

**HOME FOR AGED WOMEN IN SALEM**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTARY INFORMATION**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**

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## INDEPENDENT AUDITORS' REPORT

Board of Government  
Home for Aged Women in Salem  
Salem, Massachusetts

We have audited the accompanying financial statements of Home for Aged Women in Salem (a nonprofit organization), which comprise the statements of financial position as of December 31, 2012 and 2011, and the related statements of activities, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Government  
Home for Aged Women in Salem

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Home for Aged Women in Salem as of December 31, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Quincy, Massachusetts  
June 17, 2013

**HOME FOR AGED WOMEN IN SALEM  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2012 AND 2011**

	2012	2011
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 444,207	\$ 538,417
Investments	1,896,990	1,554,101
Accounts Receivable - Residents	22,472	13,205
Receivable - Other	-	2,427
Prepaid Expenses	13,939	16,442
Total Current Assets	2,377,608	2,124,592
<b>PROPERTY, PLANT, AND EQUIPMENT</b>		
Land	16,657	16,657
Building	90,532	90,532
Improvements	863,727	741,407
Equipment	114,880	112,551
Total	1,085,796	961,147
Less: Accumulated Depreciation	579,179	539,307
Property, Plant and Equipment, Net	506,617	421,840
Total Assets	\$ 2,884,225	\$ 2,546,432
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 24,493	\$ 12,825
Accrued Expenses	100,889	71,438
Payroll Taxes Payable	4,590	3,665
Due to Third Party Payor	37,400	37,400
Total Current Liabilities	167,372	125,328
<b>NET ASSETS - UNRESTRICTED</b>		
	2,716,853	2,421,104
Total Liabilities and Net Assets	\$ 2,884,225	\$ 2,546,432

See accompanying Notes to Financial Statements.

**HOME FOR AGED WOMEN IN SALEM  
STATEMENTS OF ACTIVITIES  
YEARS ENDED DECEMBER 31, 2012 AND 2011**

	2012	2011
<b>UNRESTRICTED NET ASSETS</b>		
<b>REVENUE</b>		
Net Resident Service Revenue	\$ 1,173,462	\$ 1,165,107
Other Revenue	210	3,077
Net Assets Released from Restriction Used for Operations	-	3,000
Bad Debt Recovery	-	930
Total Revenue	1,173,672	1,172,114
<b>OPERATING EXPENSES</b>		
Salaries and Benefits	743,439	734,232
Insurance and Other	295,392	293,691
Provision for Losses on Accounts Receivable	3,619	-
Depreciation	39,872	33,876
Total Operating Expenses	1,082,322	1,061,799
<b>INCOME FROM OPERATIONS</b>	91,350	110,315
<b>NON-OPERATING ITEMS</b>		
Contributions	776	151,444
Investment Income, Net	40,108	27,680
Realized Gains on Sales of Investments	113,125	17,014
Total Non-Operating Items	154,009	196,138
<b>EXCESS OF REVENUES AND GAINS OVER EXPENSES AND LOSSES</b>	245,359	306,453
Net Assets Released from Restrictions Used for Purchase of Property and Equipment	-	19,011
Change in Net Unrealized Gains (Losses) on Investments	50,390	(105,257)
<b>NET INCREASE IN UNRESTRICTED NET ASSETS</b>	\$ 295,749	\$ 220,207

See accompanying Notes to Financial Statements.

**HOME FOR AGED WOMEN IN SALEM  
STATEMENTS OF CHANGES IN NET ASSETS  
YEARS ENDED DECEMBER 31, 2012 AND 2011**

	2012	2011
<b>UNRESTRICTED NET ASSETS</b>		
Income from Operations	\$ 91,350	\$ 110,315
Non-Operating Items	154,009	196,138
Net Assets Released from Restrictions Used for Purchase of Property and Equipment	-	19,011
Change in Net Unrealized Gains (Losses) on Investments	50,390	(105,257)
Net Increase in Unrestricted Net Assets	295,749	220,207
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Investment Income, Net	-	110
Realized Loss on Investments	-	(930)
Net Assets Released from Restriction	-	(22,011)
Net Decrease in Temporarily Restricted Net Assets	-	(22,831)
<b>CHANGE IN NET ASSETS</b>	295,749	197,376
Net Assets - Beginning of Year	2,421,104	2,223,728
<b>NET ASSETS - END OF YEAR</b>	\$ 2,716,853	\$ 2,421,104

See accompanying Notes to Financial Statements.

