(7,361,963)	12,182,069			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 Friendship Vill Schaumburg #0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass-ification	Reclassified Total	Adjust-ments	Adjusted Total	FOR OHF USE ONLY		
		Salary/Wage	Supplies	Other	Total							
	D. Ownership	1	2	3	4	5	6	7	8	9	10	
30	Depreciation			3,445,461	3,445,461		3,445,461	(2,852,676)	592,785			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			538,289	538,289		538,289	(538,289)				32
33	Real Estate Taxes			416,440	416,440	20,688	437,128	(376,644)	60,484			33
34	Rent-Facility & Grounds											34
35	Rent-Equipment & Vehicles											35
36	Other (specify):*											36
37	TOTAL Ownership			4,400,190	4,400,190	20,688	4,420,878	(3,767,609)	653,269			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers	430,020	708,829	259,673	1,398,522		1,398,522	(332,462)	1,066,060			39
40	Barber and Beauty Shops			1,190	1,190		1,190	(1,190)				40
41	Coffee and Gift Shops	15,184		67,752	82,936		82,936	(82,936)				41
42	Provider Participation Fee			136,875	136,875		136,875		136,875			42
43	Other (specify):*	41,411		2,814,664	2,856,075		2,856,075	(2,856,075)				43
44	TOTAL Special Cost Centers	486,615	708,829	3,280,154	4,475,598		4,475,598	(3,272,663)	1,202,935			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	10,612,019	3,183,601	14,644,888	28,440,508		28,440,508	(14,402,235)	14,038,273			45

*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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 OHF USE ONLY	
1	Day Care	$		$	1
2	Other Care for Outpatients				2
3	Governmental Sponsored Special Programs				3
4	Non-Patient Meals	(979)	2		4
5	Telephone, TV & Radio in Resident Rooms				5
6	Rented Facility Space				6
7	Sale of Supplies to Non-Patients				7
8	Laundry for Non-Patients				8
9	Non-Straightline Depreciation	0	30		9
10	Interest and Other Investment Income				10
11	Discounts, Allowances, Rebates & Refunds				11
12	Non-Working Officer's or Owner's Salary				12
13	Sales Tax		02		13
14	Non-Care Related Interest				14
15	Non-Care Related Owner's Transactions				15
16	Personal Expenses (Including Transportation)				16
17	Non-Care Related Fees				17
18	Fines and Penalties				18
19	Entertainment				19
20	Contributions				20
21	Owner or Key-Man Insurance				21
22	Special Legal Fees & Legal Retainers				22
23	Malpractice Insurance for Individuals				23
24	Bad Debt	(396,665)	43		24
25	Fund Raising, Advertising and Promotional				25
26	Income Taxes and Illinois Personal Property Replacement Tax				26
27	Nurse Aide Training for Non-Employees				27
28	Yellow Page Advertising				28
29	Other-Attach Schedule	(14,004,591)			29
30	**SUBTOTAL (A): (Sum of lines 1-29)**	$ (14,402,235)		$	30

OHF 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)			34
35	Other- Attach Schedule			35
36	**SUBTOTAL (B): (sum of lines 31-35)**	$		36
37	**TOTAL ADJUSTMENTS (sum of SUBTOTALS (A) and (B))**	$ (14,402,235)		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	Exceptional Care Program					44
45	Other-Attach Schedule					45
46	Other-Attach Schedule					46
47	**TOTAL (C): (sum of lines 38-46)**			$		47

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Friendship Vill Schaumburg

IDE 0023218

Report Period Beginning: 04/01/02

Ending: 03/31/03

	NON-ALLOWABLE EXPENSES	Amount	Sch. V Line Reference	
1	Special Events Corporate	$ (21,665)	43	1
2	Partnership Initiatives	(34,687)	43	2
3	Bank & Investment Fees	(135,445)	43	3
4	Sales / Marketing	(803,076)	43	4
5	Waitstaff	(477,696)	43	5
6	Village Events	(652)	43	6
7	Growth Opportunities	(2,499)	43	7
8	IL / AL Chapel Expense	(418)	43	8
9	Adult Day Care	(20,949)	43	9
10	Assisted Living	(410,789)	43	10
11	IL/AL Programs	(151,005)	43	11
12	Fund Raising	(220,968)	43	12
13	Legal Fees (prior year and non-care)	(16,086)	19	13
14	Corporate Philanthropy	(13,705)	20	14
15	Late Fee	(40)	20	15
16	Jury Duty Income	(120)	10	16
17	Capitalized R&M	(134,217)	6	17
18	Seminar (out of state & non-care)	(5,153)	24	18
19	Village Store Income	(82,936)	41	19
20	Nutritional Supplement	(12,262)	1	20
21	Incontinency Supplies	(112,968)	10	21
22	Vending Machine Income	(3,273)	2	22
23	Gain / Loss Fixed Assets	(125)	6	23
24	Guest Room - HCC	(1,044)	21	24
25	Wheel Chair Rental	(4,241)	10	25
26	Public Relations Manager	(41,411)	43	26
27	Damage Claims Paid	(3,381)	26	27
28	Non-HCC - Dietary	(599,306)	1	28
29	Non-HCC - Food	(623,636)	2	29
30	Non-HCC - Housekeeping	(632,150)	3	30
31	Non-HCC - Laundry	(16,132)	4	31
32	Non-HCC - Heat & Utilities	(678,362)	5	32
33	Non-HCC - Maintenance	(1,135,800)	6	33
34	Non-HCC - Disposal, Waste	(326,517)	7	34
35	Non-HCC - Administrative	(305,888)	17	35
36	Non-HCC - Director's Fees	(75,908)	18	36
37	Non-HCC - Professional Fees	(294,399)	19	37
38	Non-HCC - Clerical & General	(748,303)	21	38
39	Non-HCC - Employee Benefits	(1,166,266)	22	39
40	Non-HCC - Insurance	(400,659)	26	40
41	Non-HCC - Depreciation	(2,852,676)	30	41
42	Non-HCC - Interest	(428,149)	32	42
43	Non-HCC - Real Estate Tax	(376,644)	33	43
44	Wages - Pavilion Associates	(60,272)	43	44
45	Professional Fees - Expansion	(17,189)	19	45
46	Investment Income	(68,757)	32	46
47	Travel Exp - Out of State	(6,362)	25	47
48	Director's Expenses	(4,617)	18	48
49	Space Rental	(1,190)	40	49
50	Space Rental	(21,710)	6	50
51	Misc. Health Care Income	(1,165)	10	51
52	Senior Fitness	(77,878)	43	52
53	Refinancing	(28,883)	32	53
54	Remarketin Fee	(12,500)	32	54
55	Wages - Home Health	(237,554)	39	55
56	Wages - Clinic Staff	(94,545)	39	56
57	Clinic Supplies	(363)	39	57
58				58
59				59
60				60
61				61
62				62
63				63
64				64
65				65
66				66
67				67
68				68
69				69
70				70
71				71
72				72
73				73
74				74
75				75
76				76
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82				82
83				83
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85				85
86				86
87				87
88				88
89				89
90				90
91				91
92				92
93				93
94				94
95				95
96				96
97				97
98				98
99				99
100				100
101	Total	(14,004,591)		101

