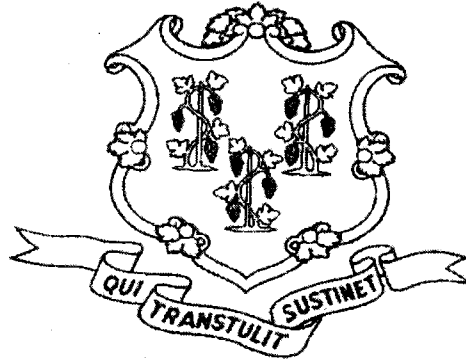


State of Connecticut



Annual Report of Long-Term Care Facility Cost Year 2016

Name of Facility (as licensed) RegalCare at Torrington, LLC	
Address (No. & Street, City, State, Zip Code) 80 Fern Drive, Torrington, CT 06790	
Type of Facility	
<input type="checkbox"/> Chronic and Convalescent <input checked="" type="checkbox"/> Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS) <input type="checkbox"/> (Specify)
Report for Year Beginning 3/4/2016	Report for Year Ending 9/30/2016

License Numbers:	CCNH 2354	RHNS	(Specify)	Medicare Provider 07-5105
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Medicaid Provider Numbers:	CCNH 000009621	RHNS	ICF-IID
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For Department Use Only

Sequence Number Assigned	Signed and Notarized	Date Received	Sequence Number Assigned	Signed and Notarized	Date Received

Table of Contents

General Information - Administrator's/Owner's Certification	1
General Information and Questionnaire - Data Required for Real Wage Adjustment	1A
General Information and Questionnaire - Type of Facility - Organization Structure	2
General Information and Questionnaire - Partners/Members	3
General Information and Questionnaire - Corporate Owners	3A
General Information and Questionnaire - Individual Proprietorship	3B
General Information and Questionnaire - Related Parties	4
General Information and Questionnaire - Basis for Allocation of Costs	5
General Information and Questionnaire - Leases	6
General Information and Questionnaire - Accounting Basis	7
Schedule of Resident Statistics	8
Schedule of Resident Statistics (Cont'd)	9
A. Report of Expenditures - Salaries & Wages	10
Schedule A1 - Salary Information for Operators/Owners; Administrators, Assistant Administrators and Other Relatives	11
Schedule A1 - Salary Information for Operators/Owners; Administrators, Assistant Administrators and Other Relatives (Cont'd)	12
B. Report of Expenditures - Professional Fees	13
Report of Expenditures - Schedule B-1 - Information Required for Individual(s) Paid on Fee for Service Basis	14
C. Expenditures Other than Salaries - Administrative and General	15
C. Expenditures Other than Salaries (Cont'd) - Administrative and General	16
Schedule C-1 - Management Services	17
C. Expenditures Other than Salaries (Cont'd) - Dietary	18
C. Expenditures Other than Salaries (Cont'd) - Laundry	19
C. Expenditures Other than Salaries (Cont'd) - Housekeeping and Resident Care	20
Report of Expenditures - Schedule C-2 - Individuals or Firms Providing Services by Contract	21
C. Expenditures Other than Salaries (Cont'd) - Maintenance and Property	22
Depreciation Schedule	23
Amortization Schedule	24
C. Expenditures Other than Salaries (Cont'd) - Property Questionnaire	25
C. Expenditures Other than Salaries (Cont'd) - Interest	26
C. Expenditures Other than Salaries (Cont'd) - Interest and Insurance	27
D. Adjustments to Statement of Expenditures	28
D. Adjustments to Statement of Expenditures (Cont'd)	29
F. Statement of Revenue	30
G. Balance Sheet	31
G. Balance Sheet (Cont'd)	32
G. Balance Sheet (Cont'd)	33
G. Balance Sheet (Cont'd)	34
G. Balance Sheet (Cont'd) - Reserves and Net Worth	35
H. Changes in Total Net Worth	36
I. Preparer's/Reviewer's Certification	37

General Information

Name of Facility (as licensed) RegalCare at Torrington, LLC	License No. 2354	Report for Year Ended 9/30/2016	Page 1	of 37
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Administrator's/Owner's Certification

MISREPRESENTATION OR FALSIFICATION OF ANY INFORMATION CONTAINED IN THIS COST REPORT MAY BE PUNISHABLE BY FINE AND/OR IMPRISONMENT UNDER STATE OR FEDERAL LAW.

I HEREBY CERTIFY that I have read the above statement and that I have examined the accompanying Cost Report and supporting schedules prepared for RegalCare at Torrington, LLC [facility name], for the cost report period beginning March 4, 2016 and ending September 30, 2016, and that to the best of my knowledge and belief, it is a true, correct, and complete statement prepared from the books and records of the provider(s) in accordance with applicable instructions.

I hereby certify that I have directed the preparation of the attached General Information and Questionnaires, Schedule of Resident Statistics, Statements of Reported Expenditures, Statements of Revenues and the related Balance Sheet of this Facility in accordance with the Reporting Requirements of the State of Connecticut for the year ended as specified above. {a}

I have read this Report and hereby certify that the information provided is true and correct to the best of my knowledge under the penalty of perjury. I also certify that all salary and non-salary expenses presented in this Report as a basis for securing reimbursement for Title XIX and/or other State assisted residents were incurred to provide resident care in this Facility. All supporting records for the expenses recorded have been retained as required by Connecticut law and will be made available to auditors upon request.

{a} Subject to Desk Audit Review

Signed (Administrator)		Date	Signed (Owner)		Date
Printed Name (Administrator) Nicotra Redd			Printed Name (Owner) See Page 3		
Subscribed and Sworn to before me:	State of	Date	Signed (Notary Public)	Comm. Expires / /	
Address of Notary Public					

(Notary Seal)

State of Connecticut
Department of Social Services
 55 Farmington Avenue, Hartford, Connecticut 06105

Data Required for Real Wage Adjustment			Page 1A	of 37
Name of Facility RegalCare at Torrington, LLC		Period Covered:	From 3/4/2016	To 9/30/2016
Address of Facility 80 Fern Drive, Torrington, CT 06790				
Report Prepared By Marcum LLP		Phone Number 203-781-9600	Date 12/19/2016	
Item	Total	CCNH	RHNS	(Specify)
1. Dietary wages paid	\$			
2. Laundry wages paid	\$			
3. Housekeeping wages paid	\$			
4. Nursing wages paid	\$			
5. All other wages paid	\$			
6. Total Wages Paid	\$			
7. Total salaries paid	\$			
8. Total Wages and Salaries Paid (As per page 10 of Report)	\$			

Wages - Compensation computed on an hourly wage rate.

Salaries - Compensation computed on a weekly or other basis which does not generally vary, based on the number of hours worked.

DO NOT include Fringe Benefit Costs.

General Information and Questionnaire
Type of Facility - Organization Structure

Phone No. of Facility 860-482-7668		Report for Year Ended 9/30/2016	Page 2	of 37
Name of Facility (as shown on license) RegalCare at Torrington, LLC		Address (No. & Street, City, State, Zip) 80 Fern Drive, Torrington, CT 06790		
License Numbers:	CCNH 2354	RHNS	(Specify)	Medicare Provider No. 07-5105
Type of Facility (Check appropriate box(es))				
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH) <input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS) <input type="checkbox"/> (Specify)				
Type of Ownership (Check appropriate box)				
<input type="checkbox"/> Proprietorship <input checked="" type="checkbox"/> LLC <input type="checkbox"/> Partnership <input type="checkbox"/> Profit Corp. <input type="checkbox"/> Non-Profit Corp. <input type="checkbox"/> Government <input type="checkbox"/> Trust				
If this facility opened or closed during report year provide:		Date Opened	Date Closed	
Has there been any change in ownership or operation during this report year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," explain fully.				
Purchased by RegalCare OP Holding Company, LLC on 3/4/2016 from Paradigm.				
Administrator				
Name of Administrator Nicotra Redd		Nursing Home Administrator's License No.:	002037	
Other Operators/Owners who are assistant administrators (full or part time) of this facility.				
Name		License No.:		

General Information and Questionnaire Related Parties*

Name of Facility RegalCare at Torrington, LLC	License No. 2354	Report for Year Ended 9/30/2016	Page 4	of 37
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Are any individuals receiving compensation from the facility related through marriage, ability to control, ownership, family or business association? Yes No If "Yes," provide the Name/Address and complete the information on Page 11 of the report.

Are any individuals or companies which provide goods or services, including the rental of property or the loaning of funds to this facility, related through family association, common ownership, control, or business association to any of the owners, operators, or officials of this facility? Yes No If "Yes," provide the following information:

Name of Related Individual or Company	Business Address	Also Provides Goods/Services to Non-Related Parties		Description of Goods/Services Provided	Indicate Where Costs are Included in Annual Report Page # / Line #	Cost Reported	Actual Cost to the Related Party
		Yes	No %**				
RegalCare OP Holding Company, LLC	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Line of Credit Interest	Pg. 27 / Line 12d	55,814	55,814
RegalCare Management Group	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Management Fee	Pg. 16 / Line m12	203,837	101,131
Regal Care Rehab	26 Firemens Memorial Drive, Suite 205 Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>	Physical Therapy	Pg. 13 / Line B5a	100,608	100,608
Regal Care Rehab	26 Firemens Memorial Drive, Suite 205 Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>	Speech Therapy	Pg. 13 / Line B9a	14,893	14,893
Regal Care Rehab	26 Firemens Memorial Drive, Suite 205 Pomona, NY 10970	<input type="radio"/>	<input checked="" type="radio"/>	Occupational Therapy	Pg. 13 / Line B10a	102,560	102,560
RegalCare Management Group	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Workers Comp	Pg. 15 / Line la1	93,561	93,561
RegalCare Management Group	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Health Insurance	Pg. 15 / Line la5	39,272	39,272
RegalCare Management Group	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Property Insurance	Pg. 27 / Line 14a	5,095	5,095
RegalCare Management Group	5 Barlow Road, Edison, NJ 08817	<input type="radio"/>	<input checked="" type="radio"/>	Liability Insurance	Pg. 27 / Line 14c3	21,534	21,534

* Use additional sheets if necessary.

** Provide the percentage amount of revenue received from non-related parties.

NOTE: Due to Regal Care Rehabilitation LLC operating with a loss based on the calendar year, the actual cost was reported at the cost report.

Regal Care Rehabilitation LLC

PROFIT AND LOSS

January - December 2016

	TOTAL
INCOME	
Sales	2,120,981.99
Services	-12,785.37
Total Income	\$2,108,196.62
GROSS PROFIT	\$2,108,196.62
EXPENSES	
Bank Charges	285.00
CEUs	488.98
Computers & Hardware	6,942.38
Dues & Subscriptions	183.96
Insurance	12,785.37
Dental	5,657.54
health insurance	56,343.04
Total Insurance	74,785.95
Insurance - Liability	5,096.82
Payroll Expenses	
Greenwich	134,782.19
New Haven	238,249.89
Prospect	317,935.73
Southport	107,026.42
Torrington	162,967.54
Waterbury	239,021.64
West Haven	320,606.75
Total Payroll Expenses	1,520,590.16
Payroll Tax	
Greenwich	15,684.30
New Haven	22,387.89
Prospect	30,659.21
Southport	11,742.61
Torrington	16,467.90
Waterbury	23,548.06
West Haven	30,107.10
Total Payroll Tax	150,597.07
Professional Fees	
Greenwich	3,500.00
New Haven	90,065.65
Prospect	65,737.04
Southport	8,362.00
Torrington	92,666.21
Waterbury	146,310.61
West Haven	96,995.02
Total Professional Fees	568,938.16
Therapy Supplies	65.74

	TOTAL
Unapplied Cash Bill Payment Expense	0.00
Total Expenses	\$2,327,974.22
NET OPERATING INCOME	\$ -219,777.60
NET INCOME	\$ -219,777.60

General Information and Questionnaire
Basis for Allocation of Costs

Name of Facility RegalCare at Torrington, LLC	License No. 2354	Report for Year Ended 9/30/2016	Page 5	of 37
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If the facility is licensed as CDH and/or RCH or provides AIDS or TBI services with special Medicaid rates, costs must be allocated to CCNH and RHNS as follows:

Item	Method of Allocation
Dietary	Number of meals served to residents
Laundry	Number of pounds processed
Housekeeping	Number of square feet serviced
Nursing	Number of hours of routine care provided by EACH employee classification, i.e., Director (or Charge Nurse), Registered Nurses, Licensed Practical Nurses, Aides and Attendants
Direct Resident Care Consultants	Number of hours of resident care provided by EACH specialist (<i>See listing page 13</i>)
Maintenance and operation of plant	Square feet
Property costs (depreciation)	Square feet
Employee health and welfare	Gross salaries
Management services	Appropriate cost center involved
All other General Administrative expenses	Total of Direct and Allocated Costs

The preparer of this report must answer the following questions applicable to the cost information provided.

- In the preparation of this Report, were all costs allocated as required? Yes No If "No," explain fully why such allocation was not made.
- Explain the allocation of related company expenses and attach copy of appropriate supporting data.
N/A
- Did the Facility appropriately allocate and self-disallow direct and indirect costs to non-nursing home cost centers? (e.g., Assisted Living, Home Health, Outpatient Services, Adult Day Care Services, etc.) Yes No If "No," explain fully why such allocation was not made.

General Information and Questionnaire
Accounting Basis

Name of Facility RegalCare at Torrington, LLC	License No. 2354	Report for Year Ended 9/30/2016	Page 7	of 37
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The records of this facility for the period covered by this report were maintained on the following basis:

- Accrual Cash Modified Cash

Is the accounting basis for this period the same as for the previous period? Yes No If "No," explain.

Independent Accounting Firm

Name of Accounting Firm 1 Marcum LLP 2 3 4	Address (No. & Street, City, State, Zip Code) 555 Long Wharf Drive, New Haven, CT 06511
--	--

Services Provided by This Firm (*describe fully*)

1 Wage enhancement, rate templates, prior owner CHOW reports (Disallowed \$3,150 on Pg.28)	\$ 5,399
2	\$
3	\$
4	\$
	Charge for Services Provided
	\$ 5,399

Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No.

- Yes No Page 15, Line 1d

Legal Services Information

Name of Legal Firm or Independent Attorney 1 Robinson + Cole LLP 2 Murtha Cullina LLP 3 CNH Finance 4 Corporate Compliance Services 5	Telephone Number 860-275-8200 860-240-6000 203-742-3057
--	--

Address (*No. & Street, City, State, Zip Code*)

1 280 Trumbull Street, Hartford, CT 06103
2 P.O. Box 150435
3 Two Greenwich Plaza Greenwich, CT 06830
4
5

Services Provided by This Firm (*describe fully*)

1 Settlements for employee issues (Disallowed 50% on Pg. 28)	\$ 2,236
2 Legal service for successor liability claims (Disallowed on Pg. 28)	\$ 2,046
3 Line of Credit Financing (Disallowed on Pg. 28)	\$ 798
4 Labor Law Poster	\$ 84
5	\$
	Charge for Services Provided
	\$ 5,164

Are These Charges Reflected in the Expenditure Portion of This Report? If Yes, Specify Expense Classification and Line No.

- Yes No Page 15, Line 1e

Schedule of Resident Statistics (Cont'd)

Name of Facility RegalCare at Torrington, LLC			License No. 2354			Report for Year Ended 9/30/2016			Page 9		of 37		
4. Were there any changes in the certified bed capacity during the report year? <input type="radio"/> Yes <input checked="" type="radio"/> No													
If "YES", provide the following information:													
Date of Change	Place of Change			Change in Beds						Capacity After Change			Reason for Change
	CCNH	RHNS	(Specify)	Lost			Gained			CCNH	RHNS	(Specify)	
	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)				
5. If there was any change in certified bed capacity during the report year (as reported in item 4 above) provide the number of RESIDENT DAYS for 90 days following the change.													
Change in Resident Days								CCNH	RHNS	(Specify)			
1st change													
2nd change													
3rd change													
4th change													
6. Number of Residents and Rates on September 30 of Cost Year													
Item	Medicare		Medicaid		Self-Pay			Other State Assisted					
	CCNH	RHNS	CCNH	RHNS	CCNH	RHNS	(Specify)	R.C.H.	ICF-MR				
No. of Residents	5		54		6								
Per Diem Rate													
a. One bed rm.	Various		244.84		450.00								
b. Two bed rms.	Various		244.84		439.00								
c. Three or more bed rms.													
7. Total Number of Physical Therapy Treatments								TOTAL	CCNH	RHNS	(Specify)		
A. Medicare - Part B								1,865	1,865				
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments								14	14				
2. Restorative Treatments								123	123				
C. Other								3,837	3,837				
D. Total Physical Therapy Treatments								5,839	5,839				
8. Total Number of Speech Therapy Treatments													
A. Medicare - Part B								245	245				
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments								1	1				
2. Restorative Treatments								6	6				
C. Other								256	256				
D. Total Speech Therapy Treatments								508	508				
9. Total Number of Occupational Therapy Treatments													
A. Medicare - Part B								1,796	1,796				
B. Medicaid (Exclusive of Part B)													
1. Maintenance Treatments								7	7				
2. Restorative Treatments								65	65				
C. Other								4,087	4,087				
D. Total Occupational Therapy Treatments								5,955	5,955				

Report of Expenditures - Salaries & Wages

Name of Facility	License No.	Report for Year Ended	Page	of		
RegalCare at Torrington, LLC	2354	9/30/2016	10	37		
Are time records maintained by all individuals receiving compensation?		<input checked="" type="radio"/> Yes <input type="radio"/> No				
Total Cost and Hours						
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
A. Salaries and Wages*						
1. Operators/Owners (Complete also Sec. I of Schedule A1)						
2. Administrator(s) (Complete also Sec. III of Schedule A1)	39,186	818				
3. Assistant Administrator (Complete also Sec. IV of Schedule A1)						
4. Other Administrative Salaries (telephone operator, clerks, receptionists, etc.)	93,361	2,917				
5. Dietary Service						
a. Head Dietitian						
b. Food Service Supervisor	35,703	1,169				
c. Dietary Workers	160,804	9,423				
6. Housekeeping Service						
a. Head Housekeeper						
b. Other Housekeeping Workers	109,188	6,670				
7. Repairs & Maintenance Services						
a. Engineer or Chief of Maintenance	31,147	1,254				
b. Other Maintenance Workers	3,990	470				
8. Laundry Service						
a. Supervisor						
b. Other Laundry Workers	47,782	2,590				
9. Barber and Beautician Services						
10. Protective Services	23,979	1,735				
11. Accounting Services						
a. Head Accountant						
b. Other Accountants						
12. Professional Care of Residents						
a. Directors and Assistant Director of Nurses	47,653	1,212				
b. RN						
1. Direct Care	390,169	10,306				
2. Administrative**	33,676	3,072				
c. LPN						
1. Direct Care	309,033	11,982				
2. Administrative**						
d. Aides and Attendants	565,493	33,539				
e. Physical Therapists						
f. Speech Therapists						
g. Occupational Therapists						
h. Recreation Workers	46,794	1,914				
i. Physicians						
1. Medical Director						
2. Utilization Review						
3. Resident Care***						
4. Other (Specify)						
j. Dentists						
k. Pharmacists						
l. Podiatrists						
m. Social Workers/Case Management	19,849	773				
n. Marketing						
o. Other (Specify) See Attached Schedule	529	41				
<i>A-13. Total Salary Expenditures</i>	1,958,336	89,885				

* Do not include in this section any expenditures paid to persons who receive a fee for services rendered or who are paid on a contract basis.