**HOME FOR AGED WOMEN IN SALEM  
STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2012 AND 2011**

	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 295,749	\$ 197,376
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operations:		
Depreciation	39,872	33,876
Provisions for Losses on Accounts Receivable	3,619	(930)
Realized and Unrealized (Gains) Losses on Investments	(163,515)	89,173
(Increase) Decrease in:		
Accounts Receivable	(12,886)	7,733
Receivables - Other	2,427	7,746
Prepaid Expenses	2,503	706
Increase (Decrease) in:		
Accounts Payable	11,668	(12,523)
Accrued Expenses	29,451	(2,646)
Payroll Taxes Payable	925	60
Net Cash Provided by Operating Activities	209,813	320,571
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of Property, Plant and Equipment	(124,649)	(72,971)
Purchases of Investments	(1,505,663)	(887,615)
Proceeds from Sale/Maturities of Investments	1,326,289	802,455
Net Cash Used by Investing Activities	(304,023)	(158,131)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(94,210)	162,440
Cash and Cash Equivalents at Beginning of Year	538,417	375,977
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$ 444,207	\$ 538,417

See accompanying Notes to Financial Statements.



**HOME FOR AGED WOMEN IN SALEM  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

Home for Aged Women in Salem (the Organization) is a not-for-profit corporation, which owns and operates a 36-bed residential care facility located in Salem, Massachusetts.

A summary of the Organization's significant accounting policies follows:

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

The Organization considers all short-term debt securities purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents designated for long-term purposes or received with donor-imposed restrictions limiting their use to long-term purposes are not considered cash and cash equivalents for purposes of the statement of cash flows.

**Investments**

Investments in equity securities with readily determinable fair values and investments in debt securities are measured at their fair value in the statement of financial position. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in the excess of revenues and gains over expenses and losses unless the income or loss is restricted by donor or law. Unrealized gains and losses on investments are excluded from excess of revenues and gains over expenses and losses.

Declines in fair market values below original cost of individual securities are evaluated to determine if the declines are other-than-temporary impairments. Changes in the economic environment, earnings performance, general market conditions and the investor's ability to hold a security until the market recovers are indicators that are used. If the impairment is determined to be other-than-temporary, an impairment loss is recognized and the fair value of the investment becomes the new cost.

**Accounts Receivable**

Accounts receivable are recorded net of an allowance for expected losses. The allowance is estimated from historical performance and projections of trends. Credit is extended to customers and collateral is not required. The Organization determines delinquent accounts based on individual facts and circumstances. Historically, the Organization has not charged interest on accounts that are deemed to be delinquent.

**HOME FOR AGED WOMEN IN SALEM  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Property, Plant and Equipment**

Property, plant and equipment are recorded at cost. Donated property is recorded at its estimated fair value at the date of receipt. Gifts of long-lived assets are reported as unrestricted support unless explicit donor stipulations specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulation about how long those assets must be maintained, expiration of donor restrictions are reported when the donated or acquired long-lived assets are placed into service. Depreciation is computed using the straight-line method over the estimated useful life of the assets. Depreciation expense charged to operations was \$39,872 and \$33,876 for 2012 and 2011, respectively.

The useful lives of property, plant, and equipment for purposes of computing depreciation are:

Building	40 years
Improvements	3 - 20 years
Equipment	10 years

**Net Assets**

Net assets of the Organization are classified and reported as follows:

**Unrestricted Net Assets** - Net assets that are not subject to donor-imposed stipulations.

**Temporarily Restricted Net Assets** - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

**Permanently Restricted Net Assets** - Include contributions, which require by donor restriction that the corpus be invested in perpetuity and only the income be made available for operations in accordance with donor restrictions.

**Statement of Activities**

For purposes of presentation, transactions deemed by management to be ongoing, major, or central to the provision of the Organization's services are reported as operating income. Peripheral or incidental transactions are reported as non-operating items.

**Excess of Revenues and Gains Over Expenses and Losses**

The statement of activities includes excess of revenue and gains over expenses and losses. Changes in unrestricted net assets which are excluded from excess of revenue and gains over expenses and losses, consistent with industry practice, include the changes in unrealized gains and losses on investments, transfers of assets to and from affiliates for other than goods and services, and contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purpose of acquiring such assets).

**HOME FOR AGED WOMEN IN SALEM  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Patient Service Revenue**

Private patient service revenue is reported at the estimated net realizable amounts. Third-party payor revenues are recorded as indicated in Note 2.

**Recognition of Donor Restrictions**

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

**Promotional Advertising**

Promotional advertising costs are expensed as incurred. Promotional advertising costs charged to operations amounted to \$1,631 and \$2,427 for 2012 and 2011, respectively.