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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

	Operating Expenses	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)	
	A. General Services													
1	Dietary	(611,568)											(611,568)	1
2	Food Purchase	(627,888)											(627,888)	2
3	Housekeeping	(632,150)											(632,150)	3
4	Laundry	(16,132)											(16,132)	4
5	Heat and Other Utilities	(678,362)											(678,362)	5
6	Maintenance	(1,291,852)											(1,291,852)	6
7	Other (specify):*	(326,517)											(326,517)	7
8	**TOTAL General Services**	(4,184,469)											(4,184,469)	8
	B. Health Care and Programs													
9	Medical Director													9
10	Nursing and Medical Records	(118,494)											(118,494)	10
10a	Therapy													10a
11	Activities													11
12	Social Services													12
13	Nurse Aide Training													13
14	Program Transportation													14
15	Other (specify):*													15
16	**TOTAL Health Care and Programs**	(118,494)											(118,494)	16
	C. General Administration													
17	Administrative	(305,888)											(305,888)	17
18	Directors Fees	(80,525)											(80,525)	18
19	Professional Services	(327,674)											(327,674)	19
20	Fees, Subscriptions & Promotions	(13,745)											(13,745)	20
21	Clerical & General Office Expenses	(749,347)											(749,347)	21
22	Employee Benefits & Payroll Taxes	(1,166,266)											(1,166,266)	22
23	Inservice Training & Education													23
24	Travel and Seminar	(5,153)											(5,153)	24
25	Other Admin. Staff Transportation	(6,362)											(6,362)	25
26	Insurance-Prop.Liab.Malpractice	(404,040)											(404,040)	26
27	Other (specify):*													27
28	**TOTAL General Administration**	(3,059,000)											(3,059,000)	28
29	**TOTAL Operating Expense (sum of lines 8,16 & 28)**	(7,361,963)											(7,361,963)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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

	Capital Expense	PAGES	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	PAGE	SUMMARY TOTALS	
	D. Ownership	5 & 5A	6	6A	6B	6C	6D	6E	6F	6G	6H	6I	(to Sch V, col.7)	
30	Depreciation	(2,852,676)											(2,852,676)	30
31	Amortization of Pre-Op. & Org.													31
32	Interest	(538,289)											(538,289)	32
33	Real Estate Taxes	(376,644)											(376,644)	33
34	Rent-Facility & Grounds													34
35	Rent-Equipment & Vehicles													35
36	Other (specify):*													36
37	**TOTAL Ownership**	(3,767,609)											(3,767,609)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation													38
39	Ancillary Service Centers	(332,462)											(332,462)	39
40	Barber and Beauty Shops	(1,190)											(1,190)	40
41	Coffee and Gift Shops	(82,936)											(82,936)	41
42	Provider Participation Fee													42
43	Other (specify):*	(2,856,075)											(2,856,075)	43
44	**TOTAL Special Cost Centers**	(3,272,663)											(3,272,663)	44
45	**GRAND TOTAL COST (sum of lines 29, 37 & 44)**	(14,402,235)											(14,402,235)	45

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
				see attached		

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 [X] 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			$			$	$	1
2	V								2
3	V								3
4	V								4
5	V								5
6	V								6
7	V								7
8	V								8
9	V								9
10	V								10
11	V								11
12	V								12
13	V								13
14	Total			$			$	$ *	14

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			$			$	$	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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			$			$	$	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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			$			$	$	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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

VII. RELATED PARTIES (continued)

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

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

	1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
	Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			$			$	$	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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

VII. RELATED PARTIES (continued)

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

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

1		2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:	
Schedule V		Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)	
15	V			$			$	$	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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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	
						Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		Compensation Included in Costs for this Reporting Period**			
	Name	Title	Function	Ownership Interest	Compensation Received From Other Nursing Homes*	Hours	Percent	Description	Amount	Schedule V. Line & Column Reference	
1	Not Applicable								$		1
2											2
3											3
4											4
5											5
6											6
7											7
8											8
9											9
10											10
11											11
12											12
13								TOTAL	$		13

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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: Apartment Community
Street Address: 350 W. Schaumburg Road
City / State / Zip Code: Schaumburg, IL 60194
Phone Number: (847) 884-5000
Fax Number: (847) 884-5718