** Administrative - costs and hours associated with the following positions: MDS Coordinator, Inservice Training Coordinator and Infection Control Nurse. Such costs shall be included in the direct care category for the purposes of rate setting.

*** This item is not reimbursable to facility. For Title 19 residents, doctors should bill DSS directly. Also, any costs for Title 18 and/or other private pay residents must be removed on Page 28.

Schedule of Other Salaries and Wages (Page 10)

Position	CCNH		RHNS		(Specify)	
	\$	Hours	\$	Hours	\$	Hours
	-					
Rehab Aides	\$ 529	41				
Total	\$ 529	41	\$ -	-	\$ -	-

Schedule of Other Fees (Page 13)

Service	CCNH		RHNS		(Specify)	
	\$	Hours	\$	Hours	\$	Hours
	-					
Independent Nurse Monitor	\$ 34,031	477				
Respiratory Therapist	\$ 150	2				
IV Nurse	\$ 205	No Hours				
Total	\$ 34,386	479	\$ -	-	\$ -	-

**Schedule A1 - Salary Information for Operators/Owners; Administrators,
 Assistant Administrators and Other Related Parties***

Name of Facility		License No.		Report for Year Ended		Page	of		
RegalCare at Torrington, LLC		2354		9/30/2016		11	37		
Name	Salary Paid		Fringe Benefits and/or Other Payments (describe fully)	Full Description of Services Rendered	Total Hours Worked	Line Where Claimed on Page 10	Name and Address of All Other Employment**	Total Hours Worked	Compensation Received
	CCNH	RHNS							
Section I - Operators/Owners									
Section II - Other related parties of Operators/Owners employed in and paid by facility (EXCEPT those who may be the Administrator or Assistant Administrators who are identified on Page 12).									

* No allowance for salaries will be considered unless full information is provided. Use additional sheets if required.
 ** Include all employment worked during the cost year.

Schedule A1 - Salary Information for Operators/Owners; Administrators, Assistant Administrators and Other Related Parties*

Name of Facility (as licensed) RegalCare at Torrington, LLC	License No. 2354	Report for Year Ended 9/30/2016		Name and Address of All Other Employment**	Total Hours Worked	Line Where Claimed on Page 10	Total Hours Worked	Page 12	of 37
		CCNH	RHNS (Specify)						
Section III - Administrators***									
Amanda Schutz (3/4/2016 - 5/18/2016)		18,172		Administrator	420	A2			
Nicotra Redd (5/19/2016 - 9/30/2016)		21,014		Administrator	398	A2			
Section IV - Assistant Administrators									

*No allowance for salaries will be considered unless full information is provided. Use additional sheets if required.

** Include all other employment worked during the cost year.

*** If more than one Administrator is reported, include dates of employment for each.

B. Report of Expenditures - Professional Fees

Name of Facility	License No.	Report for Year Ended	Page	of		
RegalCare at Torrington, LLC	2354	9/30/2016	13	37		
	Total Cost and Hours					
Item	CCNH	Hours	RHNS	Hours	(Specify)	Hours
*B. Direct care consultants paid on a fee for service basis in lieu of salary (For all such services complete Schedule B1)						
1. Dietitian						
2. Dentist	2,250	Monthly Fee				
3. Pharmacist						
4. Podiatrist						
5. Physical Therapy						
a. Resident Care	100,608	1,463				
b. Other						
6. Social Worker						
7. Recreation Worker						
8. Physicians						
a. Medical Director (entire facility)	21,000	72				
b. Utilization Review (Title 18 and 19 only) monthly meeting						
c. Resident Care**						
d. Administrative Services facility						
1. Infection Control Committee (Quarterly meetings)						
2. Pharmaceutical Committee (Quarterly meetings)						
3. Staff Development Committee (Once annually)						
e. Other (Specify)						
9. Speech Therapist						
a. Resident Care	14,893	217				
b. Other						
10. Occupational Therapist						
a. Resident Care	102,560	1,489				
b. Other						
11. Nurses and aides and attendants						
a. RN						
1. Direct Care	4,733	63				
2. Administrative***						
b. LPN						
1. Direct Care						
2. Administrative***						
c. Aides						
d. Other						
12. Other (Specify) See Attached Schedule	34,386	479				
B-13 Total Fees Paid in Lieu of Salaries	280,430	3,783				

* Do not include in this section management consultants or services which must be reported on Page 16 item M-12 and supported by required information, Page 17.

** This item is not reimbursable to facility. For Title 19 residents, doctors should bill DSS directly. Also, any costs for Title 18 and/or other private pay residents must be removed on Page 28.

*** Administrative - costs and hours associated with the following positions: MDS Coordinator, Inservice Training Coordinator and Infection Control Nurse. Such costs shall be included in the direct care category for the purposes of rate setting.

Report of Expenditures
Schedule B1 - Information Required for Individual(s) Paid on Fee for Service Basis*

Name of Facility RegalCare at Torrington, LLC		License No. 2354		Report for Year Ended 9/30/2016	Page 14	of 37
Name & Address of Individual	Full Explanation of Service	Related** to Owners, Operators, Officers		Explanation of Relationship		
		Yes	No			
LTC Management, 174 Scott Road Prospect CT 06712	Dentist	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Regal Care Rehab, 26 Firemens Memorial Drive, Suite 205 Pomona, NY 10970	Physical, Occupational and Speech Therapy	<input checked="" type="radio"/>	<input type="radio"/>	Common Ownership		
Dr. Crociata, 434 Prospect St, Torrington, CT 06790	Medical Director	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Ann Gonsalves, 66 Warner Rd. North Haven CT 06473	Independent Nurse Monitor	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Lynn Poole, 31 Bronx Ave Waterbury, CT 06705	Independent Nurse Monitor	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
ProCaire, 77 Summit Street Manchester CT 06040	Respiratory Therapist	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
Omnicare Inc., 525 Knotter Drive, Cheshire, CT 06410	IV Nurse	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
The Nurse Network LLC, 653 Main Street, Plantsville, CT 06479	Nursing Agency	<input type="radio"/>	<input checked="" type="radio"/>	N/A		
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			
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		<input type="radio"/>	<input type="radio"/>			
		<input type="radio"/>	<input type="radio"/>			

* Use additional sheets if necessary.
 ** Refer to Page 4 for definition of related.

C. Expenditures Other Than Salaries - Administrative and General

Name of Facility	License No.	Report for Year Ended	Page	of
RegalCare at Torrington, LLC	2354	9/30/2016	15	37
Item	Total	CCNH	RHNS	(Specify)
1. Administrative and General				
a. Employee Health & Welfare Benefits				
1. Workmen's Compensation	\$ 93,561	93,561		
2. Disability Insurance	\$			
3. Unemployment Insurance	\$			
4. Social Security (F.I.C.A.)	\$ 231,173	231,173		
5. Health Insurance	\$ 332,926	332,926		
6. Life Insurance (employees only) (not-owners and not-operators)	\$			
7. Pensions (Non-Discriminatory) (not-owners and not-operators)	\$ 102,802	102,802		
8. Uniform Allowance	\$			
9. Other (<i>Specify</i>) See Attached Schedule	\$ 14,884	14,884		
b. Personal Retirement Plans, Pensions, and Profit Sharing Plans for Owners and Operators (Discriminatory)*	\$			
c. Bad Debts*	\$			
d. Accounting and Auditing	\$ 5,399	5,399		
e. Legal (<i>Services should be fully described on Page 7</i>)	\$ 5,164	5,164		
f. Insurance on Lives of Owners and Operators (<i>Specify</i>)*	\$			
g. Office Supplies	\$ 3,770	3,770		
h. Telephone and Cellular Phones				
1. Telephone & Pagers	\$ 7,533	7,533		
2. Cellular Phones	\$ 354	354		
i. Appraisal (<i>Specify purpose and attach copy</i>)*	\$			
j. Corporation Business Taxes (<i>franchise tax</i>)	\$ 349	349		
k. Other Taxes (<i>Not related to property - See Page 22</i>)				
1. Income*	\$			
2. Other (<i>Specify</i>) See Attached Schedule	\$			
3. Resident Day User Fee	\$ 244,546	244,546		
Subtotal	\$ 1,042,461	1,042,461		

* Facility should self-disallow the expense on Page 28 of the Cost Report.

(Carry Subtotals forward to next page)

***** DO NOT Include Holiday Parties / Awards / Gifts to Staff**

RegalCare at Torrington, LLC
9/30/2016

Attachment Page 15

Schedule of Other Employee Benefits

Description	CCNH	RHNS	(Specify)
	-		
Misc. Employee Benefits	\$ 399		
Union Training	\$ 13,664		
Background Checks	\$ 821		
Total	\$ 14,884	\$ -	\$ -

Schedule of Other Taxes

Description	CCNH	RHNS	(Specify)
	-		
Total	\$ -	\$ -	\$ -

C. Expenditures Other Than Salaries (cont'd) - Administrative and General

Name of Facility	License No.	Report for Year Ended		Page	of
RegalCare at Torrington, LLC	2354	9/30/2016		16	37
Item	Total	CCNH	RHNS	(Specify)	
Subtotals Brought Forward:	1,042,461	1,042,461			
i. Travel and Entertainment					
1. Resident Travel and Entertainment	\$				
2. Holiday Parties for Staff	\$				
3. Gifts to Staff and Residents	\$				
4. Employee Travel	\$ 5,835	5,835			
5. Education Expenses Related to Seminars and Conventions	\$ 1,077	1,077			
6. Automobile Expense (<i>not purchase or depreciation</i>)	\$				
7. Other (<i>Specify</i>) See Attached Schedule	\$				
m. Other Administrative and General Expenses					
1. Advertising Help Wanted (<i>all such expenses</i>)	\$ 783	783			
2. Advertising Telephone Directory (<i>all such expenses</i>)***	\$				
3. Advertising Other (<i>Specify</i>)*** See Attached Schedule	\$ 12,271	12,271			
4. Fund-Raising***	\$				
5. Medical Records	\$				
6. Barber and Beauty Supplies (if this service is supplied directly and not by contract or fee for service)***	\$				
7. Postage	\$ 106	106			
* 8. Dues and Membership Fees to Professional Associations (<i>Specify</i>) See Attached Schedule	\$				
8a. Dues to Chamber of Commerce & Other Non-Allowable Org.***	\$				
9. Subscriptions	\$				
10. Contributions*** See Attached Schedule	\$ 50	50			
11. Services Provided by Contract (<i>Specify and Complete Schedule C-2, Page 21 for each firm or individual</i>)	\$ 52,786	52,786			
12. Administrative Management Services**	\$ 203,837	203,837			
13. Other (<i>Specify</i>) See Attached Schedule	\$ 128,857	128,857			
C-14 Total Administrative & General Expenditures	\$ 1,448,063	1,448,063			

* Do not include Subscriptions, which should go in item 9.

** Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

*** Facility should self-disallow the expense on Page 28 of the Cost Report.

Schedule of Other Travel and Entertainment

Description	CCNH	RHNS	(Specify)
	-		
Total Other Travel and Entertainment	\$ -	\$ -	\$ -

Schedule of Other Advertising

Description	CCNH	RHNS	(Specify)
	-		
Marketing & Advertising	\$ 12,271		
Total Other Advertising	\$ 12,271	\$ -	\$ -

Schedule of Dues

Description	CCNH	RHNS	(Specify)
	-		
Total Dues	\$ -	\$ -	\$ -

Schedule of Contributions

Description	CCNH	RHNS	(Specify)
	-		
Donations/Charity	\$ 50		
Total Contributions	\$ 50	\$ -	\$ -

Schedule of Other Administrative and General

Description	CCNH	RHNS	(Specify)
	-		
Licenses	\$ 915		
Fines & Penalties	\$ 25		
Late Fees	\$ 376		
Bank Fees	\$ 12,981		
Startup Costs	\$ 66,278		
Prior Period Adjustment	\$ 48,282		
Total Other Administrative and General	\$ 128,857	\$ -	\$ -

Schedule C-1 - Management Services*

Name of Facility RegalCare at Torrington, LLC	License No. 2354	Report for Year Ended 9/30/2016	Page of 17 37
Name & Address of Individual or Company Supplying Service	Cost of Management Service	Full Description of Mgmt. Service Provided	Indicate Where Costs are Included in Annual Report Page #/Line #
RegalCare Management Group, 5 Barlow Road, Edison, NJ 08817	203,837	Management Services Per Contract	Pg. 16 / Line m12

*** In addition to management fees reported on page 16, line m12 include any additional management company charges or allocations of home office overhead costs reported elsewhere in the Annual Report.**

C. Expenditures Other Than Salaries (cont'd) - Dietary Basis for Allocation of Costs (See Note on Page 5)

Name of Facility		License No.	Report for Year Ended	Page	of
RegalCare at Torrington, LLC		2354	9/30/2016	18	37
Item	Total	CCNH	RHNS	(Specify)	
2. Dietary					
a. In-House Preparation & Service					
1. Raw Food	\$ 86,729	86,729			
2. Non-Food Supplies	\$ 7,831	7,831			
3. Other (Specify) _____ Minor Equipment & Supplies	\$ 995	995			
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)	\$				
c. Management Services**	\$				
d. Other (Specify) _____	\$				
2E. Total Dietary Expenditures (2a + b + c + d)	\$ 95,555	95,555			
2F. Dietary Questionnaire	Total	CCNH	RHNS	(Specify)	
G. Resident Meals: Total no. of meals served per day:*					
H. Is cost of employee meals included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No					
I. Did you receive revenue from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify amt.
J. Where is the revenue received reported in the Cost Report? (Page/Line Item)					
K. Is cost of meals provided to persons other than employees or residents (i.e., Board Members, Guests) included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify cost.
L. Is any revenue collected from these people? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify amt.
M. Where is the revenue received reported in the Cost Report? (Page/Line Item)					
N. Is cost of food (other than meals, e.g., snacks at monthly staff meetings, board meetings) provided to employees included in 2E? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify cost.
O. Is any revenue collected from employees? <input type="radio"/> Yes <input checked="" type="radio"/> No					If yes, specify amt.
P. Where is the revenue received reported in the Cost Report? (Page/Line Item)					

* Count each tray served to a resident at meal time, but do not count liquids or other "between meal" snacks.
 ** Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

C. Expenditures Other Than Salaries (cont'd) - Laundry Basis for Allocation of Costs
(See Note on Page 5)

Name of Facility		License No.	Report for Year Ended	Page	of
RegalCare at Torrington, LLC		2354	9/30/2016	19	37
Item		Total	CCNH	RHNS	(Specify)
3. Laundry					
a. In-House Processing*		Lbs.			
1. Bed linens, cubicle curtains, draperies, gowns and other resident care items washed, ironed, and/or processed.***		Amt. \$			
2. Employee items including uniforms, gowns, etc. washed, ironed and/or processed.***		Lbs.			
		Amt. \$			
3. Personal clothing of residents washed, ironed, and/or processed.***		Lbs.			
		Amt. \$			
4. Repair and/or purchase of linens.***		Lbs.			
		Amt. \$			
b. Purchased Services (by contract other than through Management Services) (Complete Schedule C-2 att. Page 21)		\$			
c. Management Services**		\$			
d. Other (Specify) Supplies		\$	2,494	2,494	
3E. Total Laundry Expenditures (3a + b + c + d)		\$	2,494	2,494	
3F. Laundry Questionnaire					
G. Is cost of employee laundry included in 3E?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
H. Did you receive revenue from employees?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.	
I. Where is the revenue received reported in the Cost Report?		(Page/Line Item)			
J. Is Cost of laundry provided to persons other than employees or residents included in 3E?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify cost.	
K. Did you receive revenue from these people?		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If yes, specify amt.	
L. Where is the revenue received reported in the Cost Report?		(Page/Line Item)			

* Do not include salaries from page 10 as part of dollar values recorded in 1, 2, 3, and 4.

All allocations should add to total recorded in 3E.

** Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

*** Pounds of Laundry only required for multi-level facilities.

**C. Expenditures Other Than Salaries (cont'd) - Housekeeping and Resident Care
 Basis for Allocation of Costs (See Note on Page 5)**

Name of Facility		License No.	Report for Year Ended		Page	of
RegalCare at Torrington, LLC		2354	9/30/2016		20	37
Item			Total	CCNH	RHNS	(Specify)
4.	Housekeeping	Sq. Ft. Serviced by Personnel				
a.	In-House Care					
	1. Supplies - Cleaning (<i>Mops, pails, brooms, etc.</i>)	Amt. \$				
	b. Purchased Services (<i>by contract other than through Management Services</i>) (<i>Complete Schedule C-2 att. Page 21</i>)	Sq. Ft. Serviced by Personnel				
		Amt. \$				
	c. Management Services*	\$				
	d. Other (<i>Specify</i>) Supplies	\$	8,562	8,562		
4E.	Total Housekeeping Expenditures (4a + b + c + d)	\$	8,562	8,562		
5.	Resident Care (Supplies)**					
a.	Prescription Drugs***					
	1. Own Pharmacy	\$				
	2. Purchased from Pharmacy	\$	72,213	72,213		
	b. Medicine Cabinet Drugs	\$	2,433	2,433		
	c. Medical and Therapeutic Supplies	\$				
	d. Ambulance/Limousine***	\$	561	561		
	e. Oxygen					
	1. For Emergency Use	\$				
	2. Other***	\$	4,235	4,235		
	f. X-rays and Related Radiological Procedures***	\$	2,614	2,614		
	g. Dental (<i>Not dentists who should be included under salaries or fees</i>)	\$				
	h. Laboratory***	\$	6,067	6,067		
	i. Recreation	\$	6,602	6,602		
	j. Other (Specify)**** See Attached Schedule	\$	67,059	67,059		
5K.	Total Resident Care Expenditures (5a - 5j)	\$	161,784	161,784		

* Schedule C-1, Page 17 must be fully completed or this expenditure will not be allowed.

** Do not include any fees to professional staff, these should be reported on Page 13, or, if paid on salary basis, on Page 10.

*** Facility should self-disallow the expense on Page 29 of the Cost Report.

**** ICFMR's should provide a detailed schedule of all Day Program Costs.

Schedule of Other Resident Care

Description	CCNH	RHNS	(Specify)
	-		
PPD Supplies	\$ 38,123		
Minor Equip & Supplies	\$ 489		
Incontinence Supplies	\$ 3,829		
Equipment Rental	\$ 23,648		
Data Processing	\$ 970		
Total Other Resident Care	\$ 67,059	\$ -	\$ -

**Report of Expenditures
 Schedule C-2 - Individuals or Firms Providing Services by Contract ***

Name of Facility RegalCare at Torrington, LLC		License No. 2354		Report for Year Ended 9/30/2016		Page of 21 37		
Name of Individual or Company	Address	Related ** to Owners, Operators, Officers		Explanation of Relationship	Full Explanation of Service Provided*	Total Cost/Page Ref.***		
		Yes	No			CCNH	RHNS (Specify)	Pg Line
Caretech	1123 Mcdonald Ave, Brklyn, NY 11230	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Purchasing Agent	12,500		16 m11
Streamline HR Management	7 Randolph Rd Howell, NJ 07731	<input type="radio"/>	<input checked="" type="radio"/>	N/A	Payroll Processing and Oversight	17,258		16 m11
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					
		<input type="radio"/>	<input type="radio"/>					

* List all contracted services over \$10,000. Use additional sheets if necessary.
 ** Refer to Page 4 for definition of related.
 *** Please cross-reference amount to the appropriate page in the Annual Report (Pages 16, 18, 19, 20 or 22).

C. Expenditures Other Than Salaries (cont'd) - Maintenance and Property

Name of Facility	License No.	Report for Year Ended			Page	of
RegalCare at Torrington, LLC	2354	9/30/2016			22	37
Item	Total	CCNH	RHNS	(Specify)		
6. Maintenance & Operation of Plant						
a. Repairs & Maintenance	\$ 12,506	12,506				
b. Heat	\$ 442	442				
c. Light & Power	\$ 41,622	41,622				
d. Water	\$ 5,599	5,599				
e. Equipment Lease <i>(Provide detail on page 6)</i>	\$					
f. Other <i>(itemize)</i>	\$ 29,730	29,730				
See Attached Schedule						
6g. Total Maint. & Operating Expense (6a - 6f)	\$ 89,899	89,899				
7. Depreciation <i>(complete schedule page 23*)</i>						
a. Land Improvements	\$					
b. Building & Building Improvements	\$					
c. Non-Movable Equipment	\$					
d. Movable Equipment	\$ 13,238	13,238				
*7e. Total Depreciation Costs (7a + b + c + d)	\$ 13,238	13,238				
8. Amortization <i>(Complete att. Schedule Page 24*)</i>						
a. Organization Expense	\$ 2,664	2,664				
b. Mortgage Expense	\$					
c. Leasehold Improvements	\$ 788	788				
d. Other <i>(Specify)</i>	\$					
*8e. Total Amortization Costs (8a + b + c + d)	\$ 3,452	3,452				
9. Rental payments on leased real property less real estate taxes included in item 10b	\$ 107,893	107,893				
10. Property Taxes						
a. Real estate taxes paid by owner	\$					
b. Real estate taxes paid by lessor	\$ 41,503	41,503				
c. Personal property taxes	\$					
11. Total Property Expenses (7e + 8e + 9 + 10)	\$ 166,086	166,086				

* Amounts entered in these items must agree with detail on Schedule for Depreciation and Amortization Page 23 and Page 24.

Schedule of Other Repairs and Maintenance

Description	CCNH	RHNS	(Specify)
	-		
Supplies	\$ 4,400		
Sanitation & Incineration	\$ 6,417		
Extermination	\$ 744		
Landscaping	\$ 4,079		
Fire Drill	\$ 1,211		
Contracted Service	\$ 12,741		
Professional Fees	\$ 138		
Total Other Repairs and Maintenance	\$ 29,730	\$ -	\$ -

Depreciation Schedule

Name of Facility RegalCare at Torrington, LLC		License No. 2354		Report for Year Ended 9/30/2016				Page 23	of 37
Property Item	Historical Cost Exclusive of Land	Less Salvage Value	Cost to Be Depreciated	Accumulated Depreciation to Beginning of Year's Operations	Method of Computing Depreciation	Useful Life	Depreciation for This Year	Totals	
									Is a mileage logbook maintained?
	Yes	No	Month	Year					
A. Land Improvements									
1. Acquired prior to this report period									
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
A-4. Subtotal									
B. Building and Building Improvements									
1. Acquired prior to this report period									
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
B-4. Subtotal									
C. Non-Movable Equipment									
1. Acquired prior to this report period									
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
C-4. Subtotal									
D. Movable Equipment									
1. Motor Vehicles (Specify name, model and year of each vehicle)									
a.									
b.									
c.									
d.									
2. Movable Equipment									
a. Acquired prior to this report period									
b. Disposals (attach schedule)									
c. Acquired during this report period {a}									
D-3. Subtotal			53,022		S/L	Various	13,238	13,238	
E. Total Depreciation								13,238	13,238

{a} Assets listed exclude historical assets from prior owner

RegalCare at Torrington, LLC
9/30/2016

Schedule of Land Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
Total additions for Land Improvements		\$ -		\$ - *
Deletions:				
Total deletions for Land Improvements		\$ -		\$ - **

*Ties to Page 23, Line A3

**Ties to Page 23, Line A2

Schedule of Building Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
Total additions for Building Improvements		\$ -		\$ - *
Deletions:				
Total deletions for Building Improvements		\$ -		\$ - **

*Ties to Page 23, Line B3

**Ties to Page 23, Line B2

Schedule of Non-Movable Equipment Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
Total additions for Non-Movable Equipment		\$ -		\$ - *
Deletions:				
Total deletions for Non-Movable Equipment		\$ -		\$ - **

*Ties to Page 23, Line C3

**Ties to Page 23, Line C2

Schedule of Movable Equipment Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
4/1/2016	ID Card Printer	\$ 1,244	5	\$ 249
5/1/2016	Transmitter and System Tester	585	10	59
4/1/2016	Stepper, Recumbent, Stepone, STD Seat	3,942	5	788
3/1/2016	Dell Sonicwall Network Sec, 7 computers, server, 3 printers	11,001	5	2,200
4/1/2016	Lenovo Desktops (4)	2,080	5	416
5/4/2016	Backup (12) & Project Management	8,283	5	1,657
9/1/2016	11 Unifi wireless Access Points & Unifi 24-port Gigabite Hub	4,539	5	908
9/1/2016	11 Unifi wireless Access Points & Unifi 24-port Gigabite Hub	288	5	58
9/1/2016	Check Scanner	877	5	175
3/1/2016	Microsoft Office Pro (7)	1,630	3	543
4/1/2016	Microsoft Office Pro (4) & Sonicwall Antivirus	1,703	3	568
3/1/2016	E-Copiers (Total = 6)	16,850	3	5,617
Total additions for Movable Equipment		\$ 53,022		\$ 13,238
Deletions:				
Total deletions for Movable Equipment		\$ -		\$ -

*Ties to Page 23, Line D2c

**Ties to Page 23, Line D2b

Schedule of Leasehold Improvements Acquired during this report period

Acquisition Date	Description of Item	Cost	Useful Life	Depreciation
Additions:				
4/1/2016	Sign Replacement	\$ 1,382	10	\$ 138
4/1/2016	Construction for water run-off on back hill	3,500	10	350
5/1/2016	Construction for water run-off on back hill	3,000	10	300
Total additions for Leasehold Improvement		\$ 7,882		\$ 788
Deletions:				
Total deletions for Leasehold Improvement		\$ -		\$ -

*Ties to Page 24, Line C3

**Ties to Page 24, Line C2

Amortization Schedule*

Name of Facility		License No.		Report for Year Ended		Page	of		
RegalCare at Torrington, LLC		2354		9/30/2016		24	37		
Item	Date of Acquisition		Length of Amortization	Cost to Be Amortized	Accumulated Amort. to Beginning of Year's Operations	Basis for Computing Amortization**	Rate %	Amortization for This Year	Totals
	Month	Year							
A. Organization Expense									
1. Deferred Financing Costs				26,642		S/L		2,664	
2.									
3.									
A-4. Subtotal									2,664
B. Mortgage Expense									
1.									
2.									
3.									
B-4. Subtotal									
C. Leasehold Improvements and Other									
1. Acquired prior to this report period									
2. Disposals (attach schedule)									
3. Acquired during this report period (attach schedule)									
	Var		10 Yrs	7,882		S/L		788	
C-4. Subtotal	Var								788
D. Total Amortization									3,452

* Straight-line method must be used.

** Specify which of the following bases were used:

- A. Minimum of 5 years or 60 months.
- B. Life of mortgage; OR
- C. Remaining Life of Lease; OR
- D. Actual Life if owned by Related Party.

{a} Assets listed exclude historical assets from prior owner

RegalCare at Torrington, LLC
FIXED ASSET / DEPRECIATION SCHEDULE

G/L Account	Description	Date In Service	Method	Life	Historical Cost	2016 Deprec.	2016 A/D	NBV
LEASEHOLD IMPROVEMENTS								
Leasehold Imp.	Sign Replacement	4/1/2016	S/L	10	1,382	138	138	1,244
Leasehold Imp.	Construction for water run-off on back hill	4/1/2016	S/L	10	3,500	350	350	3,150
Leasehold Imp.	Construction for water run-off on back hill	5/1/2016	S/L	10	3,000	300	300	2,700
TOTAL LEASEHOLD IMPROVEMENTS					7,882	788	788	7,094
MOVABLE EQUIPMENT								
FF&E	ID Card Printer	4/1/2016	S/L	5	1,244	249	249	995
FF&E	Transmitter and System Tester	5/1/2016	S/L	10	585	59	59	526
Medical Equipment	Stepper, Recumbent, Stepone, STD Seat	4/1/2016	S/L	5	3,942	788	788	3,154
Computer Hardware	Dell Sonicwall Network Sec, 7 computers, server, 3 printers	3/1/2016	S/L	5	11,001	2,200	2,200	8,801
Computer Hardware	Lenovo Desktops (4)	4/1/2016	S/L	5	2,080	416	416	1,664
Computer Hardware	Backup (12) & Project Management	5/4/2016	S/L	5	8,283	1,657	1,657	6,626
Computer Hardware	11 Unifi wireless Access Points & Unifi 24-port Gigabite Hub	9/1/2016	S/L	5	4,539	908	908	3,631
Sales Use Tax	11 Unifi wireless Access Points & Unifi 24-port Gigabite Hub	9/1/2016	S/L	5	288	58	58	230
Computer Hardware	Check Scanner	9/1/2016	S/L	5	877	175	175	702
Computer Software	Microsoft Office Pro (7)	3/1/2016	S/L	3	1,630	543	543	1,087
Computer Software	Microsoft Office Pro (4) & Sonicwall Antivirus	4/1/2016	S/L	3	1,703	568	568	1,135
Capital Lease	E-Copiers (Total = 6)	3/1/2016	S/L	3	16,850	5,617	5,617	11,233
TOTAL MOVABLE EQUIPMENT					53,022	13,238	13,238	39,784
TOTAL ASSETS					60,904	14,026	14,026	46,878
TOTAL ASSETS PER CR SCHEDULE					60,904	14,026	14,026	46,878
TOTAL ASSETS PER TRIAL BALANCE					67,354	8,647	8,647	58,707
VARIANCE					(6,450)	5,379	5,379	(11,829)
VARIANCE DETAIL								
(ADD) CIP					6,450	-	-	-
ROUNDING					-	-	-	-
REVISED VARIANCE					-	5,379	5,379	(5,379)

F/S vs C/R NBV - Page 31, Line B9
F/S vs C/R Depreciation - Page 36, Line F1

5,379
(5,379)

C. Expenditures Other Than Salaries (cont'd) - Property Questionnaire

Name of Facility RegalCare at Torrington, LLC	License No. 2354	Report for Year Ended 9/30/2016	Page 25	of 37
11. Property Questionnaire				
Part A				
Is the property either owned by the Facility or leased from a Related Party?*		<input type="radio"/> Yes	<input checked="" type="radio"/> No	If "Yes," complete Part B. If "No," complete Part C.
*If any owner or operator of this facility is related by family, marriage, ownership, ability to control or business association to any person or organization from whom buildings are leased, then it is considered a related party transaction.				
Description		Total		
1. Date Land Purchased				
2. Date Structure Completed				
3. If NOT Original Owner, Date of Purchase				
4. Date of Initial Licensure				
5. Total Licensed Bed Capacity		75		
6. Square Footage				
7. Acquisition Cost				
a. Land				
b. Building				
Part B - Owner and Related Parties		1st Mortgage	2nd Mortgage	3rd Mortgage
1. Financing				
a. Type of Financing (e.g., fixed, variable)				
b. Date Mortgage Obtained				
c. Interest Rate for the Cost Year				
d. Term of Mortgage (number of years)				
e. Amount of Principal Borrowed				
f. Principal balance outstanding as of				
Complete if Mortgage was Refinanced During Current Cost Year				
g. Type of Financing (e.g., fixed, variable)				
h. Date of Refinancing				
i. New Interest Rate				
j. Term of Mortgage (number of years)				
k. Amount of Principal Borrowed				
l. Principal Outstanding on Note Paid-Off				
Part C - Arms-Length Leases for Real Property Improvements Only				
Name and Address of Lessor	Property Leased	Date of Lease	Term of Lease	Annual Amount of Lease
Independence Senior Holdings LLC, 13 Freedom Drive, Lakewood, NJ 08707	Building	03/04/16	20 Years	107,893

Note: Be sure required copies of leases are attached to Page 25 and real estate taxes paid by lessor are included on Page 22, Item 10b.