**Income Taxes**

The Organization is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes on related income pursuant to Section 501(a) of the Code. The Organization is considered a private foundation for tax purposes and is therefore subject to a 2% federal excise tax of net investment income. Federal excise taxes charged to operations amounted to \$0 and \$40 for 2012 and 2011, respectively, and have been included in "Insurance and Other" expenses in the accompanying statements of activities.

The Organization files as a tax-exempt organization. Should that status be challenged in the future, the entity's 2009 through 2012 tax years are open for examination by federal and state taxing authorities.

**Fair Value Measurement**

Fair value measurement applies to reported balances that are required or permitted to be measured at fair value under an existing accounting standard. The Organization emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability and establishes a fair value hierarchy. The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

**Level 1** – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

**HOME FOR AGED WOMEN IN SALEM  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Fair Value Measurement (Continued)**

**Level 2** – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

**Level 3** – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Additionally, from time to time, the Organization may be required to record at fair value other assets on a nonrecurring basis in accordance with generally accepted accounting principles. These adjustments to fair value usually result from the application of the lower-of-cost-or-market accounting or write down of individual assets.

**Subsequent Events**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 17, 2013, the date the financial statements were available to be issued.

**NOTE 2 PATIENT SERVICE REVENUES FROM THIRD PARTY PAYORS**

**Summary of the Payment Arrangements with Third Party Payors:**

**Medicaid - Prospective Rate System**

The Organization receives reimbursement from the Commonwealth of Massachusetts under the prospective rate of payment system for the care and services rendered to publicly-aided patients in resident care facilities pursuant to regulations promulgated by the Center for Health Information and Analysis (formerly the Division of Health Care Finance and Policy). Under the regulations, the current year rates are calculated utilizing base year costs adjusted for inflation. The base year costs are subject to audit which could result in a retroactive rate adjustment for the current year.

Management estimates that the Organization under spent the supplemental add-on provided in its 2001 Medicaid rates. Consequently, the Organization recorded a liability in 2001 to the Commonwealth of Massachusetts in the amount of \$13,400, which is reported in the accompanying financial statements under the caption "Due to Third Party Payor" in the accompanying statements of financial position.

**HOME FOR AGED WOMEN IN SALEM  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 2 PATIENT SERVICE REVENUES FROM THIRD PARTY PAYORS (CONTINUED)**

**Summary of the Payment Arrangements with Third Party Payors: (Continued)**

**Medicaid - Prospective Rate System**

Pursuant with the Center for Health Information and Analysis (formerly the Division of Health Care Finance and Policy) regulations governing Medicaid reimbursement, a provider is subject to recovery if its average private rate is less than their average Medicaid rate for that base year. Consequently, the Organization recorded a liability in 2002 to the Commonwealth of Massachusetts in the amount of \$24,000 which is reported in the accompanying financial statements under the captions "Due to third party payor" in the accompanying statements of financial position.

**NOTE 3 ACCOUNTS RECEIVABLE**

Accounts receivable consists of the following at December 31, 2012 and 2011:

	2012	2011
Publicly-Aided Residents	\$ 27,672	\$ 13,205
Less: Allowance for Doubtful Accounts	(5,200)	-
Accounts Receivable, Net	\$ 22,472	\$ 13,205

Accounts receivable at December 31, 2011 are all considered collectible.

**NOTE 4 INVESTMENTS**

Investments in marketable securities with readily determinable fair values and investments in debt securities are valued at their fair values.

The carrying value of investments at December 31, 2012 and 2011 consisted of the following:

	2012	2011
Common Stock	\$ 1,056,963	\$ 851,087
Corporate Bonds	632,408	544,756
Mutual Funds	207,619	158,258
Total	\$ 1,896,990	\$ 1,554,101
Investment Income:		
Interest and Dividends	\$ 51,668	\$ 38,257
Investment Fees	(11,560)	(10,467)
Investment Income, Net	\$ 40,108	\$ 27,790

**HOME FOR AGED WOMEN IN SALEM  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 5 PENSION**

The Organization sponsors a simplified employee pension plan for qualified employees. There were no pension contributions in each of 2012 and 2011.

**NOTE 6 CONCENTRATION OF CREDIT RISK**

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of the following:

**Cash and Cash Equivalents**

The Organization maintains cash balances in a federally insured financial institution in the same geographic area. During the year, there may be times when uninsured cash is significantly higher.