	1 Schedule V Line Reference	2 Item	3 Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	4 Total Units	5 Number of Subunits Being Allocated Among	6 Total Indirect Cost Being Allocated	7 Amount of Salary Cost Contained in Column 6	8 Facility Units	9 Allocation (col.8/col.4)x col.6	
1	1	Dietary	Meals Ratio	502,183	2	$ 1,315,650	$ 1,077,247	273,428	$ 716,344	1
2	2	Food Purchase	Meals Ratio	502,183	2	1,369,060		273,428	745,424	2
3	3	Housekeeping	Square Feet	422,975	2	733,666	640,808	58,526	101,516	3
4	4	Laundry	Pounds	774,398	2	232,944	183,516	720,770	216,812	4
5	5	Heat & Utilities	Square Feet	422,975	2	787,299		58,526	108,937	5
6	6	Maintenance	Square Feet	422,975	2	1,318,196	595,182	58,526	182,396	6
7	7	Other (Disposal, Waste)	Square Feet	422,975	2	378,952		58,526	52,435	7
8	17	Administrative	Employee Ratio	346	2	755,980	755,980	206	450,092	8
9	18	Director's Fees	Square Feet	422,975	2	88,098		58,526	12,190	9
10	19	Professional Services	Square Feet	422,975	2	341,676		58,526	47,277	10
11	21	Clerical & General	Employee Ratio	346	2	1,849,377	1,042,709	206	1,101,074	11
12	22	Employee Benefits	Employee Ratio	346	2	2,882,342		206	1,716,076	12
13	26	Insurance	Square Feet	422,975	2	465,000		58,526	64,341	13
14	30	Depreciation	Actual		1	3,445,461			592,785	14
15	32	Interest	Square Feet	422,975	2	496,905		58,526	68,756	15
16	33	Real Estate Tax	Square Feet	422,975	1	437,128		58,526	60,484	16
17										17
18										18
19										19
20										20
21										21
22										22
23										23
24										24
25	TOTALS					$ 16,897,734	$ 4,295,442		$ 6,236,939	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

VIII. ALLOCATION OF INDIRECT COSTS

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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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

VIII. ALLOCATION OF INDIRECT COSTS

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	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
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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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

VIII. ALLOCATION OF INDIRECT COSTS

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Name of Related Organization
Street Address
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	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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 ☐

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Name of Related Organization
Street Address
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	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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

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

	1	2		3	4	5	6	7	8	9	10	
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense	
		YES	NO				Original	Balance				
	A. Directly Facility Related											
	Long-Term											
1	IL Health Facility						$ 16,695,000	$ 8,720,000			$ 619,560	1
2	Refinancing Fees										105,652	2
3	New Issue						30,770,000	30,230,645			(228,306)	3
4												4
5	See Supplemental Schedule											5
	Working Capital											
6												6
7												7
8	See Supplemental Schedule											8
9	TOTAL Facility Related						$ 47,465,000	$ 38,950,645			$ 496,906	9
	B. Non-Facility Related*											
10												10
11	Non-HCC Adjustment										(428,149)	11
12	Investment Income										(68,757)	12
13	See Supplemental Schedule											13
14	TOTAL Non-Facility Related						$	$			$ (496,906)	14
15	TOTALS (line 9+line14)						$ 47,465,000	$ 38,950,645			$ 0	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. $ N/A Line #

* 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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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							$	$			$	8
9												9
10												10
11												11
12												12
13												13
14	TOTAL Working Capital											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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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

B. Real Estate Taxes

Important, please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.

1. Real Estate Tax accrual used on 2002 report.	$ 442,115	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.)	$ 469,703	2
3. Under or (over) accrual (line 2 minus line 1).	$ 27,588	3
4. Real Estate Tax accrual used for 2003 report. (Detail and explain your calculation of this accrual on the lines below.)	$ 388,852	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.)**	$ 20,688	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 $ 2,067 For 1996 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.	$ 437,128	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:			
	1998	1,108,241	8
	1999	463,422	9
	2000	453,000	10
	2001	585,091	11
	2002	469,703	12

2003 accrual is based on 6 months due for 2002, plus estimated due for 3 months of 2003.

Real Estate Tax expense on line 7 above: $437,128 - allocation to non-care $376,644 = page 4, line 33 $60,484.

The refund of 1996 real estate tax of $2067 is not subtracted above, since 1996 was not used to set rates.

	FOR OHF USE ONLY		
13	FROM R. E. TAX STATEMENT FOR 2002	$	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.

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2002 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2002 real estate tax costs, as well as copies of your real estate tax bills for calendar 2002.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2002 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2003 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Office of Health Finance at (217) 782-1630.

2002 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Friendship Vill Schaumburg COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0023218

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 2002 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 2002.

	(A) Tax Index Number	(B) Property Description	(C) Total Tax	(D) Tax Applicable to Nursing Home
1.	See Attached	Long Term Care Property	$ 469,703.26	$ 64,991.67
2.			$	$
3.			$	$
4.			$	$
5.			$	$
6.			$	$
7.			$	$
8.			$	$
9.			$	$
10.			$	$
		TOTALS	$ 469,703.26	$ 64,991.67

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 & 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 2002 tax bills which were listed in Section A to this statement. Be sure to use the 2002 tax bill which is normally paid during 2003.

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates **RE:** 2000 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2000 real estate tax costs, as well as copies of your real estate tax bills for calendar 2000.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2000 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2001 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions, please call the Office of Health Finance at (217) 782-1630.