C. Expenditures Other Than Salaries (cont'd) - Interest

Name of Facility		License No.	Report for Year Ended		Page	of
RegalCare at Torrington, LLC		2354	9/30/2016		26	37
Item			Total	CCNH	RHNS	(Specify)
12. Interest						
A. Building, Land Improvement & Non-Movable Equipment						
1. First Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
2. Second Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
3. Third Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
4. Fourth Mortgage			\$			
Name of Lender		Rate				
Address of Lender						
B. CHEFA Loan Information						
1. Original Loan Amount			\$			
2. Loan Origination Date						
3. Interest Rate %						
4. Term						
5. CHEFA Interest Expense						
12 B7. Total Building Interest Expense (A1 - A4 + B5)			\$			

(Carry Subtotals forward to next page)

C. Expenditures Other Than Salaries (cont'd) - Interest and Insurance

Name of Facility		License No.		Report for Year Ended			Page of	
RegalCare at Torrington, LLC		2354		9/30/2016			27 37	
Item				Total	CCNH	RHNS	(Specify)	
Subtotals Brought Forward:								
12. C. Movable Equipment								
1. Automotive Equipment				\$				
A. Item		Rate	Amount					
Lender								
Address of Lender								
2. Other (Specify)				\$				
A. Item		Rate	Amount					
Lender								
Address of Lender								
B. Item		Rate	Amount					
Lender								
Address of Lender								
12. C. 3. Total Movable Equipment Interest Expense (C1 + 2)				\$				
12. D. Other Interest Expense (Specify) Line of Credit Interest Expense				\$	55,814	55,814		
13. Total All Interest Expense (12B7 + 12C3 + 12D)				\$	55,814	55,814		
14. Insurance								
a. Insurance on Property (buildings only)				\$	5,095	5,095		
b. Insurance on Automobiles				\$	247	247		
c. Insurance other than Property (as specified above)								
1. Umbrella (Blanket Coverage)				\$				
2. Fire and Extended Coverage				\$				
3. Other (Specify) General Liability, EPLI & Surety Bond				\$	21,534	21,534		
14d. Total Insurance Expenditures (14a + b + c)				\$	26,876	26,876		
15. Total All Expenditures (A-13 thru C-14)				\$	4,293,899	4,293,899		

D. Adjustments to Statement of Expenditures

Name of Facility			License No.	Report for Year Ended	Page	of	
RegalCare at Torrington, LLC			2354	9/30/2016	28	37	
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Page 10 - Salaries and Wages							
1.			Outpatient Service Costs	\$			
2.			Salaries not related to Resident Care	\$			
3.			Occupational Therapy	\$			
4.			Other - See attached Schedule	\$			
Page 13 - Professional Fees							
5.			Resident Care Physicians **	\$			
6.	13	B10a	Occupational Therapy	\$ 102,560	102,560		
7.			Other - See attached Schedule	\$ 34,386	34,386		
Pages 15 & 16 - Administrative and General							
8.			Discriminatory Benefits	\$			
9.	15	1c	Bad Debts	\$			
10.	15	1d/e	Accounting & Legal	\$ 7,112	7,112		
11.			Telephone	\$			
12.			Cellular Telephone	\$			
13.			Life insurance premiums on the life of Owners, Partners, Operators	\$			
14.			Gifts, flowers and coffee shops	\$			
15.			Education expenditures to colleges or universities for tuition and related costs for owners and employees	\$			
16.	16	L4	Travel for purposes of attending conferences or seminars outside the continental U.S. Other out-of-state travel in excess of one representative	\$ 2,491	2,491		
17.			Automobile Expense (e.g. personal use)	\$			
18.	16	m3	Unallowable Advertising *	\$ 12,271	12,271		
19.	15	1j	Income Tax / Corporate Business Tax	\$ 99	99		
20.	16	m10	Fund Raising / Contributions	\$ 50	50		
21.	16	m12	Unallowable Management Fees	\$ 117,654	117,654		
22.			Barber and Beauty	\$			
23.			Other - See attached Schedule	\$ 124,459	124,459		
Page 18 - Dietary Expenditures							
24.			Meals to employees, guests and others who are not residents	\$			
Page 19 - Laundry Expenditures							
25.			Laundry services to employees, guests and others who are not residents	\$			
Page 20 - Housekeeping Expenditures							
26.			Housekeeping services to employees, guests and others who are not residents	\$			
Subtotal (Items 1 - 26)				\$ 401,082	401,082		

* All except "Help Wanted".

(Carry Subtotal forward to next page)

** Physicians who provide services to Title 19 residents are required to bill the Department of Social Services directly for each individual resident.

Schedule of Other Salaries Adjustment

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
Total Other Salaries Adjustment			\$ -	\$ -	\$ -

Schedule of Fees Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
13	B12o	Respiratory Therapist	\$ 150		
13	B12o	Independent Nurse Monitor	\$ 34,031		
13	B12o	IV Nurse	\$ 205		
Total Other Fees Adjustments			\$ 34,386	\$ -	\$ -

Schedule of Other A&G Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
16	m13	Fines & Penalties	\$ 25		
16	m13	Late Fees	\$ 376		
16	m13	Startup Costs	\$ 66,278		
16	m13	Prior Period Adjustment	\$ 48,282		
16	m13	Bank Fees - Line of Credit & Credit Cards	\$ 9,099		
15	1a9	Misc. Employee Benefits	\$ 399		
Total Other A&G Adjustments			\$ 124,459	\$ -	\$ -

**RegalCare at Torrington, LLC
 Calculation of Allowable Management Fee
 September 30, 2016**

Page 16 Line M12	<u>Amount</u>
Management fees Charged	203,837 {b}
Patient Days	13,259 Page 8
Amount Per Patient Day	\$ 15.37
 2016 PPD Allowance Per Rate Agreement	 6.50 J.01a
Amount over (Under)	\$ 8.87
 Total Days	 13,259 Page 8
Disallowed Management Fee	\$ 117,654 {a}
 Allowed Management Fee	 \$ 86,183

Tickmark

{a}

{b}

Ties to page 28, Line 21

Please note that this amount represents the actual expense incurred during the time period, but not the total paid. See account 27-000-92 Due To Management for the amount not paid as of 9/30/2016.

D. Adjustments to Statement of Expenditures (cont'd)

Name of Facility				License No.	Report for Year Ended	Page	of
RegalCare at Torrington, LLC				2354	9/30/2016	29	37
Item No.	Page No.	Line No.	Item Description	Total Amount of Decrease	CCNH	RHNS	(Specify)
Subtotals Brought Forward				\$ 401,082	401,082		
Page 20 - Resident Care Supplies***							
27.	20	5a2	Prescription Drugs	\$ 72,213	72,213		
28.	20	5d	Ambulance/Limousine	\$ 561	561		
29.	20	5f	X-rays, etc	\$ 2,614	2,614		
30.	20	5h	Laboratory	\$ 6,067	6,067		
31.			Medical Supplies	\$			
32.	20	5e2	Oxygen (non emergency)	\$ 4,235	4,235		
33.			Occupational Therapy	\$			
34.			Other - See Attached Schedule	\$ 13,270	13,270		
Page 22 - Maintenance and Property							
35.			Excess Movable Equipment Depreciation See Attached Schedule	\$			
36.			Depreciation on Unallowable Motor Vehicles	\$			
37.			Unallowable Property and Real Estate Taxes	\$			
38.			Rental of Building Space or Rooms	\$			
39.			Other - See Attached Schedule	\$ 2,664	2,664		
Page 27 - Insurance							
40.			Mortgage Insurance	\$			
41.			Property Insurance	\$			
Other - Miscellaneous							
42.			Research or Experimental Activities	\$			
43.			Radio and Television Revenue	\$			
44.			Vending Machine Revenue	\$			
45.			Purchase Discounts and Allowances	\$			
46.			Duplications of functions or services	\$			
47.			Expenditures made for the protection, enhancement or promotion of the providers interest	\$			
48.			Interest Income on Accounts Rec	\$			
49.			Other (include personnel and other costs unrelated to resident care) - See Attached Schedule	\$ 58,243	58,243		
Not For Profit Providers Only							
50.			Building/Non Movable Eq. Depreciation Unallowable Building Interest - See Attached Schedule	\$			
51. Total Amount of Decrease (Items 1 - 50)				\$ 560,949	560,949		

*** Items billed directly to Department of Social Services and/or Health Services in CT, or other states, Medicare, and private-pay residents. Identify separately by category as indicated on Page 20.

RegalCare at Torrington, LLC
9/30/2016

Schedule of Other Ancillary Costs

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
20	5i	Cable TV Disallowance	\$ 1,678		
20	5j	Equipment Rental	\$ 11,592		
Total Other Ancillary Costs			\$ 13,270	\$ -	\$ -

Schedule of Excess Movable Equipment Depreciation

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
Total Excess Movable Equipment Depreciation			\$ -	\$ -	\$ -

Schedule of Other Property Adjustments

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
22	8a	Amortization Expense	\$ 2,664		
Total Other Property Adjustments			\$ 2,664	\$ -	\$ -

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
27	12d	Line of Credit Interest Expense	\$ 55,814		
30	IV 8	Reversal of Assumed PTO from Old Owners	\$ 2,429		
Total Other Adjustments			\$ 58,243	\$ -	\$ -

Schedule of Unallowable Building Interest

Page Ref	Line Ref	Description	CCNH	RHNS	(Specify)
Total Unallowable Building Interest			\$ -	\$ -	\$ -

**RegalCare at Torrington, LLC
Disallowance Schedule for Cable TV
September 30, 2016**

	<u>Amount</u>
Total Cable TV Expense acct #80-232-00	\$ 3,753 TB Linked
Monthly Allowable amount	\$ 300
Months in Year	12
% of Actual Days in Cost Year (211 Days)	<u>57.65%</u>
Total Allowable Cost	\$ 2,075
Disallowed Cable TV	<u><u>\$ 1,678</u></u>

F. Statement of Revenue

Name of Facility	License No.	Report for Year Ended			Page	of
RegalCare at Torrington, LLC	2354	9/30/2016			30	37
Item	Total	CCNH	RHNS	(Specify)		
I. Resident Room, Board & Routine Care Revenue						
1. a. Medicaid Residents (<i>CT only</i>)	\$ 2,544,182	2,544,182				
b. Medicaid Room and Board Contractual Allowance **	\$					
2. a. Medicaid (<i>All other states</i>)	\$					
b. Other States Room and Board Contractual Allowance **	\$					
3. a. Medicare Residents (<i>all inclusive</i>)	\$ 891,181	891,181				
b. Medicare Room and Board Contractual Allowance **	\$ (15,206)	(15,206)				
4. a. Private-Pay Residents and Other	\$ 529,810	529,810				
b. Private-Pay Room and Board Contractual Allowance **	\$ (921)	(921)				
II. Other Resident Revenue						
1. a. Prescription Drugs - Medicare	\$ 67,941	67,941				
b. Prescription Drugs - Medicare Contractual Allowance **	\$ (67,941)	(67,941)				
c. Prescription Drugs - Non-Medicare	\$					
d. Prescription Drugs - Non-Medicare Contractual Allowance **	\$					
2. a. Medical Supplies - Medicare	\$					
b. Medical Supplies - Medicare Contractual Allowance **	\$					
c. Medical Supplies - Non-Medicare	\$					
d. Medical Supplies - Non-Medicare Contractual Allowance **	\$					
3. a. Physical Therapy - Medicare	\$ 160,791	160,791				
b. Physical Therapy - Medicare Contractual Allowance **	\$ (106,372)	(106,372)				
c. Physical Therapy - Non-Medicare	\$ 4,457	4,457				
d. Physical Therapy - Non-Medicare Contractual Allowance **	\$ (4,457)	(4,457)				
4. a. Speech Therapy - Medicare	\$ 38,466	38,466				
b. Speech Therapy - Medicare Contractual Allowance **	\$ (18,423)	(18,423)				
c. Speech Therapy - Non-Medicare	\$					
d. Speech Therapy - Non-Medicare Contractual Allowance **	\$					
5. a. Occupational Therapy - Medicare	\$ 169,073	169,073				
b. Occupational Therapy - Medicare Contractual Allowance **	\$ (116,768)	(116,768)				
c. Occupational Therapy - Non-Medicare	\$ 4,297	4,297				
d. Occupational Therapy - Non-Medicare Contractual Allowance **	\$ (4,297)	(4,297)				
6. a. Other (<i>Specify</i>) - Medicare	\$					
b. Other (<i>Specify</i>) - Non-Medicare	\$ 927	927				
III. Total Resident Revenue (Section I. thru Section II.)	\$ 4,076,740	4,076,740				
IV. Other Revenue*						
1. Meals sold to guests, employees & others	\$					
2. Rental of rooms to non-residents	\$					
3. Telephone	\$					
4. Rental of Television and Cable Services	\$					
5. Interest Income (<i>Specify</i>)	\$					
6. Private Duty Nurses' Fees	\$					
7. Barber, Coffee, Beauty and Gift shops	\$					
8. Other (<i>Specify</i>)	\$ 2,429	2,429				
V. Total Other Revenue (1 thru 8)	\$ 2,429	2,429				
VI. Total All Revenue (III +V)	\$ 4,079,169	4,079,169				

* Facility should off-set the appropriate expense on Page 28 or Page 29 of the Cost Report.
 ** Facility should report all contractual allowances and/or payer discounts.

Schedule of Other Resident Revenue - Medicare

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
Total Other Resident Revenue - Medicare		\$ -	\$ -	\$ -

Schedule of Other Non-Medicare Resident Revenue

Related Exp

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 IV 8	Other Ancillary Revenue>Private	\$ 165		
30 IV 8	Revenue Adjustments>Medicaid	\$ 323		
30 IV 8	Revenue Adjustments>Other Payor	\$ 439		
Total Other Resident Revenue		\$ 927	\$ -	\$ -

Interest Income

Account

Page Ref	Account	Balance	CCNH	RHNS	(Specify)
			-		
Total Interest Income			\$ -	\$ -	\$ -

Schedule of Other Revenue

Page Ref	Description	CCNH	RHNS	(Specify)
		-		
30 IV 8	Reversal of Assumed PTO from Old Owners	\$ 2,429		
Total Other Revenue		\$ 2,429	\$ -	\$ -

G. Balance Sheet

Name of Facility	License No.	Report for Year Ended	Page	of
RegalCare at Torrington, LLC	2354	9/30/2016	31	37
Account			Amount	
Assets				
A. Current Assets				
1. Cash (<i>on hand and in banks</i>)			\$	154,003
2. Resident Accounts Receivable (Less Allowance for Bad Debts)			\$	715,878
3. Other Accounts Receivable (Excluding Owners or Related Parties)			\$	
4. Inventories			\$	
5. Prepaid Expenses			\$	87,443
a. Prepaid Expenses	2,305			
b. Prepaid Expenses>Insurance	18,374			
c. Prepaid Expenses>Workers Comp	66,764			
d.				
6. Interest Receivable			\$	
7. Medicare Final Settlement Receivable			\$	
8. Other Current Assets (<i>itemize</i>)			\$	

A-9. Total Current Assets (Lines A1 thru 8)			\$	957,324
B. Fixed Assets				
1. Land			\$	
2. Land Improvements	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
3. Buildings	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
4. Leasehold Improvements	*Historical Cost <u>7,882</u>		\$	7,094
	Accum. Depreciation <u>788</u>	Net		
5. Non-Movable Equipment	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
6. Movable Equipment	*Historical Cost <u>53,022</u>		\$	39,784
	Accum. Depreciation <u>13,238</u>	Net		
7. Motor Vehicles	*Historical Cost _____		\$	
	Accum. Depreciation _____	Net		
8. Minor Equipment-Not Depreciable			\$	
9. Other Fixed Assets (<i>itemize</i>)			\$	11,829
CIP	6,450			
F/S vs C/R NBV	5,379			
B-10. Total Fixed Assets (Lines B1 thru 9)			\$	58,707

* Historical Costs must agree with Historical Cost reported in Schedules on Depreciation and Amortization (Pages 23 and 24).

(Carry Total forward to next page)

G. Balance Sheet (cont'd)

Name of Facility	License No.	Report for Year Ended	Page	of
RegalCare at Torrington, LLC	2354	9/30/2016	32	37
Account			Amount	
Total Brought Forward:			\$	1,016,031
C. Leasehold or like property recorded for Equity Purposes.				
1. Land			\$	
2. Land Improvements			*Historical Cost _____	
			Accum. Depreciation _____	Net
			\$	
3. Buildings			*Historical Cost _____	
			Accum. Depreciation _____	Net
			\$	
4. Non-Movable Equipment			*Historical Cost _____	
			Accum. Depreciation _____	Net
			\$	
5. Movable Equipment			*Historical Cost _____	
			Accum. Depreciation _____	Net
			\$	
6. Motor Vehicles			*Historical Cost _____	
			Accum. Depreciation _____	Net
			\$	
7. Minor Equipment-Not Depreciable			\$	
C-8 Total Leasehold or Like Properties (C1 thru 7)			\$	
D. Investment and Other Assets				
1. Deferred Deposits			\$	8,180
2. Escrow Deposits			\$	
3. Organization Expense			*Historical Cost 26,642	
			Accum. Depreciation 2,664	Net
			\$	23,978
4. Goodwill (Purchased Only)			\$	160,539
5. Investments Related to Resident Care (<i>itemize</i>)			\$	
6. Loans to Owners or Related Parties (<i>itemize</i>)			\$	48,665
Name and Address		Amount	Loan Date	
Due from NH, Pros, WH, Wtrby, Employee, Management		48,665		
7. Other Assets (<i>itemize</i>)			\$	31,633
Due from Old Owner			30,748	
Due To/(From)>Vendor/RFMS			885	
D-8. Total Investments and Other Assets (Lines D1 thru 7)			\$	272,995
D-9. Total All Assets (Lines A9 + B10 + C8 + D8)			\$	1,289,026

* Historical Costs must agree with Historical Cost reported in Schedules on Depreciation and Amortization (Pages 23 and 24).

G. Balance Sheet (cont'd)

Name of Facility RegalCare at Torrington, LLC		License No. 2354	Report for Year Ended 9/30/2016	Page 33	of 37
Account				Amount	
Liabilities					
A. Current Liabilities					
1. Trade Accounts Payable				\$	421,825
2. Notes Payable (<i>itemize</i>)				\$	

3. Loans Payable for Equipment (<i>Current portion</i>) (<i>itemize</i>)				\$	
Name of Lender		Purpose	Amount	Date Due	
4. Accrued Payroll (<i>Exclusive of Owners and/or Stockholders only</i>)				\$	188,668
5. Accrued Payroll (<i>Owners and/or Stockholders only</i>)				\$	
6. Accrued Payroll Taxes Payable				\$	
7. Medicare Final Settlement Payable				\$	
8. Medicare Current Financing Payable				\$	
9. Mortgage Payable (<i>Current Portion</i>)				\$	
10. Interest Payable (<i>Exclusive of Owner and/or Related Parties</i>)				\$	
11. Accrued Income Taxes*				\$	
12. Other Current Liabilities (<i>itemize</i>)				\$	210,842
Accrued Expenses		107,035	Accrued Expenses>Welfi	20,322	
Accrued Expenses>Tamkar Brokera		6,660	Accrued Expenses>Ther	5,000	
Accrued Expenses>Capital Lease>Ct		12,350	Accrued Expenses>Work	53,408	
Accrued Expenses>Insurance - Gene		6,067			
A-13. Total Current Liabilities (Lines A1 thru 12)				\$	821,335

* Business Income Tax (not that withheld from employees). Attach copy of owner's Federal Income Tax Return.