**Accounts Receivable – Patients**

The Organization extends unsecured credit to its private patients and patients covered under third-party payor arrangements. Accounts receivable from private patients and third-party payors totaled \$22,472 at December 31, 2012. See Note 2 and Note 3 for details of third-party payor arrangements and receivable balances, respectively.

**Investments**

Investments consisting of shares of common stock, corporate bonds, and mutual funds, at a carrying value of approximately \$1,896,990 at December 31, 2012 are subject to credit risk.

**Major Customers**

For 2012, the Organization received 78% of its total patient service revenue from the Commonwealth of Massachusetts.

**NOTE 7 FUNCTIONAL EXPENSES**

The Organization provides residential care to residents within its geographic area. All operating expenses are considered to relate, either directly or indirectly, to providing these services.

**NOTE 8 CONTINGENCIES**

A significant portion of the Organization's revenues and accounts receivable are derived from services reimbursable under the Medicaid program. There are numerous healthcare reform proposals being considered on the federal and state levels. The Organization cannot predict at this time whether any of these proposals will be adopted or, if adopted and implemented, what effect such proposals would have on the Organization.

**HOME FOR AGED WOMEN IN SALEM  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 8 CONTINGENCIES (CONTINUED)**

A significant portion of the Organization's revenues are derived from services reimbursable under the Medicaid program (see Note 2). The base year costs utilized in calculating the Medicaid prospective rates are subject to audit which could result in a retroactive rate adjustment for all years in which that base year's costs are utilized in calculating the prospective rate. It is not possible at this time to determine whether the Organization will be audited or if a retroactive rate adjustment would result.

**NOTE 9 FAIR VALUE MEASUREMENT**

The Organization uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. Fair value measurement is based on quoted market prices. For additional information on how the Organization measures fair value refer to Note 1 – Organization and Summary of Significant Accounting Policies.

The following tables present the Organization's fair value hierarchy for those assets measured at fair value on a recurring basis as of December 31, 2012 and 2011.

December 31, 2012				
	Total	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
<b>Unrestricted Investments:</b>				
Corporate Bonds	\$ 632,408	\$ 632,408	\$ -	\$ -
Common Stock	1,056,963	1,056,963	-	-
Alternative Investments	70,914	-	-	70,914
Mutual Funds	136,705	136,705	-	-
Total	<u>\$ 1,896,990</u>	<u>\$ 1,826,076</u>	<u>\$ -</u>	<u>\$ 70,914</u>
December 31, 2011				
	Total	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
<b>Unrestricted Investments:</b>				
Corporate Bonds	\$ 544,756	\$ 544,756	\$ -	\$ -
Common Stock	851,087	851,087	-	-
Alternative Investments	78,986	-	-	78,986
Mutual Funds	79,272	79,272	-	-
Total	<u>\$ 1,554,101</u>	<u>\$ 1,475,115</u>	<u>\$ -</u>	<u>\$ 78,986</u>

**HOME FOR AGED WOMEN IN SALEM  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND 2011**

**NOTE 9 FAIR VALUE MEASUREMENT (CONTINUED)**

The following table provides a summary of changes in fair value of the Organization's Level 3 financial liabilities for the years ended December 31, 2012 and 2011.

Beginning Balance as of January 1, 2011	\$ 80,592
Transfer from Level 1	<u>(1,606)</u>
Balance as of December 31, 2011	78,986
Change in Fair Value	<u>(8,072)</u>
Balance as of December 31, 2012	<u><u>\$ 70,914</u></u>

The Level 3 assets are comprised of a real estate investment trust and are valued based upon the weighted average, which is calculated using the fair value of investments in real estate at the balance sheet date.





CliftonLarsonAllen LLP  
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## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Government  
Home for Aged Women in Salem  
Salem, Massachusetts

Our report on our audits of the basic financial statements of Home for Aged Women in Salem as of and for the years ended December 31, 2012 and 2011, and our report thereon dated June 17, 2013, which expressed an unmodified opinion on those financial statements, appears on page 1. Those audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of bed days and schedules of operating expenses, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied to the basic financial statements, and, accordingly, we express no opinion on it.

A handwritten signature in cursive script that reads 'CliftonLarsonAllen LLP'.