2002 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Friendship Vill Schaumburg COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0023218

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 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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

X. BUILDING AND GENERAL INFORMATION:

A. Square Feet: 422,975 B. General Construction Type: Exterior Brick Frame Steel Number of Stories 3

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

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

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

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

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

590 Independent Apartments - approximate square feet - 364,449

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	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1		Approx. 50 acres	1977	$ 132,065	1
2					2
3	TOTALS			$ 132,065	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

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

	1 Beds*	FOR OHF USE ONLY	2 Year Acquired	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
4	180		1997	1997	$ 1,760,825	$ 44,021		$ 44,021	$ 0	$	4
5	10		1993	1993	1,102,771	27,569		27,569	(0)		5
6	60		1998	1998	2,934,069	73,352		73,352			6
7											7
8											8
	Improvement Type**										
9	Various			1986	748		20	50	50	-	9
10	Various			1988	43,130		20	1,692	1,692	-	10
11	Various			1989	64,348		20	1,093	1,093	-	11
12	Various			1990	39,116		20	2,504	(2,504)	-	12
13	Various			1992	1,555		20	104	104	-	13
14	Various			1993	13,120		20	1,277	1,277	-	14
15	Various			1994	36,357		20	3,511	3,511	-	15
16	Various			1995	272,667		20	26,728	26,728	-	16
17	Various			1996	182,308		20	20,902	20,902	-	17
18	Various			1997	636,288		20	59,989	59,989	-	18
19	Various			1998	1,055,440		20	29,568	29,568	-	19
20	Various			1999	274,179		20	13,482	13,482	-	20
21	Various			2000	266,127		20	15,702	15,702	-	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