(Carry Total forward to next page)

G. Balance Sheet (cont'd)

Name of Facility RegalCare at Torrington, LLC		License No. 2354	Report for Year Ended 9/30/2016	Page 34	of 37		
Account				Amount			
Total Brought Forward:				821,335			
Liabilities (cont'd)							
B. Long-Term Liabilities							
1. Loans Payable-Equipment (<i>itemize</i>)				\$			
Name of Lender	Purpose	Amount	Date Due				
2. Mortgages Payable						\$	
3. Loans from Owners or Related Parties (<i>itemize</i>)						\$ 677,042	
Name and Address of Lender	Amount	Loan Date					
Eli Mirlis	641						
Holdings Co.	676,401						
4. Other Long-Term Liabilities (<i>itemize</i>)				\$			

B-5. Total Long-Term Liabilities (Lines B1 thru 4)				\$ 677,042			
C. Total All Liabilities (Lines A-13 + B-5)				\$ 1,498,377			

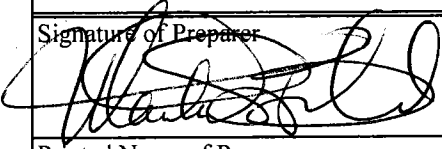
G. Balance Sheet (cont'd)
Reserves and Net Worth

Name of Facility		License No.	Report for Year Ended	Page	of
RegalCare at Torrington, LLC		2354	9/30/2016	35	37
Account				Amount	
A. Reserves					
1. Reserve for value of leased land				\$	
2. Reserve for depreciation value of leased buildings and appurtenances to be amortized				\$	
3. Reserve for depreciation value of leased personal property (<i>Equity</i>)				\$	
4. Reserve for leasehold real properties on which fair rental value is based				\$	
5. Reserve for funds set aside as donor restricted				\$	
6. Total Reserves				\$	
B. Net Worth					
1. Owner's Capital				\$	
2. Capital Stock				\$	
3. Paid-in Surplus				\$	
4. Treasury Stock				\$	
5. Cumulated Earnings				\$	
6. Gain or Loss for Period				\$	(209,351)
7. Total Net Worth				\$	(209,351)
C. Total Reserves and Net Worth				\$	(209,351)
D. Total Liabilities, Reserves, and Net Worth				\$	1,289,026

H. Changes in Total Net Worth

Name of Facility		License No.	Report for Year Ended	Page	of
RegalCare at Torrington, LLC		2354	9/30/2016	36	37
Account				Amount	
A. Balance at End of Prior Period as shown on Report of 09/30/2015				\$	
B. Total Revenue (<i>From Statement of Revenue Page 30</i>)				\$ 4,079,169	
C. Total Expenditures (<i>From Statement of Expenditures Page 27</i>)				\$ 4,288,520	
D. Net Income or Deficit				\$ (209,351)	
E. Balance				\$ (209,351)	
F. Additions					
1. Additional Capital Contributed (<i>itemize</i>)					
Expenses Per Page 27 \$4,293,899					
F/S vs C/R Depreciation (5,379)					
Expenses Per F/S \$4,288,520					
2. Other (<i>itemize</i>)					
F-3. Total Additions				\$	
G. Deductions					
1. Drawings of Owners/Operators/Partners (<i>Specify</i>)				\$	
Name and Address (<i>No., City, State, Zip</i>)		Title	Amount		
2. Other Withdrawals (<i>Specify</i>)				\$	
Purpose		Amount			
3. Total Deductions				\$	
H. Balance at End of Period		09/30/16		\$ (209,351)	

I. Preparer's/Reviewer's Certification

Name of Facility RegalCare at Torrington, LLC		License No. 2354	Report for Year Ended 9/30/2016	Page 37	of 37
<i>Check appropriate category</i>					
<input checked="" type="checkbox"/> Chronic and Convalescent Nursing Home only (CCNH)	<input type="checkbox"/> Rest Home with Nursing Supervision only (RHNS)	<input type="checkbox"/> (Specify)			
Preparer/Reviewer Certification					
<p>I have prepared and reviewed this report and am familiar with the applicable regulations governing its preparation. I have read the most recent Federal and State issued field audit reports for the Facility and have inquired of appropriate personnel as to the possible inclusion in this report of expenses which are not reimbursable under the applicable regulations. All non-reimbursable expenses of which I am aware (except those expenses known to be automatically removed in the State rate computation system) as a result of reading reports, inquiry or other services performed by me are properly reported as such in this report on Pages 28 and 29 (adjustments to statement of expenditures). Further, the data contained in this report is in agreement with the books and records, as provided to me, by the Facility.</p>					
Signature of Preparer 		Title PRINCIPAL	Date Signed 2/1/17		
Printed Name of Preparer Matthew S. Bivolack					
Address Address 555 Long Wharf Drive, New Haven, CT 06511			Phone Number 203-781-9600		

Subject to the attached accountants' consulting report

ACCOUNTANTS' CONSULTING REPORT

Management is responsible for the accompanying Annual Report of Long-Term Care Facility (the "Cost Report") for RegalCare at Torrington, LLC for the year ended September 30, 2016, included in the accompanying prescribed form. We have prepared the Cost Report in accordance with the American Institute of Certified Public Accountants' Statements on Standards for Consulting Services. The Cost Report was prepared in conformity with regulations prescribed by The State of CT Department of Social Services (DSS) from data provided to us by the management of RegalCare at Torrington, LLC. We did not audit or review the Cost Report included in the accompanying prescribed form, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the Cost Report included in the accompanying prescribed form.

Management is responsible for maintaining its records in accordance with accounting principles generally accepted in the United States of America and in accordance with reimbursement regulations set forth by DSS. Management is also responsible for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial data and supplemental information included in the Cost Report.

This report is intended solely for the information and use of the management of RegalCare at Torrington, LLC and DSS and is not intended to be, and should not be, used by anyone other than these specified parties.

MARCUM LLP

New Haven, CT
January 31, 2017



MARCUM GROUP
MEMBER

Annual Report of Long-Term Care Facility Cost Year 2016 Checklist

Facility Name RegalCare at Torrington, LLC

Complete the following check list. **Provide an explanation for any "No" answers.** Attach additional sheets to explain further, if necessary.

Yes No

1. Have all related parties been properly disclosed on Pages 4, 11, 12, 14, 17 and 21?

Explanation:

Yes No

2. Are the methods of allocating costs consistent with cost year 2015? If not, explain the reporting change.

Explanation:

Yes No

3. Are costs allocated based on the methods prescribed on Page 5 of the Annual Report? If not, provide the basis of your allocation.

Explanation:

Yes No

4. Do equipment leases listed on Page 6 agree with equipment leases reported on Page 22, Line 6e? If not, state where these costs are included in the Annual Report.

Explanation:

Yes No

5. Do accounting and legal fees reported on Page 7 agree with Page 15, Lines 1d and 1e, respectively?

Explanation:

Yes No

6. During cost year 2016, did you report all certified bed changes on Page 9? Do the bed change dates agree to the license issued by the Department of Health?

Explanation:

Yes No

7. If there has been a change in Administrators, have the dates of employment and applicable hours for each Administrator been reported on Page 12?

Explanation:

Yes No

8. Have hours been reported for all expenses claimed on Page 13? Hours must be actual rather than estimated.

Explanation:

Yes No

9. Has resident day user fee expense been properly reported on Page 15, Line 1k3?

Explanation:

Yes No

10. Have purchased services greater than \$10,000 reported on Pages 16, 18, 19, 20 and 22 been detailed on Page 21?

Explanation:

Yes No

11. Have the dietary and laundry questionnaires on Pages 18 and 19 been completed?

Explanation:

Yes No

12. Has the personal use portion of automobile expense been disallowed, including, depreciation, lease payments, insurance and taxes?

Explanation:

Yes No

13. Does historical cost and accumulated depreciation of all assets reported on Pages 23 and 24 roll forward from cost year 2015?

Explanation:

Yes No

14. Does the net book value of all assets reported on Pages 23 and 24 agree with the net book value reported on Pages 31 and 32?

Explanation:

Yes No

15. Has asset useful life been reported in accordance with the 2013 edition of the American Hospital Association guidelines?

Explanation:

Yes No

16. Have all assets been categorized between movable and fixed in accordance with the 2013 edition of the American Hospital Association guidelines?

Explanation:

Yes No

17. Have all contractual allowances been properly reported on Page 30?

Explanation:

Yes No

18. If the automated cost report was used, were all discrepancies on the Error Page addressed? If not addressed, explain why.

Explanation:

Yes No

19. Have Pages 1 and 37 been signed? *Cost reports without a signed Page 1 and 37 will not be accepted.*

Explanation:

Yes No

20. Have detailed schedules been provided for all "other" line items, fixed asset and movable equipment additions? *If detail is not provided, appropriate disallowances will be made.*

Explanation:

Yes No

21. Have all costs associated with non-nursing home businesses (i.e., Adult Daycare, Meals on Wheels, Outpatient Therapy Services, etc.) been disallowed on Pages 28 and/or 29 of the Annual Report?

Explanation:

Yes No

22. Has all required documentation been submitted to the Annual Report review and audit contractor?

Explanation:

Client: **Regal Care Management**
 Engagement: **Medicaid - RegalCare at Torrington, LLC**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB-CCNH**

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
10-001-01	Cash>Clearing>Cleared Entered Later	725.00			725.00
10-010-87	Cash>Operating>Torrington	(7,311.00)			(7,311.00)
10-010-93	Cash>Operating>Holdings Receiving	(1,338.00)			(1,338.00)
10-014-00	Cash>Petty Cash Facility	223.00			223.00
10-015-00	Cash>Petty Cash PNA	1,000.00			1,000.00
10-020-87	Cash>Payroll>Torrington	730.00			730.00
10-040-87	Cash>Non Govt>Torrington	(292.00)			(292.00)
10-060-87	Cash>Resident Trust>Torrington	28,267.00			28,267.00
10-061-00	Cash>Care Cost	5,000.00			5,000.00
10-090-87	Cash>WFOperating>Torrington	126,999.00			126,999.00
11-102-00	Accounts Receivable>Medicare A	72,104.00			72,104.00
11-104-00	Accounts Receivable>Private	32,099.00			32,099.00
11-105-00	Accounts Receivable>HMO	20,654.00			20,654.00
11-109-00	Accounts Receivable>Hospice	8,594.00			8,594.00
11-111-00	Accounts Receivable>Medicaid	545,490.00			545,490.00
11-112-00	Accounts Receivable>Income	11,020.00			11,020.00
11-123-00	Accounts Receivable>Ancillary	25,917.00			25,917.00
12-000-00	Prepaid Expenses	2,305.00			2,305.00
12-124-00	Prepaid Expenses>Insurance	18,374.00			18,374.00
12-881-00	Prepaid Expenses>Workers Comp	66,764.00			66,764.00
13-127-00	Due From>Old Owner	26,646.00			26,646.00
13-128-00	Due From>Vendor Security Deposits	8,180.00			8,180.00
14-131-00	Fixed Assets>Leasehold Improvements	7,882.00			7,882.00
14-132-00	Fixed Assets>Furniture, Fixtures and Equipment	1,830.00			1,830.00
14-133-00	Fixed Assets>Medical Equipment	3,942.00			3,942.00
14-134-00	Fixed Assets>Computer Hardware	26,779.00			26,779.00
14-135-00	Fixed Assets>Computer Software	3,333.00			3,333.00
14-136-00	Fixed Assets>CIP	6,450.00			6,450.00
14-137-01	Fixed Asset>Capital Lease>Copier	16,850.00			16,850.00
14-305-00	Fixed Assets>Sales Use Tax	288.00			288.00
15-131-00	Accum Depn>Leasehold Improvements	(527.00)			(527.00)
15-132-00	Accum Depn>Furniture, Fixtures and Equipment	(173.00)			(173.00)
15-133-00	Accum Depn>Medical Equipment	(394.00)			(394.00)
15-134-00	Accum Depn>Computer Hardware	(2,272.00)			(2,272.00)
15-135-00	Accum Depn>Computer Software	(361.00)			(361.00)
15-137-01	Accumulated Depn>Capital Lease>Copier	(4,915.00)			(4,915.00)
15-305-00	Accum Depn>Sales Use Tax	(5.00)			(5.00)
16-000-00	Goodwill	160,539.00			160,539.00
17-000-00	Deferred Financing Costs	26,642.00			26,642.00
19-265-00	Accumulated Amortization>Deferred Financing Costs	(2,664.00)			(2,664.00)
20-000-00	Accounts Payable	(421,204.00)		27,267.00	(393,937.00)
21-141-00	Other Current Payables>Employee Benefits	(54.00)			(54.00)
21-149-00	Other Current Payables>Misc. PR Deduction	807.00			807.00
21-149-09	Other Current Payables>Misc. PR Deduction>401k	(214.00)			(214.00)
21-350-00	Other Current Payables>Resident Funds	(28,267.00)			(28,267.00)
21-354-00	Other Current Payables>DTF RFMS	(160.00)			(160.00)
23-000-00	Accrued Wages & Related	(90,374.00)			(90,374.00)
23-156-00	Accrued Wages & Related>PR Taxes	(8,262.00)			(8,262.00)
23-157-00	Accrued Expenses>PTO	(90,032.00)			(90,032.00)
24-000-00	Accrued Expenses	(107,035.00)			(107,035.00)
24-000-02	Accrued Expenses>Tamkar Brokerage Fee	(6,660.00)			(6,660.00)
24-137-01	Accrued Expenses>Capital Lease>Copier	(12,350.00)			(12,350.00)
24-162-00	Accrued Expenses>Insurance - General Liability & Other	(6,067.00)			(6,067.00)
24-260-79	Accrued Expenses>Welfare (Assumed) >Union	(20,322.00)			(20,322.00)
24-311-00	Accrued Expenses>Therapy (Assumed)	(5,000.00)			(5,000.00)

Account	Description	ADJ 9/30/2016	JE Ref #	RJE	FINAL 9/30/2016
24-881-00	Accrued Expenses>Workers Comp	(53,408.00)			(53,408.00)
27-000-88	Due To/(From)>New Haven	96.00			96.00
27-000-89	Due To/(From)>Prospect	48.00			48.00
27-000-90	Due To/(From)>West Haven	2,414.00			2,414.00
27-000-91	Due To/(From)>Waterbury	45.00			45.00
27-000-92	Due To/(From)>Management	71,434.00		(27,267.00)	44,167.00
27-000-93	Due To/(From)>Holdings	(676,401.00)			(676,401.00)
27-152-00	Due To/(From)>Employee	1,895.00			1,895.00
27-172-00	Due To/(From)>Vendor	725.00			725.00
27-314-00	Due To/(From)>RFMS	160.00			160.00
27-400-00	Due to/(from)>Eli Mirlis	(641.00)			(641.00)
28-127-00	Due To>Old Owner	4,102.00			4,102.00
40-102-00	Room & Board Revenue>Medicare A	(891,181.00)			(891,181.00)
40-102-14	Room & Board Revenue>Medicare A>Sequester	15,206.00			15,206.00
40-104-00	Room & Board Revenue>Private	(369,664.00)			(369,664.00)
40-105-00	Room & Board Revenue>HMO	(70,794.00)			(70,794.00)
40-105-14	Room & Board Revenue>HMO>Sequester	921.00			921.00
40-109-00	Room & Board Revenue>Hospice	(89,352.00)			(89,352.00)
40-111-00	Room & Board Revenue>Medicaid	(2,544,182.00)			(2,544,182.00)
41-102-00	Pharmacy Rev>Medicare A	(67,941.00)			(67,941.00)
41-102-01	Pharmacy Rev>Medicare A>C/A	67,941.00			67,941.00
42-102-00	PT Revenue>Medicare A	(106,482.00)			(106,482.00)
42-102-01	PT Revenue>Medicare A>C/A	106,372.00			106,372.00
42-103-00	PT Revenue>Medicare B	(54,309.00)			(54,309.00)
42-111-00	PT Revenue>Medicaid	(4,457.00)			(4,457.00)
42-111-01	PT Revenue>Medicaid>C/A	4,457.00			4,457.00
43-102-00	OT Revenue>Medicare A	(116,768.00)			(116,768.00)
43-102-01	OT Revenue>Medicare A>C/A	116,768.00			116,768.00
43-103-00	OT Revenue>Medicare B	(52,305.00)			(52,305.00)
43-111-00	OT Revenue>Medicaid	(4,297.00)			(4,297.00)
43-111-01	OT Revenue>Medicaid>C/A	4,297.00			4,297.00
44-102-00	ST Revenue>Medicare A	(17,805.00)			(17,805.00)
44-102-01	ST Revenue>Medicare A>C/A	17,805.00			17,805.00
44-103-00	ST Revenue>Medicare B	(20,661.00)			(20,661.00)
44-103-01	ST Revenue>Medicare B>C/A	618.00			618.00
45-102-00	Radiology Rev>Medicare A	(2,092.00)			(2,092.00)
45-102-01	Radiology Rev>Medicare A>C/A	2,092.00			2,092.00
46-102-00	Lab Rev>Medicare A	(4,355.00)			(4,355.00)
46-102-01	Lab Rev>Medicare A>C/A	4,355.00			4,355.00
47-104-00	Other Ancillary Revenue>Private	(165.00)			(165.00)
52-111-00	Revenue Adjustments>Medicaid	(323.00)			(323.00)
52-114-00	Revenue Adjustments>Other Payor	(439.00)			(439.00)
60-183-00	Nursing Expense>Supplies	38,123.00			38,123.00
60-184-00	Nursing Expense>Minor Equip & Supplies	489.00			489.00
60-185-00	Nursing Expense>Incontinence Supplies	3,829.00			3,829.00
60-204-00	Nursing Expense>Training & Education	712.00			712.00
60-206-00	Nursing Expense>Clinical Services	36,431.00		(2,250.00)	34,181.00
60-207-00	Nursing Expense>Repairs & Maint	535.00			535.00
60-208-00	Nursing Expense>Equip-Rental	23,648.00			23,648.00
60-212-00	Nursing Expense>Clinical Consultants	205.00			205.00
60-213-00	Nursing Expense>Transportation	561.00		(561.00)	0.00
60-230-00	Nursing Expense>Data Processing	970.00			970.00
60-700-18	Nursing Expense>Contracted Service>RN	4,733.00			4,733.00
60-801-80	Nursing Expense>CNA>Wages	565,493.00			565,493.00
60-805-80	Nursing Expense>LPN>Wages	309,033.00			309,033.00
60-808-80	Nursing Expense>RN>Wages	215,077.00			215,077.00
60-809-80	Nursing Expense>RN Supervisor>Wages	175,092.00			175,092.00
61-750-00	Nursing Admin Expense>Medical Director	21,000.00			21,000.00
61-811-80	Nursing Admin Expense>Director>Wages	47,653.00			47,653.00