**CliftonLarsonAllen LLP**

Quincy, Massachusetts  
June 17, 2013

**HOME FOR AGED WOMEN IN SALEM**  
**SCHEDULES OF BED DAYS**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)  
(UNAUDITED)

**Patient Census Data Used to Calculate Per Diem Revenues and Expenses:**

	2012		2011	
	Bed Days	%	Bed Days	%
Occupancy:				
Private	1,958	15.12	1,189	9.27
Publicly-Aided	10,996	84.88	11,634	90.73
Total	<u>12,954</u>	<u>100.00</u>	<u>12,823</u>	<u>100.00</u>
Bed Days Available	<u>13,176</u>		<u>13,140</u>	
% of Occupancy	<u>98.32%</u>		<u>97.59%</u>	

**HOME FOR AGED WOMEN IN SALEM**  
**SCHEDULES OF OPERATING EXPENSES**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)  
(UNAUDITED)

	2012		2011	
	Amount	Per Diem	Amount	Per Diem
<b>ADMINISTRATIVE AND GENERAL</b>				
Salaries - Administration	\$ 78,968	\$ 6.10	\$ 76,794	\$ 5.99
Salaries - Clerical	19,191	1.48	18,072	1.41
Salaries - Marketing	23,506	1.81	23,464	1.83
Office Supplies and Expense	6,973	0.54	8,429	0.66
Payroll/Bookkeeping Service	3,034	0.23	2,930	0.23
General Expense	3,715	0.29	16,057	1.25
Telephone	4,565	0.35	4,648	0.36
Advertising	2,658	0.21	2,427	0.19
Licenses and Dues	2,237	0.17	133	0.01
Accounting	24,250	1.87	22,595	1.76
Insurance - Other	26,391	2.04	20,270	1.58
Bad Debts	3,619	0.28	-	-
Federal Excise Taxes	-	-	40	-
Conventions and Meetings	330	0.03	1,210	0.09
Total	199,437	15.40	197,069	15.36
<b>EMPLOYEE BENEFITS</b>				
Payroll Taxes	50,924	3.93	50,196	3.91
Group Health Insurance	20,467	1.58	22,809	1.78
Employee Benefits	17,290	1.33	8,165	0.64
Worker's Compensation	9,299	0.72	9,683	0.76
Total	97,980	7.56	90,853	7.09
<b>PROPERTY EXPENSE</b>				
Depreciation	39,872	3.08	33,876	2.64
Total	39,872	3.08	33,876	2.64
<b>PLANT OPERATIONS</b>				
Salaries	45,052	3.48	47,051	3.67
Purchased Services	12,071	0.93	10,672	0.83
Supplies and Expense	33,661	2.60	30,806	2.40
Utilities	43,332	3.35	38,699	3.02
Total	134,116	10.36	127,228	9.92
<b>DIETARY</b>				
Salaries	136,608	10.55	132,130	10.30
Food	94,081	7.26	99,191	7.74
Purchased Service	160	0.01	200	0.02
Supplies and Expense	8,305	0.64	3,011	0.23
Total	239,154	18.46	234,532	18.29

**HOME FOR AGED WOMEN IN SALEM**  
**SCHEDULES OF OPERATING EXPENSES (CONTINUED)**  
**YEARS ENDED DECEMBER 31, 2012 AND 2011**  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)  
(UNAUDITED)

	2012		2011	
	Amount	Per Diem	Amount	Per Diem
<b>LAUNDRY</b>				
Salaries	27,909	2.15	25,108	1.96
Purchased Services	-	-	1,371	0.11
Supplies and Expense	1,430	0.11	427	0.03
Total	<u>29,339</u>	<u>2.26</u>	<u>26,906</u>	<u>2.10</u>
<b>HOUSEKEEPING</b>				
Salaries	9,626	0.74	12,334	0.96
Purchased Services	-	-	2,160	0.17
Supplies and Expense	8,477	0.65	10,887	0.85
Total	<u>18,103</u>	<u>1.39</u>	<u>25,381</u>	<u>1.98</u>
<b>NURSING</b>				
Salaries - R.N.	19,625	1.51	19,576	1.53
Salaries - L.P.N.	2,607	0.20	2,496	0.19
Salaries - Nurses Aides	259,096	20.00	251,076	19.58
Supplies and Expense	8,629	0.67	8,358	0.65
Total	<u>289,957</u>	<u>22.38</u>	<u>281,506</u>	<u>21.95</u>
<b>RECREATION</b>				
Salaries	23,272	1.80	35,278	2.75
Purchased Services	1,382	0.11	792	0.06
Supplies and Expense	9,710	0.75	8,378	0.65
Total	<u>34,364</u>	<u>2.66</u>	<u>44,448</u>	<u>3.46</u>
Total Operating Expenses	<u>\$ 1,082,322</u>	<u>\$ 83.55</u>	<u>\$ 1,061,799</u>	<u>\$ 82.80</u>