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

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

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

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

	1 Improvement Type**	3 Year Constructed	4 Cost	5 Current Book Depreciation	6 Life in Years	7 Straight Line Depreciation	8 Adjustments	9 Accumulated Depreciation	
37			$	$		$	$	$	37
38									38
39									39
40									40
41									41
42									42
43									43
44									44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
52									52
53									53
54									54
55									55
56									56
57									57
58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68	Related Party Allocations (Page 12-REP & Page 12A-REP)								68
69	Financial Statement Depreciation			283,215			(283,215)		69
70	TOTAL (lines 4 thru 69)		$ 8,683,048	$ 428,157		$ 321,544	$ (111,621)	$	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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		$ 8,683,048	$ 428,157		$ 321,544	$ (106,613)	$	1
2	Faucet/Bowls (1731)	2001	240		20	12	12		2
3	Faucet/Bowls (1520)	2001	210		20	11	11		3
4	Faucets (554)	2001	76		20	4	4		4
5	Unit Heater (1521)	2001	211		20	11	11		5
6	Thermostat (1451)	2001	201		20	10	10		6
7	Paint (556)	2001	77		20	4	4		7
8	Paint (1480)	2001	205		20	10	10		8
9	Light Fixtures (633)	2001	88		20	4	4		9
10	Damper (1084)	2001	150		20	8	8		10
11	Roof Repair (857)	2001	119		20	6	6		11
12	Heater (988)	2001	137		20	7	7		12
13	Air Conditioning (203,841)	2001	28,212		20	941	941		13
14	Window Replacement (100,241)	2001	13,873		20	463	463		14
15	Exterior Signage (7,192)	2001	995		20	50	50		15
16	Relocate Facilities (18,900)	2001	2,616		20	131	131		16
17	Fire Alarm System (12,195)	2001	1,688		20	85	85		17
18	Structural Repairs (99,934)	2001	13,831		20	461	461		18
19	Soffit/Facia (9,471)	2001	1,311		20	66	66		19
20	Roof Repairs (10,996)	2001	1,522		20	109	109		20
21	Emergency Signs (10,710)	2001	1,482		20	74	74		21
22	Administration Wing (826,934)	2001	114,448		20	5,722	5,722		22
23	E&F Wing Phase I	2001	1,082,590		20	77,328	77,328		23
24	Landscaping (41,495)	2001	5,743		20	191	191		24
25	Sidewalk Repairs (2,504)	2001	347		20	12	12		25
26	Kitchen Drain Trap (194,740)	2001	26,952		20	898	898		26
27	Electrical Work (1,731)	2001	240		20	12	12		27
28	Bus Door (567)	2001	78		20	4	4		28
29	Backflow Preventer (745)	2001	103		20	5	5		29
30	Heater (1521)	2001	211		20	11	11		30
31	Shower (1192)	2001	165		20	8	8		31
32	Ceiling Fixture (644)	2001	89		20	4	4		32
33	Bathroom Fixtures (2494)	2001	345		20	17	17		33
34	TOTAL (lines 1 thru 33)		$ 9,981,603	$ 428,157		$ 408,223	$ (19,934)	$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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		$ 9,981,603	$ 428,157		$ 408,223	$ (19,934)	$	1
2	Bathroom Fixtures (1856)	2001	257		20	13	13		2
3	Faucets (717)	2001	99		20	5	5		3
4	Bracket Fixture (524)	2001	73		20	4	4		4
5	Electrical (695)	2001	96		20	5	5		5
6	Bathroom Fixtures (2222)	2001	308		20	15	15		6
7	Wall-Mounted Lamps (1117)	2001	155		20	8	8		7
8	Water Damage Repair (2920)	2001	404		20	20	20		8
9	Electrical (625)	2001	87		20	4	4		9
10	Lamps (2094)	2001	290		20	14	14		10
11	Bracket Fixtures (1220)	2001	169		20	8	8		11
12	Doors (3157)	2001	437		20	22	22		12
13	Bathroom Fixtures (671)	2001	93		20	5	5		13
14	Locks (1010)	2001	140		20	7	7		14
15	Electrical (561)	2001	78		20	4	4		15
16	A/C Cycle Control (630)	2001	87		20	4	4		16
17	Bathroom Fixtures (3031)	2001	419		20	21	21		17
18	Bathroom Fixtures (806)	2001	112		20	6	6		18
19	Circulator Pump (726)	2001	100		20	5	5		19
20	Med Lamps (588)	2001	81		20	4	4		20
21	Pump (817)	2001	113		20	6	6		21
22	Garage Repairs (14,919)	2001	2,065		20	103	103		22
23	Aluminum Dome (5734)	2001	794		20	40	40		23
24	Door (875)	2001	121		20	6	6		24
25	Electric Lock Interface (744)	2001	103		20	5	5		25
26	Bollard Lights (2363)	2001	327		20	16	16		26
27	Med Lamps (1235)	2001	171		20	9	9		27
28	Door Repair (592)	2001	82		20	4	4		28
29	A/C Repairs (2206)	2001	305		20	15	15		29
30	Temperature Controls (655)	2001	91		20	5	5		30
31	Air Conditioning (1129)	2001	156		20	8	8		31
32	Chiller (1016)	2001	141		20	7	7		32
33	Shower (2100)	2001	291		20	15	15		33
34	TOTAL (lines 1 thru 33)		$ 9,989,848	$ 428,157		$ 408,636	$ (19,521)	$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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		$ 9,989,848	$ 428,157		$ 408,636	$ (19,521)	$	1
2	Panic Device (537)	2001	74		20	4	4		2
3	Air Conditioning (699)	2001	97		20	5	5		3
4	Ceiling Repair (720)	2001	100		20	5	5		4
5	Birch Door (2925)	2001	405		20	20	20		5
6	Dryer Vent Repairs (1680)	2001	233		20	12	12		6
7	Security System Repair (680)	2001	94		20	5	5		7
8	Mailbox Cylinders (631)	2002	87		20	4	4		8
9	Bathroom Fixtures (3359)	2002	465		20	23	23		9
10	Med Lamps (668)	2002	92		20	5	5		10
11	Shower Unit (1757)	2002	243		20	12	12		11
12	Drywall (727)	2002	101		20	5	5		12
13	Bracket Fixtures (907)	2002	126		20	6	6		13
14	Bracket Fixtures (602)	2002	83		20	4	4		14
15	Exit Bar (975)	2002	135		20	7	7		15
16	Swing Door Control (758)	2002	105		20	5	5		16
17	Door Stop/Threshold (550)	2002	76		20	4	4		17
18	Sliding Door Repairs (1100)	2002	152		20	8	8		18
19	Duct Heater (1963)	2002	272		20	14	14		19
20	IC Console Relay (685)	2002	95		20	5	5		20
21	Air Conditioners (99018)	2002	13,704		20	685	685		21
22	Tuckpointing & Window Replacement (116368)	2002	16,105		20	805	805		22
23	Landscaping (35825)	2002	4,958		20	248	248		23
24	Exterior Signage (40839)	2002	5,652		20	283	283		24
25	E&F Phase II (218307)	2002	218,307		20	10,915	10,915		25
26	Special Care Renovation (25191)	2002	25,191		20	1,260	1,260		26
27	Interior Signage (35825)	2002	4,884		20	244	244		27
28	Dock Rebuild (10814)	2002	1,497		20	75	75		28
29	Replace Doors (4690)	2002	649		20	32	32		29
30	Replace Hot Water Heater (137135)	2002	18,979		20	949	949		30
31	Faucet Repairs (2311)	2002	320		20	16	16		31
32	Shower Unit (3515)	2002	486		20	24	24		32
33	Cooler Repairs (701)	2002	97		20	5	5		33
34	TOTAL (lines 1 thru 33)		$ 10,303,712	$ 428,157		$ 424,330	$ (3,826)	$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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		$ 10,303,712	$ 428,157		$ 424,330	$ (3,826)	$	1
2	Sensor Repairs (673)	2002	93		20	5	5		2
3	Thermostat (793)	2002	110		20	6	6		3
4	Thermostat (823)	2002	114		20	6	6		4
5	Staining of Beams (2645)	2002	366		20	18	18		5
6	Speaker Repairs (656)	2002	91		20	5	5		6
7	Light Fixtures (975)	2002	135		20	7	7		7
8	Light Fixtures (516)	2002	71		20	4	4		8
9	Toilets (542)	2002	75		20	4	4		9
10	Thermostat (501)	2002	69		20	3	3		10
11	Roof Scudder (707)	2002	98		20	5	5		11
12	Exit Bar Repairs (641)	2002	89		20	4	4		12
13	Traffic Signs (1081)	2002	150		20	8	8		13
14	Leak Repairs (673)	2002	93		20	5	5		14
15	Outdoor Pole Lighting (3502)	2002	485		20	24	24		15
16	AC Repairs (4100)	2002	567		20	28	28		16
17	AC Repairs (510)	2002	71		20	4	4		17
18	Air Compressor Repairs (1007)	2002	139		20	7	7		18
19	Compressor (827)	2002	114		20	6	6		19
20	Heat Exchanger Repairs (523)	2002	72		20	4	4		20
21	AC Repairs (1294)	2002	1,294		20	65	65		21
22	Tile Repairs (2400)	2002	2,400		20	120	120		22
23	Whirlpool Bath (2077)	2002	2,077		20	104	104		23
24	E&F Section Repairs (13460)	2002	13,460		20	673	673		24
25	Shower/Tile Repairs (3100)	2002	3,100		20	155	155		25
26	Counter Tops (959)	2002	959		20	48	48		26
27	Valve Repairs (1536)	2002	1,536		20	77	77		27
28	Chiller Repairs (1475)	2002	204		20	10	10		28
29	Fan/Belt Repairs (510)	2002	71		20	4	4		29
30	Lumber (866)	2002	120		20	6	6		30
31	Door Switches (673)	2002	93		20	5	5		31
32	Paint (591)	2002	82		20	4	4		32
33	Door Repair (2109)	2002	292		20	15	15		33
34	TOTAL (lines 1 thru 33)		$ 10,332,402	$ 428,157		$ 425,765	$ (2,392)	$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12E, Carried Forward		$ 10,332,402	$ 428,157		$ 425,765	$ (2,392)	$	1
2	Door Repair (1573)	2002	218		20	11	11		2
3	Paint (3106)	2002	430		20	22	22		3
4	Paint (632)	2002	87		20	4	4		4
5	Lumber (1038)	2002	144		20	7	7		5
6	Rooftop Hatch repair (1767)	2002	245		20	12	12		6
7	Blower Bearing - HVAC (544)	2002	75		20	4	4		7
8	OSHA - Repair (850)	2002	850		20	43	43		8
9	OSHA - Repair (16392)	2002	16,392		20	820	820		9
10	OSHA - Repair (20781)	2002	20,781		20	1,039	1,039		10
11	Painting (3277)	2002	3,277		20	164	164		11
12	Laundry Shute (1040)	2002	144		20	7	7		12
13	Security System (619)	2002	86		20	4	4		13
14	Code Alert Repair (997)	2002	138		20	7	7		14
15	Security System (765)	2002	106		20	5	5		15
16	Plumbing/Electrical (601)	2003	83		20	4	4		16
17	Plumbing/Electrical (954)	2003	132		20	7	7		17
18	Wall Fixtures (576)	2003	80		20	4	4		18
19	Emergency Management Systems (735)	2003	102		20	5	5		19
20	Cabinets (1704)	2003	1,704		20	85	85		20
21	Countertop (950)	2003	131		20	7	7		21
22	Security System (696)	2003	96		20	5	5		22
23	Security System (1273)	2003	176		20	9	9		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)		$ 10,377,879	$ 428,157		$ 428,039	$ (118)	$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12F, Carried Forward		$ 10,377,879	$ 428,157		$ 428,039	$ (118)	$	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
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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 (lines 1 thru 33)		$ 10,377,879	$ 428,157		$ 428,039	$ (118)	$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12G, Carried Forward		$ 10,377,879	$ 428,157		$ 428,039	$ (118)	$	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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19									19
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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 (lines 1 thru 33)		$ 10,377,879	$ 428,157		$ 428,039	$ (118)	$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12H, Carried Forward		$ 10,377,879	$ 428,157		$ 428,039	$ (118)	$	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)		$ 10,377,879	$ 428,157		$ 428,039	$ (118)	$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12I, Carried Forward		$ 10,377,879	$ 428,157		$ 428,039	$ (118)	$	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
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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 (lines 1 thru 33)		$ 10,377,879	$ 428,157		$ 428,039	$ (118)	$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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 12J, Carried Forward		$ 10,377,879	$ 428,157		$ 428,039	$ (118)	$	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
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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)		$ 10,377,879	$ 428,157		$ 428,039	$ (118)	$	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