Account	Description	ADJ 9/30/2016	JE Ref #	RJE	FINAL 9/30/2016
61-817-80	Nursing Admin Expense>MDS / RNAC>Wages	2,848.00			2,848.00
61-823-80	Nursing Admin Expense>Staff Coordinator>Wages	18,326.00			18,326.00
61-824-80	Nursing Admin Expense>Staff Devel Director>Wages	12,502.00			12,502.00
61-880-00	Nursing Admin Expense>Payroll Taxes	159,419.00			159,419.00
61-881-00	Nursing Admin Expense>Workers Comp	64,435.00			64,435.00
61-882-00	Nursing Admin Expense>Health Insurance	27,135.00			27,135.00
61-883-00	Nursing Admin Expense>Other Benefits	283,258.00		(283,258.00)	0.00
62-000-00	Pharmacy Expense	570.00			570.00
62-145-00	Pharmacy Expense>RX	71,643.00			71,643.00
62-222-00	Pharmacy Expense>OTC	2,433.00			2,433.00
64-223-00	Other Ancillary Expense>Oxygen	4,235.00			4,235.00
64-224-00	Other Ancillary Expense>Lab	6,067.00			6,067.00
64-225-00	Other Ancillary Expense>Radiology	2,614.00			2,614.00
64-282-80	Other ancillary expense>Rehab>Wages	529.00			529.00
65-000-00	PT Expense	100,608.00			100,608.00
65-829-80	PT Expense>Staff>Wages	(1,033.00)			(1,033.00)
66-000-00	OT Expense	102,560.00			102,560.00
66-829-80	OT Expense>Staff>Wages	(1,396.00)			(1,396.00)
67-000-00	ST Expense	14,893.00			14,893.00
69-811-80	Social Services Expense>Director>Wages	19,849.00			19,849.00
69-880-00	Social Services Expense>Payroll Taxes	2,465.00			2,465.00
69-881-00	Social Services Expense>Workers Comp	925.00			925.00
69-882-00	Social Services Expense>Health Insurance	572.00			572.00
69-883-00	Social Services Expense>Other Benefits	3,901.00		(3,901.00)	0.00
70-177-00	Dietary Expense>Supplements	7,628.00			7,628.00
70-178-00	Dietary Expense>Food	79,090.00			79,090.00
70-183-00	Dietary Expense>Supplies	7,831.00			7,831.00
70-184-00	Dietary Expense>Minor Equip & Supplies	995.00			995.00
70-207-00	Dietary Expense>Repairs & Maint	247.00			247.00
70-811-80	Dietary Expense>Director>Wages	35,703.00			35,703.00
70-831-80	Dietary Expense>Aide>Wages	107,511.00			107,511.00
70-832-80	Dietary Expense>Cook>Wages	53,293.00			53,293.00
70-880-00	Dietary Expense>Payroll Taxes	23,417.00			23,417.00
70-881-00	Dietary Expense>Workers Comp	9,485.00			9,485.00
70-882-00	Dietary Expense>Health Insurance	4,026.00			4,026.00
70-883-00	Dietary Expense>Other Benefits	41,744.00		(41,744.00)	0.00
71-178-00	Activity Expense>Food	11.00			11.00
71-183-00	Activity Expense>Supplies	44.00			44.00
71-700-00	Activity Expense>Contracted Service	2,805.00			2,805.00
71-811-80	Activity Expense>Director>Wages	32,974.00			32,974.00
71-831-80	Activity Expense>Aide>Wages	13,820.00			13,820.00
71-880-00	Activity Expense>Payroll Taxes	5,433.00			5,433.00
71-881-00	Activity Expense>Workers Comp	2,200.00			2,200.00
71-882-00	Activity Expense>Health Insurance	935.00			935.00
71-883-00	Activity Expense>Other Benefits	9,667.00		(9,667.00)	0.00
72-183-00	Housekeeping Expense>Supplies	8,562.00			8,562.00
72-831-80	Housekeeping Expense>Aide>Wages	109,188.00			109,188.00
73-183-00	Laundry Expense>Supplies	2,494.00			2,494.00
73-831-80	Laundry Expense>Aide>Wages	47,782.00			47,782.00
74-880-00	Housekeeping & Laundry Expense>Payroll Taxes	18,403.00			18,403.00
74-881-00	Housekeeping & Laundry Expense>Workers Comp	7,508.00			7,508.00
74-882-00	Housekeeping & Laundry Expense>Health Insurance	2,996.00			2,996.00
74-883-00	Housekeeping & Laundry Expense>Other Benefits	33,169.00		(33,169.00)	0.00
75-183-00	Maintenance Expense>Supplies	4,400.00			4,400.00
75-205-00	Maintenance Expense>Sanitation & Incineration	6,417.00			6,417.00
75-207-00	Maintenance Expense>Repairs & Maint	11,724.00			11,724.00
75-217-00	Maintenance Expense>Extermination	744.00			744.00
75-219-00	Maintenance Expense>Landscaping	4,079.00			4,079.00
75-220-00	Maintenance Expense>Fire Drill	1,211.00			1,211.00

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
75-700-00	Maintenance Expense>Contracted Service	12,741.00			12,741.00
75-811-80	Maintenance Expense>Director>Wages	31,147.00			31,147.00
75-829-80	Maintenance Expense>Staff>Wages	3,990.00			3,990.00
75-838-80	Maintenance Expense>Security Desk>Wages	23,979.00			23,979.00
75-880-00	Maintenance Expense>Payroll Taxes	6,637.00			6,637.00
75-881-00	Maintenance Expense>Workers Comp	2,680.00			2,680.00
75-882-00	Maintenance Expense>Health Insurance	1,115.00			1,115.00
75-883-00	Maintenance Expense>Other Benefits	11,797.00		(11,797.00)	0.00
76-227-00	Utility Expense>Gas	442.00			442.00
76-228-00	Utility Expense>Electric	41,622.00			41,622.00
76-229-00	Utility Expense>Water/Sewer	5,599.00			5,599.00
80-101-00	Admin Expense>Provider Tax	244,546.00			244,546.00
80-162-00	Admin Expense>Insurance - General Liability & Other	19,761.00			19,761.00
80-163-00	Admin Expense>Insurance - EPLI	1,273.00			1,273.00
80-164-00	Admin Expense>Surety Bond	500.00			500.00
80-165-00	Admin Expense>Insurance - Property	4,690.00			4,690.00
80-167-00	Admin Expense>Insurance - Auto	247.00			247.00
80-183-00	Admin Expense>Supplies	3,770.00			3,770.00
80-209-00	Admin Expense>Postage	106.00			106.00
80-210-00	Admin Expense>Internet	805.00			805.00
80-230-00	Admin Expense>Data Processing	33,352.00			33,352.00
80-231-00	Admin Expense>Telephone	7,887.00		(354.00)	7,533.00
80-232-00	Admin Expense>Cable TV	3,753.00			3,753.00
80-233-00	Admin Expense>Seminars	365.00			365.00
80-234-00	Admin Expense>Licenses	915.00			915.00
80-236-00	Admin Expense>Travel	5,835.00			5,835.00
80-238-00	Admin Expense>Legal Fees	5,164.00			5,164.00
80-240-00	Admin Expense>Professional Fees	4,589.00		(4,335.00)	254.00
80-242-00	Admin Expense>Fines & Penalties	25.00			25.00
80-243-00	Admin Expense>Late Fees	376.00			376.00
80-244-00	Admin Expense>Bank Fees	12,981.00			12,981.00
80-246-00	Admin Expense>Donations/Charity	50.00			50.00
80-247-00	Admin Expense>Corporate Tax	349.00			349.00
80-249-00	Admin Expense>Recruiting	783.00			783.00
80-250-00	Admin Expense>Marketing & Advertising	12,271.00			12,271.00
80-252-00	Admin Expense>Startup Costs	67,342.00		(1,064.00)	66,278.00
80-279-00	Admin Expense>Management Fee	203,837.00			203,837.00
80-700-00	Admin Expense>Contracted Service	18,375.00			18,375.00
80-811-80	Admin Expense>Director>Wages	39,186.00			39,186.00
80-839-80	Admin Expense>Admissions>Wages	59,145.00			59,145.00
80-840-80	Admin Expense>Business Office>Wages	34,216.00			34,216.00
80-880-00	Admin Expense>Payroll Taxes	15,399.00			15,399.00
80-881-00	Admin Expense>Workers Comp	6,328.00			6,328.00
80-882-00	Admin Expense>Health Insurance	2,493.00			2,493.00
80-883-00	Admin Expense>Other Benefits	27,804.00		(27,405.00)	399.00
85-255-79	Employee Benefits Expense>Pension>Union	0.00		102,802.00	102,802.00
91-121-00	Property Expense>Rent	107,893.00			107,893.00
91-161-00	Property Expense>RE Taxes	41,503.00			41,503.00
91-165-00	Property Expense>Insurance - Property	405.00			405.00
91-240-00	Property Expense>Professional Fees	138.00			138.00
92-000-00	Depreciation Expense	8,647.00			8,647.00
93-000-00	Amortization Expense	2,664.00			2,664.00
94-000-00	Interest Expense	55,814.00			55,814.00
98-999-99	Prior Period Adjustment	48,282.00			48,282.00
Marcum 101	Dentist	0.00		2,250.00	2,250.00
Marcum 102	Cell Phone	0.00		354.00	354.00
Marcum 103	Union Training	0.00		13,664.00	13,664.00
Marcum 104	Background Checks	0.00		821.00	821.00
Marcum 105	Union Health & Welfare	0.00		293,654.00	293,654.00

Account	Description	ADJ	JE Ref #	RJE	FINAL
		9/30/2016			9/30/2016
Marcum 106	Accounting Fees	0.00		5,399.00	5,399.00
Marcum 107	Ambulance	0.00		561.00	561.00
Total		0.00		0.00	0.00
	Net (Income) Loss	0.00		0.00	0.00

Client: **Regal Care Management**
 Engagement: **Medicaid - RegalCare at Torrington, LLC**
 Period Ending: **9/30/2016**
 Trial Balance: **A.01 - TB-CCNH**
 Workpaper: **A.03 - Grouping Report**

Account	Description	ADJ 9/30/2016	JE Ref #	RJE 9/30/2016	FINAL 9/30/2016
Group : [10-A]	Salaries and Wages				
Subgroup : [2]	Administrators				
80-811-80	Admin Expense>Director>Wages	39,186.00		0.00	39,186.00
Subtotal [2]	Administrators	39,186.00		0.00	39,186.00
Subgroup : [4]	Other Administrative Salaries				
80-839-80	Admin Expense>Admissions>Wages	59,145.00		0.00	59,145.00
80-840-80	Admin Expense>Business Office>Wages	34,216.00		0.00	34,216.00
Subtotal [4]	Other Administrative Salaries	93,361.00		0.00	93,361.00
Subgroup : [5B]	Food Service Supervisor				
70-811-80	Dietary Expense>Director>Wages	35,703.00		0.00	35,703.00
Subtotal [5B]	Food Service Supervisor	35,703.00		0.00	35,703.00
Subgroup : [5C]	Dietary Workers				
70-831-80	Dietary Expense>Aide>Wages	107,511.00		0.00	107,511.00
70-832-80	Dietary Expense>Cook>Wages	53,293.00		0.00	53,293.00
Subtotal [5C]	Dietary Workers	160,804.00		0.00	160,804.00
Subgroup : [6B]	Other Housekeeping Workers				
72-831-80	Housekeeping Expense>Aide>Wages	109,188.00		0.00	109,188.00
Subtotal [6B]	Other Housekeeping Workers	109,188.00		0.00	109,188.00
Subgroup : [7A]	Engineer or Chief of Maintenance				
75-811-80	Maintenance Expense>Director>Wages	31,147.00		0.00	31,147.00
Subtotal [7A]	Engineer or Chief of Maintenance	31,147.00		0.00	31,147.00
Subgroup : [7B]	Other Maintenance Workers				
75-829-80	Maintenance Expense>Staff>Wages	3,990.00		0.00	3,990.00
Subtotal [7B]	Other Maintenance Workers	3,990.00		0.00	3,990.00
Subgroup : [8B]	Other Laundry Workers				
73-831-80	Laundry Expense>Aide>Wages	47,782.00		0.00	47,782.00
Subtotal [8B]	Other Laundry Workers	47,782.00		0.00	47,782.00
Subgroup : [10]	Protective Services				
75-838-80	Maintenance Expense>Security Desk>W	23,979.00		0.00	23,979.00
Subtotal [10]	Protective Services	23,979.00		0.00	23,979.00
Subgroup : [12A]	Director of Nurses/Assistant Director				
61-811-80	Nursing Admin Expense>Director>Wage	47,653.00		0.00	47,653.00
Subtotal [12A]	Director of Nurses/Assistant Director	47,653.00		0.00	47,653.00
Subgroup : [12B1]	RNs - Direct Care				
60-808-80	Nursing Expense>RN>Wages	215,077.00		0.00	215,077.00
60-809-80	Nursing Expense>RN Supervisor>Wage	175,092.00		0.00	175,092.00
Subtotal [12B1]	RNs - Direct Care	390,169.00		0.00	390,169.00
Subgroup : [12B2]	RNs - Administrative				
61-817-80	Nursing Admin Expense>MDS / RNAC>V	2,848.00		0.00	2,848.00
61-823-80	Nursing Admin Expense>Staff Coordinat	18,326.00		0.00	18,326.00
61-824-80	Nursing Admin Expense>Staff Devel Dire	12,502.00		0.00	12,502.00
Subtotal [12B2]	RNs - Administrative	33,676.00		0.00	33,676.00
Subgroup : [12C1]	LPNs - Direct Care				
60-805-80	Nursing Expense>LPN>Wages	309,033.00		0.00	309,033.00
Subtotal [12C1]	LPNs - Direct Care	309,033.00		0.00	309,033.00
Subgroup : [12D]	Aides and Attendants				

60-801-80	Nursing Expense>CNA>Wages	565,493.00	0.00	565,493.00
Subtotal [12D]	Aides and Attendants	565,493.00	0.00	565,493.00
Subgroup : [12H]	Recreation Workers			
71-811-80	Activity Expense>Director>Wages	32,974.00	0.00	32,974.00
71-831-80	Activity Expense>Aide>Wages	13,820.00	0.00	13,820.00
Subtotal [12H]	Recreation Workers	46,794.00	0.00	46,794.00
Subgroup : [12M]	Social Workers/Case Management			
69-811-80	Social Services Expense>Director>Wage	19,849.00	0.00	19,849.00
Subtotal [12M]	Social Workers/Case Management	19,849.00	0.00	19,849.00
Subgroup : [12O]	Other			
64-282-80	Other ancillary expense>Rehab>Wages	529.00	0.00	529.00
Subtotal [12O]	Other	529.00	0.00	529.00
Total [10-A]	Salaries and Wages	1,958,336.00	0.00	1,958,336.00
Group : [13-B]	Professional Fees			
Subgroup : [2]	Dentist			
Marcum 101	Dentist	0.00	2,250.00	2,250.00
			RJE - 1	2,250.00
Subtotal [2]	Dentist	0.00	2,250.00	2,250.00
Subgroup : [5A]	PT - Resident Care			
65-000-00	PT Expense	100,608.00	0.00	100,608.00
Subtotal [5A]	PT - Resident Care	100,608.00	0.00	100,608.00
Subgroup : [8A]	Medical Director			
61-750-00	Nursing Admin Expense>Medical Directo	21,000.00	0.00	21,000.00
Subtotal [8A]	Medical Director	21,000.00	0.00	21,000.00
Subgroup : [9A]	ST - Resident Care			
67-000-00	ST Expense	14,893.00	0.00	14,893.00
Subtotal [9A]	ST - Resident Care	14,893.00	0.00	14,893.00
Subgroup : [10A]	OT - Resident Care			
66-000-00	OT Expense	102,560.00	0.00	102,560.00
Subtotal [10A]	OT - Resident Care	102,560.00	0.00	102,560.00
Subgroup : [11A1]	RN's - Direct Care			
60-700-18	Nursing Expense>Contracted Service>R	4,733.00	0.00	4,733.00
Subtotal [11A1]	RN's - Direct Care	4,733.00	0.00	4,733.00
Subgroup : [12]	Other			
60-206-00	Nursing Expense>Clinical Services	36,431.00	(2,250.00)	34,181.00
			RJE - 1	(2,250.00)
60-212-00	Nursing Expense>Clinical Consultants	205.00	0.00	205.00
Subtotal [12]	Other	36,636.00	(2,250.00)	34,386.00
Total [13-B]	Professional Fees	280,430.00	0.00	280,430.00
Group : [15]	Expenditures Other than Salaries			
Subgroup : [1A1]	Workmen's Compensation			
61-881-00	Nursing Admin Expense>Workers Comp	64,435.00	0.00	64,435.00
69-881-00	Social Services Expense>Workers Comp	925.00	0.00	925.00
70-881-00	Dietary Expense>Workers Comp	9,485.00	0.00	9,485.00
71-881-00	Activity Expense>Workers Comp	2,200.00	0.00	2,200.00
74-881-00	Housekeeping & Laundry Expense>Worl	7,508.00	0.00	7,508.00
75-881-00	Maintenance Expense>Workers Comp	2,680.00	0.00	2,680.00
80-881-00	Admin Expense>Workers Comp	6,328.00	0.00	6,328.00
Subtotal [1A1]	Workmen's Compensation	93,561.00	0.00	93,561.00
Subgroup : [1A4]	Social Security (FICA)			
61-880-00	Nursing Admin Expense>Payroll Taxes	159,419.00	0.00	159,419.00
69-880-00	Social Services Expense>Payroll Taxes	2,465.00	0.00	2,465.00
70-880-00	Dietary Expense>Payroll Taxes	23,417.00	0.00	23,417.00