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

	1 Beds*	FOR OHF 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					$	$		$	$	$	4
5											5
6											6
7											7
8											8
	Improvement Type**										
9											9
10											10
11											11
12											12
13											13
14											14
15											15
16											16
17											17
18											18
19											19
20											20
21											21
22											22
23											23
24											24
25											25
26											26
27											27
28											28
29											29
30											30
31											31
32											32
33											33
34											34
35											35
36											36

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

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

See Page 12A-REP, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-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
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50									50
51									51
52									52
53									53
54									54
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58									58
59									59
60									60
61									61
62									62
63									63
64									64
65									65
66									66
67									67
68									68
69									69
70	TOTAL (lines 4 thru 69)		$	$		$	$	$	70

SEE ACCOUNTANTS' COMPILATION REPORT

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

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XI. OWNERSHIP COSTS (continued)

C. Equipment Depreciation-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	$ 1,648,461	$ 164,609	$ 164,728	$ 118	10	$	71
72	Current Year Purchases	184	18	18		10		72
73	Fully Depreciated Assets							73
74								74
75	TOTALS	$ 1,648,645	$ 164,628	$ 164,746	$ 118		$	75

D. Vehicle Depreciation (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	Business	96 Chevy Pick-Up	1996	$ 8,996	$	$	$	5	$	76
77										77
78										78
79										79
80	TOTALS			$ 8,996	$	$	$		$	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)	$ 12,167,584	81
82	Current Book Depreciation	(line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	$ 592,785	82
83	Straight Line Depreciation	(line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	$ 592,785	83 **
84	Adjustments	(line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	$ 0	84
85	Accumulated Depreciation	(line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	$	85

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

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86	Marketing Office (251,389) - 2002	$ 34,792	$ 3,479	$ 6,958	86
87					87
88					88
89					89
90					90
91	TOTALS	$ 34,792	$ 3,479	$ 6,958	91

G. Construction-in-Progress

	Description	Cost	
92	Renovation; Master Site Plan	$ 9,884,735	92
93			93
94			94
95		$ 9,884,735	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.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 Date of Lease	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.	/2004	$
13.	/2005	$
14.	/2006	$

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

15. Is Movable equipment rental included in building rental? ☐ YES ☐ NO
16. Rental Amount for movable equipment: $ _____ Description: _____
(Attach a schedule detailing the breakdown of movable equipment)

C. Vehicle Rental (See instructions.)

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

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

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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

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

1. HAVE YOU TRAINED AIDES 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 AIDE ____

3. CLINICAL PORTION:

IN-HOUSE PROGRAM [ ]
IN OTHER FACILITY [ ]
HOURS PER AIDE ____

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	Nurse Aide 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 aides from other facilities.

$

D. NUMBER OF AIDES 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 aide 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 aides.
(e) The total amount of Drop-out and Completed Costs for your own aides 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 aides.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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 - 01	hrs	$ 37,429		$ 83,054	$		$ 120,483	1
2	Licensed Speech and Language Development Therapist	39 - 03	hrs			90,167			90,167	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	39 - 01	hrs	60,176		58,241			118,417	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				658,803		658,803	9
10	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							10
11	Academic Education		hrs							11
12	Exceptional Care Program									12
13	Other (specify): See Supplemental			332,415		28,211	50,026		410,652	13
14	TOTAL			$ 430,020		$ 259,673	$ 708,829		$ 1,398,522	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 nurse aides, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XV. BALANCE SHEET - Unrestricted Operating Fund. As of 03/31/03 (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	$ 4,364,759	$	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance)	2,577,861		3
4	Supply Inventory (priced at)	70,800		4
5	Short-Term Investments			5
6	Prepaid Insurance			6
7	Other Prepaid Expenses	562,987		7
8	Accounts Receivable (owners or related parties)			8
9	Other(specify): see attached	3,284,132		9
10	**TOTAL Current Assets (sum of lines 1 thru 9)**	$ 10,860,539	$	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	10,632,744		12
13	Land	12,009,804		13
14	Buildings, at Historical Cost	44,474,838		14
15	Leasehold Improvements, at Historical Cost			15
16	Equipment, at Historical Cost	4,929,587		16
17	Accumulated Depreciation (book methods)	(24,644,724)		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	14,209,708		23
24	**TOTAL Long-Term Assets (sum of lines 11 thru 23)**	$ 61,611,957	$	24
25	**TOTAL ASSETS (sum of lines 10 and 24)**	$ 72,472,496	$	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	$ 1,489,548	$	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	1,235,000		29
30	Accrued Salaries Payable	946,651		30
31	Accrued Taxes Payable (excluding real estate taxes)			31
32	Accrued Real Estate Taxes(Sch.IX-B)	388,852		32
33	Accrued Interest Payable	563,275		33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	see attached	848,446		36
37				37
38	**TOTAL Current Liabilities (sum of lines 26 thru 37)**	$ 5,471,772	$	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable	37,715,645		39
40	Mortgage Payable			40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	see attached	39,294,418		43
44				44
45	**TOTAL Long-Term Liabilities (sum of lines 39 thru 44)**	$ 77,010,063	$	45
46	**TOTAL LIABILITIES (sum of lines 38 and 45)**	$ 82,481,835	$	46
47	**TOTAL EQUITY(page 18, line 24)**	$ (10,009,339)	$	47
48	**TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)**	$ 72,472,496	$	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XVI. STATEMENT OF CHANGES IN EQUITY

		1 Total	
1	**Balance at Beginning of Year, as Previously Reported**	$ (8,524,534)	1
2	Restatements (describe):		2
3			3
4			4
5			5
6	**Balance at Beginning of Year, as Restated (sum of lines 1-5)**	$ (8,524,534)	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	(1,618,319)	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants	386,909	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) Net assets released from restriction	(253,395)	15
16	Other (describe)		16
17	**TOTAL Additions (deductions) (sum of lines 7-16)**	$ (1,484,805)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	**TOTAL Transfers (sum of lines 18-22)**	$	23
24	**BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)**	$ (10,009,339)	24 *

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

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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	$ 14,018,889	1
2	Discounts and Allowances for all Levels	(2,245,705)	2
3	**SUBTOTAL Inpatient Care (line 1 minus line 2)**	$ 11,773,184	3
	B. Ancillary Revenue		
4	Day Care		4
5	Other Care for Outpatients	365,593	5
6	Therapy	1,137,672	6
7	Oxygen	46,622	7
8	**SUBTOTAL Ancillary Revenue (lines 4 thru 7)**	$ 1,549,887	8
	C. Other Operating Revenue		
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop	148,091	12
13	Barber and Beauty Care		13
14	Non-Patient Meals	979	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	788,161	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	4,687	19
20	Radiology and X-Ray	975	20
21	Other Medical Services	282,810	21
22	Laundry	41,651	22
23	**SUBTOTAL Other Operating Revenue (lines 9 thru 22)**	$ 1,267,354	23
	D. Non-Operating Revenue		
24	Contributions	119,651	24
25	Interest and Other Investment Income***	(384,323)	25
26	**SUBTOTAL Non-Operating Revenue (lines 24 and 25)**	$ (264,672)	26
	E. Other Revenue (specify):****		
27	Settlement Income (Insurance, Legal, Etc.)		27
28	See Supplemental Schedule	12,496,436	28
28a			28a
29	**SUBTOTAL Other Revenue (lines 27, 28 and 28a)**	$ 12,496,436	29
30	**TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)**	$ 26,822,189	30

	Expenses	2 Amount	
	A. Operating Expenses		
31	General Services	6,308,333	31
32	Health Care	6,631,637	32
33	General Administration	6,624,750	33
	B. Capital Expense		
34	Ownership	4,400,190	34
	C. Ancillary Expense		
35	Special Cost Centers	4,338,723	35
36	Provider Participation Fee	136,875	36
	D. Other Expenses (specify):		
37			37
38			38
39			39
40	**TOTAL EXPENSES (sum of lines 31 thru 39)***	$ 28,440,508	40
41	**Income before Income Taxes (line 30 minus line 40)****	(1,618,319)	41
42	**Income Taxes**		42
43	**NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)**	$ (1,618,319)	43

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

** Does this agree with taxable income (loss) per Federal Income Tax Return? _____ 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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	1,919	2,080	$ 69,520	$ 33.42	1
2	Assistant Director of Nursing	3,838	4,160	134,131	32.24	2
3	Registered Nurses	76,631	83,051	2,069,023	24.91	3
4	Licensed Practical Nurses	6,592	7,144	142,109	19.89	4
5	Nurse Aides & Orderlies	182,798	198,112	2,631,403	13.28	5
6	Nurse Aide Trainees					6
7	Licensed Therapist	3,226	3,496	97,605	27.92	7
8	Rehab/Therapy Aides	6,785	7,353	105,750	14.38	8
9	Activity Director	10,747	11,647	231,969	19.92	9
10	Activity Assistants	11,654	12,630	178,372	14.12	10
11	Social Service Workers	3,912	4,240	91,675	21.62	11
12	Dietician	3,838	4,160	72,786	17.50	12
13	Food Service Supervisor					13
14	Head Cook					14
15	Cook Helpers/Assistants	59,514	64,500	778,292	12.07	15
16	Dishwashers	25,137	27,243	226,169	8.30	16
17	Maintenance Workers	35,586	38,567	595,182	15.43	17
18	Housekeepers	69,331	75,139	640,808	8.53	18
19	Laundry	19,190	20,798	183,516	8.82	19
20	Administrator	1,919	2,080	88,830	42.71	20
21	Assistant Administrator					21
22	Other Administrative	8,120	8,800	667,150	75.81	22
23	Office Manager					23
24	Clerical	46,754	50,671	1,042,709	20.58	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	15,834	17,160	176,010	10.26	31
32	Other Health Care(specify)					32
33	Other(specify) See Supplemental	17,054	18,483	389,010	21.05	33
34	TOTAL (lines 1 - 33)	610,379	661,514	$ 10,612,019 *	$ 16.04	34