71-880-00	Activity Expense>Payroll Taxes	5,433.00	0.00	5,433.00
74-880-00	Housekeeping & Laundry Expense>Payr	18,403.00	0.00	18,403.00
75-880-00	Maintenance Expense>Payroll Taxes	6,637.00	0.00	6,637.00
80-880-00	Admin Expense>Payroll Taxes	15,399.00	0.00	15,399.00
Subtotal [1A4]	Social Security (FICA)	231,173.00	0.00	231,173.00
Subgroup : [1A5] Health Insurance				
61-882-00	Nursing Admin Expense>Health Insuranc	27,135.00	0.00	27,135.00
69-882-00	Social Services Expense>Health Insuran	572.00	0.00	572.00
70-882-00	Dietary Expense>Health Insurance	4,026.00	0.00	4,026.00
71-882-00	Activity Expense>Health Insurance	935.00	0.00	935.00
74-882-00	Housekeeping & Laundry Expense>Heal	2,996.00	0.00	2,996.00
75-882-00	Maintenance Expense>Health Insurance	1,115.00	0.00	1,115.00
80-882-00	Admin Expense>Health Insurance	2,493.00	0.00	2,493.00
Marcum 105	Union Health & Welfare	0.00	293,654.00	293,654.00
Subtotal [1A5]	Health Insurance	39,272.00	293,654.00	332,926.00
Subgroup : [1A7] Pensions				
85-255-79	Employee Benefits Expense>Pension>U	0.00	102,802.00	102,802.00
Subtotal [1A7]	Pensions	0.00	102,802.00	102,802.00
Subgroup : [1A9] Other				
61-883-00	Nursing Admin Expense>Other Benefits	283,258.00	(283,258.00)	0.00
69-883-00	Social Services Expense>Other Benefits	3,901.00	(3,901.00)	0.00
70-883-00	Dietary Expense>Other Benefits	41,744.00	(41,744.00)	0.00
71-883-00	Activity Expense>Other Benefits	9,667.00	(9,667.00)	0.00
74-883-00	Housekeeping & Laundry Expense>Othe	33,169.00	(33,169.00)	0.00
75-883-00	Maintenance Expense>Other Benefits	11,797.00	(11,797.00)	0.00
80-883-00	Admin Expense>Other Benefits	27,804.00	(27,405.00)	399.00
Marcum 103	Union Training	0.00	13,664.00	13,664.00
Marcum 104	Background Checks	0.00	821.00	821.00
Subtotal [1A9]	Other	411,340.00	(396,456.00)	14,884.00
Subgroup : [1D] Accounting and Auditing				
Marcum 106	Accounting Fees	0.00	5,399.00	5,399.00
Subtotal [1D]	Accounting and Auditing	0.00	5,399.00	5,399.00
Subgroup : [1E] Legal				
80-238-00	Admin Expense>Legal Fees	5,164.00	0.00	5,164.00
Subtotal [1E]	Legal	5,164.00	0.00	5,164.00
Subgroup : [1G] Office Supplies				
80-183-00	Admin Expense>Supplies	3,770.00	0.00	3,770.00
Subtotal [1G]	Office Supplies	3,770.00	0.00	3,770.00
Subgroup : [1H1] Telephone and Telegraph				
80-231-00	Admin Expense>Telephone	7,887.00	(354.00)	7,533.00
Subtotal [1H1]	Telephone and Telegraph	7,887.00	(354.00)	7,533.00
Subgroup : [1H2] Cellular Phones and Beepers				
Marcum 102	Cell Phone	0.00	354.00	354.00
Subtotal [1H2]	Cellular Phones and Beepers	0.00	354.00	354.00

Subgroup : [1J]	Corporation Business Taxes			
80-247-00	Admin Expense>Corporate Tax	349.00	0.00	349.00
Subtotal [1J]	Corporation Business Taxes	349.00	0.00	349.00
Subgroup : [1K3]	Resident Day User Fee			
80-101-00	Admin Expense>Provider Tax	244,546.00	0.00	244,546.00
Subtotal [1K3]	Resident Day User Fee	244,546.00	0.00	244,546.00
Total [15]	Expenditures Other than Salaries	1,037,062.00	5,399.00	1,042,461.00
Group : [16]	Expenditures Other than Salaries (cont'd) - Admin. and General			
Subgroup : [4]	Employee Travel			
60-213-00	Nursing Expense>Transportation	561.00	(561.00)	0.00
			RJE - 6 (561.00)	
80-236-00	Admin Expense>Travel	5,835.00	0.00	5,835.00
Subtotal [4]	Employee Travel	6,396.00	(561.00)	5,835.00
Subgroup : [5]	Education Expense			
60-204-00	Nursing Expense>Training & Education	712.00	0.00	712.00
80-233-00	Admin Expense>Seminars	365.00	0.00	365.00
Subtotal [5]	Education Expense	1,077.00	0.00	1,077.00
Subgroup : [M1]	Advertising Help Wanted			
80-249-00	Admin Expense>Recruiting	783.00	0.00	783.00
Subtotal [M1]	Advertising Help Wanted	783.00	0.00	783.00
Subgroup : [M3]	Advertising Other			
80-250-00	Admin Expense>Marketing & Advertising	12,271.00	0.00	12,271.00
Subtotal [M3]	Advertising Other	12,271.00	0.00	12,271.00
Subgroup : [M7]	Postage			
80-209-00	Admin Expense>Postage	106.00	0.00	106.00
Subtotal [M7]	Postage	106.00	0.00	106.00
Subgroup : [M10]	Contributions			
80-246-00	Admin Expense>Donations/Charity	50.00	0.00	50.00
Subtotal [M10]	Contributions	50.00	0.00	50.00
Subgroup : [M11]	Services Provided by Contract			
80-210-00	Admin Expense>Internet	805.00	0.00	805.00
80-230-00	Admin Expense>Data Processing	33,352.00	0.00	33,352.00
80-240-00	Admin Expense>Professional Fees	4,589.00	(4,335.00)	254.00
			RJE - 5 (4,335.00)	
80-700-00	Admin Expense>Contracted Service	18,375.00	0.00	18,375.00
Subtotal [M11]	Services Provided by Contract	57,121.00	(4,335.00)	52,786.00
Subgroup : [M12]	Administrative Management Services			
80-279-00	Admin Expense>Management Fee	203,837.00	0.00	203,837.00
Subtotal [M12]	Administrative Management Services	203,837.00	0.00	203,837.00
Subgroup : [M13]	Other			
80-234-00	Admin Expense>Licenses	915.00	0.00	915.00
80-242-00	Admin Expense>Fines & Penalties	25.00	0.00	25.00
80-243-00	Admin Expense>Late Fees	376.00	0.00	376.00
80-244-00	Admin Expense>Bank Fees	12,981.00	0.00	12,981.00
80-252-00	Admin Expense>Startup Costs	67,342.00	(1,064.00)	66,278.00
			RJE - 4 (1,064.00)	
98-999-99	Prior Period Adjustment	48,282.00	0.00	48,282.00
Subtotal [M13]	Other	129,921.00	(1,064.00)	128,857.00
Total [16]	Expenditures Other than Salaries (con	411,562.00	(5,960.00)	405,602.00
Group : [18]	Dietary Basis for Allocation of Costs			
Subgroup : [2A1]	Raw Food			
70-177-00	Dietary Expense>Supplements	7,628.00	0.00	7,628.00
70-178-00	Dietary Expense>Food	79,090.00	0.00	79,090.00

71-178-00	Activity Expense>Food	11.00	0.00	11.00
Subtotal [2A1]	Raw Food	86,729.00	0.00	86,729.00
Subgroup : [2A2]	Non-Food Supplies			
70-183-00	Dietary Expense>Supplies	7,831.00	0.00	7,831.00
Subtotal [2A2]	Non-Food Supplies	7,831.00	0.00	7,831.00
Subgroup : [2A3]	Other			
70-184-00	Dietary Expense>Minor Equip & Supplies	995.00	0.00	995.00
Subtotal [2A3]	Other	995.00	0.00	995.00
Total [18]	Dietary Basis for Allocation of Costs	95,555.00	0.00	95,555.00
Group : [19]	Laundry-Basis for Allocation of Costs			
Subgroup : [3D]	Other			
73-183-00	Laundry Expense>Supplies	2,494.00	0.00	2,494.00
Subtotal [3D]	Other	2,494.00	0.00	2,494.00
Total [19]	Laundry-Basis for Allocation of Costs	2,494.00	0.00	2,494.00
Group : [20]	Housekeeping and Resident Care Basis for Allocation of Costs			
Subgroup : [4D]	Other			
72-183-00	Housekeeping Expense>Supplies	8,562.00	0.00	8,562.00
Subtotal [4D]	Other	8,562.00	0.00	8,562.00
Subgroup : [5A2]	Purchased from			
62-000-00	Pharmacy Expense	570.00	0.00	570.00
62-145-00	Pharmacy Expense>RX	71,643.00	0.00	71,643.00
Subtotal [5A2]	Purchased from	72,213.00	0.00	72,213.00
Subgroup : [5B]	Medicine Cabinet Drugs			
62-222-00	Pharmacy Expense>OTC	2,433.00	0.00	2,433.00
Subtotal [5B]	Medicine Cabinet Drugs	2,433.00	0.00	2,433.00
Subgroup : [5D]	Ambulance/Limousine			
Marcum 107	Ambulance	0.00	561.00	561.00
Subtotal [5D]	Ambulance/Limousine	0.00	561.00	561.00
Subgroup : [5E2]	Oxygen - Other			
64-223-00	Other Ancillary Expense>Oxygen	4,235.00	0.00	4,235.00
Subtotal [5E2]	Oxygen - Other	4,235.00	0.00	4,235.00
Subgroup : [5F]	X-Rays and related radiological			
64-225-00	Other Ancillary Expense>Radiology	2,614.00	0.00	2,614.00
Subtotal [5F]	X-Rays and related radiological	2,614.00	0.00	2,614.00
Subgroup : [5H]	Laboratory			
64-224-00	Other Ancillary Expense>Lab	6,067.00	0.00	6,067.00
Subtotal [5H]	Laboratory	6,067.00	0.00	6,067.00
Subgroup : [5I]	Recreation			
71-183-00	Activity Expense>Supplies	44.00	0.00	44.00
71-700-00	Activity Expense>Contracted Service	2,805.00	0.00	2,805.00
80-232-00	Admin Expense>Cable TV	3,753.00	0.00	3,753.00
Subtotal [5I]	Recreation	6,602.00	0.00	6,602.00
Subgroup : [5J]	Other			
60-183-00	Nursing Expense>Supplies	38,123.00	0.00	38,123.00
60-184-00	Nursing Expense>Minor Equip & Supplie	489.00	0.00	489.00
60-185-00	Nursing Expense>Incontinence Supplies	3,829.00	0.00	3,829.00
60-208-00	Nursing Expense>Equip-Rental	23,648.00	0.00	23,648.00
60-230-00	Nursing Expense>Data Processing	970.00	0.00	970.00
Subtotal [5J]	Other	67,059.00	0.00	67,059.00
Total [20]	Housekeeping and Resident Care Bas	169,785.00	561.00	170,346.00

RJE - 6

Group : [22]	Maintenance and Property			
Subgroup : [6A]	Repairs and Maintenance			
60-207-00	Nursing Expense>Repairs & Maint	535.00	0.00	535.00
70-207-00	Dietary Expense>Repairs & Maint	247.00	0.00	247.00
75-207-00	Maintenance Expense>Repairs & Maint	11,724.00	0.00	11,724.00
Subtotal [6A]	Repairs and Maintenance	12,506.00	0.00	12,506.00
Subgroup : [6B]	Heat			
76-227-00	Utility Expense>Gas	442.00	0.00	442.00
Subtotal [6B]	Heat	442.00	0.00	442.00
Subgroup : [6C]	Light & Power			
76-228-00	Utility Expense>Electric	41,622.00	0.00	41,622.00
Subtotal [6C]	Light & Power	41,622.00	0.00	41,622.00
Subgroup : [6D]	Water			
76-229-00	Utility Expense>Water/Sewer	5,599.00	0.00	5,599.00
Subtotal [6D]	Water	5,599.00	0.00	5,599.00
Subgroup : [6F]	Other			
75-183-00	Maintenance Expense>Supplies	4,400.00	0.00	4,400.00
75-205-00	Maintenance Expense>Sanitation & Incin	6,417.00	0.00	6,417.00
75-217-00	Maintenance Expense>Extermination	744.00	0.00	744.00
75-219-00	Maintenance Expense>Landscaping	4,079.00	0.00	4,079.00
75-220-00	Maintenance Expense>Fire Drill	1,211.00	0.00	1,211.00
75-700-00	Maintenance Expense>Contracted Servi	12,741.00	0.00	12,741.00
91-240-00	Property Expense>Professional Fees	138.00	0.00	138.00
Subtotal [6F]	Other	29,730.00	0.00	29,730.00
Subgroup : [7D]	Movable Equipment			
92-000-00	Depreciation Expense	8,647.00	0.00	8,647.00
Subtotal [7D]	Movable Equipment	8,647.00	0.00	8,647.00
Subgroup : [8A]	Organization Expense			
93-000-00	Amortization Expense	2,664.00	0.00	2,664.00
Subtotal [8A]	Organization Expense	2,664.00	0.00	2,664.00
Subgroup : [9]	Rental Payments			
91-121-00	Property Expense>Rent	107,893.00	0.00	107,893.00
Subtotal [9]	Rental Payments	107,893.00	0.00	107,893.00
Subgroup : [10B]	Real estate taxes paid by lessor			
91-161-00	Property Expense>RE Taxes	41,503.00	0.00	41,503.00
Subtotal [10B]	Real estate taxes paid by lessor	41,503.00	0.00	41,503.00
Total [22]	Maintenance and Property	250,606.00	0.00	250,606.00
Group : [27]	Interest and Insurance			
Subgroup : [12D]	Other Interest Expense			
94-000-00	Interest Expense	55,814.00	0.00	55,814.00
Subtotal [12D]	Other Interest Expense	55,814.00	0.00	55,814.00
Subgroup : [14A]	Insurance on Property			
80-165-00	Admin Expense>Insurance - Property	4,690.00	0.00	4,690.00
91-165-00	Property Expense>Insurance - Property	405.00	0.00	405.00
Subtotal [14A]	Insurance on Property	5,095.00	0.00	5,095.00
Subgroup : [414B]	Insurance of Automobiles			
80-167-00	Admin Expense>Insurance - Auto	247.00	0.00	247.00
Subtotal [414B]	Insurance of Automobiles	247.00	0.00	247.00
Subgroup : [14C3]	Other			
80-162-00	Admin Expense>Insurance - General Lia	19,761.00	0.00	19,761.00
80-163-00	Admin Expense>Insurance - EPLI	1,273.00	0.00	1,273.00
80-164-00	Admin Expense>Surety Bond	500.00	0.00	500.00
Subtotal [14C3]	Other	21,534.00	0.00	21,534.00