SEE ACCOUNTANTS' COMPILATION REPORT

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

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant		$		35
36	Medical Director	monthly	6,000	09-03	36
37	Medical Records Consultant	monthly	4,472	10-03	37
38	Nurse Consultant				38
39	Pharmacist Consultant	monthly	2,988	10-03	39
40	Physical Therapy Consultant	239	10,861	10a-03	40
41	Occupational Therapy Consultant	273	16,711	10a-03	41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant	250	13,640	10a-03	43
44	Activity Consultant				44
45	Social Service Consultant				45
46	Other(specify)				46
47	Dietary Outside Labor		9,288	01-03	47
48	Chapel Honorarium		150	12-03	48
49	TOTAL (lines 35 - 48)	762	$ 64,110		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	4,671	$ 248,520	10-03	50
51	Licensed Practical Nurses	123	5,456	10-03	51
52	Nurse Aides	1,846	46,464	10-03	52
53	TOTAL (lines 50 - 52)	6,640	$ 300,440		53

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XIX. SUPPORT SCHEDULES

A. Administrative Salaries

Name	Function	Ownership %	Amount
Robert Alston	CEO	0	$ 240,088
Michael Flynn	CFO	0	139,947
Joseph Xanthopoulos	VP Planning & Adv.	0	127,016
Stephen Yenchek	VP Ops. & Corp. Dev.	0	137,227
Richard Klockenga	Dir. Of Finance	0	22,872
Eileen Bregianos	Administrator	0	88,830
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			$ 755,980

B. Administrative - Other

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

C. Professional Services

Vendor/Payee	Type	Amount
various - see attached	Legal	$ 70,291
Abe Gaomes Interpreting	Interpreting Service	45
Ceridian Employer Services	Payroll Processing	35,481
Frost, Ruttenberg & Rothblatt	Medicare Consulting	186,720
KPMG	Accounting	76,220
O'Donnell, Wicklund	Architect (ADJ)	8,824
Scott Schildgen	Computer Consulting	8,800
Advanced Answers on Demand	Computer Consulting	893
Paquette & Co.	Financial Services (ADJ)	3,990
Conservation Design Forum	Landscape Architect (ADJ)	1,215
FRM Consultants	Property Development (ADJ)	3,160
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed $2500 attach copy of invoices.)		$ 395,639

D. Employee Benefits and Payroll Taxes

Description	Amount
Workers' Compensation Insurance	$ 214,721
Unemployment Compensation Insurance	33,996
FICA Taxes	811,819
Employee Health Insurance	1,492,794
Employee Meals	
Illinois Municipal Retirement Fund (IMRF)*	
Appreciation Events	7,311
Employee Activites and Assistance Programs	39,476
Employee Relations and Recognitions	3,824
Recruitment Physicals / Vaccinations	19,840
Retirement / 401K	191,201
Less: allocated to non-care	(1,166,266)
See Supplemental Schedule	67,360
TOTAL (agree to Schedule V, line 22, col.8)	$ 1,716,076

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	64,398
Health Care Worker Background Check	6,345
(Indicate # of checks performed 181)	
Association Dues	36,901
Subscriptions / Publications	13,439
Licenses	20
Less: Public Relations Expense	( )
Non-allowable advertising	( )
Yellow page advertising	( )
TOTAL (agree to Sch. V, line 20, col. 8)	$ 121,103

G. Schedule of Travel and Seminar**

Description	Amount
Out-of-State Travel	$
In-State Travel	
Seminar Expense	30,343
Entertainment Expense	( )
TOTAL (agree to Sch. V, line 24, col. 8)	$ 30,343

* Attach copy of IMRF notifications

**See instructions.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

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
					Amount of Expense Amortized Per Year								
	Improvement Type	Month & Year Improvement Was Made	Total Cost	Useful Life	FY2000	FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008
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 Friendship Vill Schaumburg # 0023218 Report Period Beginning: 04/01/02 Ending: 03/31/03

XX. GENERAL INFORMATION:

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

(2) Are there any dues to nursing home associations included on the cost report? **Yes**
If YES, give association name and amount. **ASHA $6,200 LSN $24,213**

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

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

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

(6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. $ **112,968** Line **10**

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

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

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

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

(11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. $ **136,875**
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.

SEE ACCOUNTANTS' COMPILATION REPORT

(13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? **Yes**

(14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? **Yes (see page 8)** For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions.

(15) Indicate the cost of employee meals that has been reclassified to employee benefits on Schedule V. $ ____ Has any meal income been offset against related costs? **Yes** Indicate the amount. $ **979**

(16) Travel and Transportation
a. Are there costs included for out-of-state travel? **No**
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? **No** If YES, please indicate the amount of income earned from such a program during this reporting period. $ ____
c. What percent of all travel expense relates to transportation of nurses and patients? **100% line 14**
d. Have vehicle usage logs been maintained? **N/A**
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? **N/A**
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? **N/A**
g. Does the facility transport residents to and from day training? **No**
Indicate the amount of income earned from providing such transportation during this reporting period. $ ____

(17) Has an audit been performed by an independent certified public accounting firm? **Yes**
Firm Name: **KPMG** The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? **Yes** If no, please explain.

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

(19) If total legal fees are in excess of $2500, 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.