Total [27]	Interest and Insurance	82,690.00	0.00	82,690.00
Group : [30]	Statement of Revenue			
Subgroup : [1A]	Medicaid Residents (CT only)			
40-111-00	Room & Board Revenue>Medicaid	(2,544,182.00)	0.00	(2,544,182.00)
Subtotal [1A]	Medicaid Residents (CT only)	(2,544,182.00)	0.00	(2,544,182.00)
Subgroup : [3A]	Medicare Residents (All inclusive)			
40-102-00	Room & Board Revenue>Medicare A	(891,181.00)	0.00	(891,181.00)
Subtotal [3A]	Medicare Residents (All inclusive)	(891,181.00)	0.00	(891,181.00)
Subgroup : [3B]	Medicare room and board contractual allowance			
40-102-14	Room & Board Revenue>Medicare A>Se	15,206.00	0.00	15,206.00
Subtotal [3B]	Medicare room and board contractual	15,206.00	0.00	15,206.00
Subgroup : [4A]	Private-pay residents and other			
40-104-00	Room & Board Revenue>Private	(369,664.00)	0.00	(369,664.00)
40-105-00	Room & Board Revenue>HMO	(70,794.00)	0.00	(70,794.00)
40-109-00	Room & Board Revenue>Hospice	(89,352.00)	0.00	(89,352.00)
Subtotal [4A]	Private-pay residents and other	(529,810.00)	0.00	(529,810.00)
Subgroup : [4B]	Private-pay room and board contractual allowance			
40-105-14	Room & Board Revenue>HMO>Sequest	921.00	0.00	921.00
Subtotal [4B]	Private-pay room and board contractu	921.00	0.00	921.00
Subgroup : [5A]	Prescription Drugs - Medicare			
41-102-00	Pharmacy Rev>Medicare A	(67,941.00)	0.00	(67,941.00)
Subtotal [5A]	Prescription Drugs - Medicare	(67,941.00)	0.00	(67,941.00)
Subgroup : [5B]	Prescription Drugs - Medicare Contractual Allowance			
41-102-01	Pharmacy Rev>Medicare A>C/A	67,941.00	0.00	67,941.00
Subtotal [5B]	Prescription Drugs - Medicare Contract	67,941.00	0.00	67,941.00
Subgroup : [7A]	Physical Therapy - Medicare			
42-102-00	PT Revenue>Medicare A	(106,482.00)	0.00	(106,482.00)
42-103-00	PT Revenue>Medicare B	(54,309.00)	0.00	(54,309.00)
Subtotal [7A]	Physical Therapy - Medicare	(160,791.00)	0.00	(160,791.00)
Subgroup : [7B]	Physical Therapy - Medicare Contractual Allowance			
42-102-01	PT Revenue>Medicare A>C/A	106,372.00	0.00	106,372.00
Subtotal [7B]	Physical Therapy - Medicare Contract	106,372.00	0.00	106,372.00
Subgroup : [7C]	Physical Therapy - Non-medicare			
42-111-00	PT Revenue>Medicaid	(4,457.00)	0.00	(4,457.00)
Subtotal [7C]	Physical Therapy - Non-medicare	(4,457.00)	0.00	(4,457.00)
Subgroup : [7D]	Physical Therapy - Non-medicare Contractual Allowance			
42-111-01	PT Revenue>Medicaid>C/A	4,457.00	0.00	4,457.00
Subtotal [7D]	Physical Therapy - Non-medicare Con	4,457.00	0.00	4,457.00
Subgroup : [8A]	Speech Therapy - Medicare			
44-102-00	ST Revenue>Medicare A	(17,805.00)	0.00	(17,805.00)
44-103-00	ST Revenue>Medicare B	(20,661.00)	0.00	(20,661.00)
Subtotal [8A]	Speech Therapy - Medicare	(38,466.00)	0.00	(38,466.00)
Subgroup : [8B]	Speech Therapy - Medicare Contractual Allowance			
44-102-01	ST Revenue>Medicare A>C/A	17,805.00	0.00	17,805.00
44-103-01	ST Revenue>Medicare B>C/A	618.00	0.00	618.00
Subtotal [8B]	Speech Therapy - Medicare Contractu	18,423.00	0.00	18,423.00
Subgroup : [9A]	Occupational Therapy - Medicare			
43-102-00	OT Revenue>Medicare A	(116,768.00)	0.00	(116,768.00)
43-103-00	OT Revenue>Medicare B	(52,305.00)	0.00	(52,305.00)
Subtotal [9A]	Occupational Therapy - Medicare	(169,073.00)	0.00	(169,073.00)
Subgroup : [9B]	Occupational Therapy - Medicare Contractual Allowance			
43-102-01	OT Revenue>Medicare A>C/A	116,768.00	0.00	116,768.00

Subtotal [9B]	Occupational Therapy - Medicare Con	116,768.00	0.00	116,768.00
Subgroup : [9C]	Occupational Therapy - Non-medicare			
43-111-00	OT Revenue>Medicaid	(4,297.00)	0.00	(4,297.00)
Subtotal [9C]	Occupational Therapy - Non-medicare	(4,297.00)	0.00	(4,297.00)
Subgroup : [9D]	Occupational Therapy - Non-medicare Contractual Allowance			
43-111-01	OT Revenue>Medicaid>C/A	4,297.00	0.00	4,297.00
Subtotal [9D]	Occupational Therapy - Non-medicare	4,297.00	0.00	4,297.00
Subgroup : [10A]	Other - Medicare			
45-102-00	Radiology Rev>Medicare A	(2,092.00)	0.00	(2,092.00)
45-102-01	Radiology Rev>Medicare A>C/A	2,092.00	0.00	2,092.00
46-102-00	Lab Rev>Medicare A	(4,355.00)	0.00	(4,355.00)
46-102-01	Lab Rev>Medicare A>C/A	4,355.00	0.00	4,355.00
Subtotal [10A]	Other - Medicare	0.00	0.00	0.00
Subgroup : [10B]	Other - Non-medicare			
47-104-00	Other Ancillary Revenue>Private	(165.00)	0.00	(165.00)
52-111-00	Revenue Adjustments>Medicaid	(323.00)	0.00	(323.00)
52-114-00	Revenue Adjustments>Other Payor	(439.00)	0.00	(439.00)
Subtotal [10B]	Other - Non-medicare	(927.00)	0.00	(927.00)
Subgroup : [18]	Other Revenue			
65-829-80	PT Expense>Staff>Wages	(1,033.00)	0.00	(1,033.00)
66-829-80	OT Expense>Staff>Wages	(1,396.00)	0.00	(1,396.00)
Subtotal [18]	Other Revenue	(2,429.00)	0.00	(2,429.00)
Total [30]	Statement of Revenue	(4,079,169.00)	0.00	(4,079,169.00)
Group : [31-32]	Assets			
Subgroup : [A1]	Cash			
10-001-01	Cash>Clearing>Cleared Entered Later	725.00	0.00	725.00
10-010-87	Cash>Operating>Torrington	(7,311.00)	0.00	(7,311.00)
10-010-93	Cash>Operating>Holdings Receiving	(1,338.00)	0.00	(1,338.00)
10-014-00	Cash>Petty Cash Facility	223.00	0.00	223.00
10-015-00	Cash>Petty Cash PNA	1,000.00	0.00	1,000.00
10-020-87	Cash>Payroll>Torrington	730.00	0.00	730.00
10-040-87	Cash>Non Govt>Torrington	(292.00)	0.00	(292.00)
10-060-87	Cash>Resident Trust>Torrington	28,267.00	0.00	28,267.00
10-061-00	Cash>Care Cost	5,000.00	0.00	5,000.00
10-090-87	Cash>WFOperating>Torrington	126,999.00	0.00	126,999.00
Subtotal [A1]	Cash	154,003.00	0.00	154,003.00
Subgroup : [A2]	Resident A/R			
11-102-00	Accounts Receivable>Medicare A	72,104.00	0.00	72,104.00
11-104-00	Accounts Receivable>Private	32,099.00	0.00	32,099.00
11-105-00	Accounts Receivable>HMO	20,654.00	0.00	20,654.00
11-109-00	Accounts Receivable>Hospice	8,594.00	0.00	8,594.00
11-111-00	Accounts Receivable>Medicaid	545,490.00	0.00	545,490.00
11-112-00	Accounts Receivable>Income	11,020.00	0.00	11,020.00
11-123-00	Accounts Receivable>Ancillary	25,917.00	0.00	25,917.00
Subtotal [A2]	Resident A/R	715,878.00	0.00	715,878.00
Subgroup : [A5]	Prepaid Expenses			
12-000-00	Prepaid Expenses	2,305.00	0.00	2,305.00
12-124-00	Prepaid Expenses>Insurance	18,374.00	0.00	18,374.00
12-881-00	Prepaid Expenses>Workers Comp	66,764.00	0.00	66,764.00
Subtotal [A5]	Prepaid Expenses	87,443.00	0.00	87,443.00
Subgroup : [B4]	Leasehold Improvements			
14-131-00	Fixed Assets>Leasehold Improvements	7,882.00	0.00	7,882.00
14-137-01	Fixed Asset>Capital Lease>Copier	16,850.00	0.00	16,850.00
15-131-00	Accum Depn>Leasehold Improvements	(527.00)	0.00	(527.00)
15-137-01	Accumulated Depn>Capital Lease>Copie	(4,915.00)	0.00	(4,915.00)
Subtotal [B4]	Leasehold Improvements	19,290.00	0.00	19,290.00

Subgroup : [B6]	Movable Equipment			
14-132-00	Fixed Assets>Furniture, Fixtures and Eq	1,830.00	0.00	1,830.00
14-133-00	Fixed Assets>Medical Equipment	3,942.00	0.00	3,942.00
14-134-00	Fixed Assets>Computer Hardware	26,779.00	0.00	26,779.00
14-135-00	Fixed Assets>Computer Software	3,333.00	0.00	3,333.00
14-305-00	Fixed Assets>Sales Use Tax	288.00	0.00	288.00
15-132-00	Accum Depn>Furniture, Fixtures and Eq	(173.00)	0.00	(173.00)
15-133-00	Accum Depn>Medical Equipment	(394.00)	0.00	(394.00)
15-134-00	Accum Depn>Computer Hardware	(2,272.00)	0.00	(2,272.00)
15-135-00	Accum Depn>Computer Software	(361.00)	0.00	(361.00)
15-305-00	Accum Depn>Sales Use Tax	(5.00)	0.00	(5.00)
Subtotal [B6]	Movable Equipment	32,967.00	0.00	32,967.00
Subgroup : [B9]	Other Fixed Assets			
14-136-00	Fixed Assets>CIP	6,450.00	0.00	6,450.00
Subtotal [B9]	Other Fixed Assets	6,450.00	0.00	6,450.00
Subgroup : [D1]	Deferred Deposits			
13-128-00	Due From>Vendor Security Deposits	8,180.00	0.00	8,180.00
Subtotal [D1]	Deferred Deposits	8,180.00	0.00	8,180.00
Subgroup : [D3]	Organization Expense			
17-000-00	Deferred Financing Costs	26,642.00	0.00	26,642.00
19-265-00	Accumulated Amortization>Deferred Fine	(2,664.00)	0.00	(2,664.00)
Subtotal [D3]	Organization Expense	23,978.00	0.00	23,978.00
Subgroup : [D4]	Goodwill			
16-000-00	Goodwill	160,539.00	0.00	160,539.00
Subtotal [D4]	Goodwill	160,539.00	0.00	160,539.00
Subgroup : [D6]	Loans to Owners or Related Parties			
27-000-88	Due To/(From)>New Haven	96.00	0.00	96.00
27-000-89	Due To/(From)>Prospect	48.00	0.00	48.00
27-000-90	Due To/(From)>West Haven	2,414.00	0.00	2,414.00
27-000-91	Due To/(From)>Waterbury	45.00	0.00	45.00
27-000-92	Due To/(From)>Management	71,434.00	(27,267.00)	44,167.00
			RJE - 7 (27,267.00)	
27-152-00	Due To/(From)>Employee	1,895.00	0.00	1,895.00
Subtotal [D6]	Loans to Owners or Related Parties	75,932.00	(27,267.00)	48,665.00
Subgroup : [D7]	Other Assets			
13-127-00	Due From>Old Owner	26,646.00	0.00	26,646.00
27-172-00	Due To/(From)>Vendor	725.00	0.00	725.00
27-314-00	Due To/(From)>RFMS	160.00	0.00	160.00
28-127-00	Due To>Old Owner	4,102.00	0.00	4,102.00
Subtotal [D7]	Other Assets	31,633.00	0.00	31,633.00
Total [31-32]	Assets	1,316,293.00	(27,267.00)	1,289,026.00
Group : [33-34]	Liabilities			
Subgroup : [A1]	Trade A/P			
20-000-00	Accounts Payable	(421,204.00)	27,267.00	(393,937.00)
			RJE - 7 27,267.00	
21-141-00	Other Current Payables>Employee Bene	(54.00)	0.00	(54.00)
21-149-00	Other Current Payables>Misc. PR Deduc	807.00	0.00	807.00
21-149-09	Other Current Payables>Misc. PR Deduc	(214.00)	0.00	(214.00)
21-350-00	Other Current Payables>Resident Funds	(28,267.00)	0.00	(28,267.00)
21-354-00	Other Current Payables>DTF RFMS	(160.00)	0.00	(160.00)
Subtotal [A1]	Trade A/P	(449,092.00)	27,267.00	(421,825.00)
Subgroup : [A4]	Accrued Payroll			
23-000-00	Accrued Wages & Related	(90,374.00)	0.00	(90,374.00)
23-156-00	Accrued Wages & Related>PR Taxes	(8,262.00)	0.00	(8,262.00)
23-157-00	Accrued Expenses>PTO	(90,032.00)	0.00	(90,032.00)
Subtotal [A4]	Accrued Payroll	(188,668.00)	0.00	(188,668.00)
Subgroup : [A12]	Other Current Liabilities			

24-000-00	Accrued Expenses	(107,035.00)	0.00	(107,035.00)
24-000-02	Accrued Expenses>Tamkar Brokerage F	(6,660.00)	0.00	(6,660.00)
24-137-01	Accrued Expenses>Capital Lease>Copie	(12,350.00)	0.00	(12,350.00)
24-162-00	Accrued Expenses>Insurance - General	(6,067.00)	0.00	(6,067.00)
24-260-79	Accrued Expenses>Welfare (Assumed) :	(20,322.00)	0.00	(20,322.00)
24-311-00	Accrued Expenses>Therapy (Assumed)	(5,000.00)	0.00	(5,000.00)
24-881-00	Accrued Expenses>Workers Comp	(53,408.00)	0.00	(53,408.00)
Subtotal [A12]	Other Current Liabilities	(210,842.00)	0.00	(210,842.00)
Subgroup : [B3]	Loans from Owners or Related Parties			
27-000-93	Due To/(From)>Holdings	(676,401.00)	0.00	(676,401.00)
27-400-00	Due to/(from)>Eli Miris	(641.00)	0.00	(641.00)
Subtotal [B3]	Loans from Owners or Related Parties	(677,042.00)	0.00	(677,042.00)
Total [33-34]	Liabilities	(1,525,644.00)	27,267.00	(1,498,377.00)
	NET (INCOME) LOSS	0.00	0.00	0.00
	Sum of Account Groups	0.00	0.00	0.00

Client: *Regal Care Management*
 Engagement: *Medical - RegalCare at Torrington, LLC*
 Period Ending: *9/30/2016*
 Trial Balance: *A.01 - TB-CCNH*
 Workpaper: *H.01 - Reclassifying Journal Entry Report*

Account	Description	W/P Ref	Debit	Credit
Reclassifying Journal Entries				
Reclassifying Journal Entries JE # 1				
To reclass dental expense to the correct line of the cost report				
Marcum 101	Dentist	N.01	2,250.00	
60-206-00	Nursing Expense>Clinical Services			2,250.00
Total			2,250.00	2,250.00
Reclassifying Journal Entries JE # 2				
To reclass cell phone expense from the telephone line				
Marcum 102	Cell Phone	N.01	354.00	
80-231-00	Admin Expense>Telephone			354.00
Total			354.00	354.00
Reclassifying Journal Entries JE # 3				
To reclass other employee benefits				
85-255-79	Employee Benefits Expense>Pension>Union	E.02	102,802.00	
Marcum 103	Union Training		13,664.00	
Marcum 104	Background Checks		821.00	
Marcum 105	Union Health & Welfare		293,654.00	
61-883-00	Nursing Admin Expense>Other Benefits			283,258.00
69-883-00	Social Services Expense>Other Benefits			3,901.00
70-883-00	Dietary Expense>Other Benefits			41,744.00
71-883-00	Activity Expense>Other Benefits			9,667.00
74-883-00	Housekeeping & Laundry Expense>Other Benefits			33,169.00
75-883-00	Maintenance Expense>Other Benefits			11,797.00
80-883-00	Admin Expense>Other Benefits			27,405.00
Total			410,941.00	410,941.00
Reclassifying Journal Entries JE # 4				
To reclass fees from startup costs to the correct line of the cost report				
Marcum 106	Accounting Fees	E.05	1,064.00	
80-252-00	Admin Expense>Startup Costs			1,064.00
Total			1,064.00	1,064.00
Reclassifying Journal Entries JE # 5				
To reclass Marcum accounting expenses to the correct line of the cost report				
Marcum 106	Accounting Fees	E.06	4,335.00	
80-240-00	Admin Expense>Professional Fees			4,335.00
Total			4,335.00	4,335.00
Reclassifying Journal Entries JE # 6				
To reclass ambulance costs to the correct line of the cost report				
Marcum 107	Ambulance	E.08	561.00	
60-213-00	Nursing Expense>Transportation			561.00
Total			561.00	561.00
Reclassifying Journal Entries JE # 7				
To reclass related party A/P to the correct line of the cost report				
20-000-00	Accounts Payable	H.02	27,267.00	
27-000-92	Due To/(From)>Management			27,267.00
Total			27,267.00	27,267.00
Total Reclassifying Journal Entries			446,772.00	446,772.00
Total All Journal Entries			446,772.00	446,772.00



MYERS AND STAUFFER
CERTIFIED PUBLIC ACCOUNTANTS

Workpaper Index:
 Prepared By:
 Reviewed By:
 Workpaper Date: 1/31/2017
 Run Date: 1/31/2017

Provider Name: RegalCare at Torrington, LLC
 Provider Number: 000009621
 Period Ended: 9/30/16

Name of Workpaper: VHCL CKLST

VEHICLE COMPLIANCE CHECKLIST

PURPOSE: To determine that vehicles comply with the published February 15, 2000 guidelines developed to assist providers in understanding what transportation costs are allowable and how the costs must be documented.

		Yes	No	Support Filed at?	Finding Issued?
1	Are all vehicles registered and insured in the facility's name? <i>Request insurance cards and current vehicle registration.</i>				
2	Are all purchase and lease agreements made in the facility's name?				
3	Were mileage logs obtained for facility vehicles claimed for reimbursement				
4	Were the number of vehicles allowed for reimbursement determined?				
5	Was personal use of the facility vehicles determined?				
6	Has the maximum cost allowed for depreciation purposes or the maximum allowable monthly lease expense been determined?				
7	Were all newly acquired vehicle additions for the cost years specified to supporting invoices and cancelled checks verified?				
8	Were all motor vehicle additions physically inspected?				

Conclusion: