

1065

U.S. Return of Partnership Income

OMB No. 1545-0099

Form Department of the Treasury Internal Revenue Service

For calendar year 2011, or tax year beginning JUL 1, 2011, ending JUN 30, 2012

2011

EXTENSION GRANTED TO 03/15/13

Partnership information section including Principal business activity (PSYCHIATRIC TREATMENT), Name of partnership (MB CARE LLC), Address (2125 GOLDSMITH LANE, LOUISVILLE, KY 40218), and various checkboxes for return type and accounting method.

Caution. Include only trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Main income and deduction table with columns for description, sub-rows (1a-1e, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16a, 16b, 17, 18, 19, 20, 21, 22), and amounts. Total ordinary business income is 340,953.

Signature section with a signature, date (4/7/12), and a box for 'May the IRS discuss this return with the preparer shown below'.

Preparer information section including name (JEFFREY K MCCAFFREY), firm name (DEMING MALONE LIVESAY & OSTROFF PSC), address, and phone number.



SCHEDULE Q - KENTUCKY PARTNERSHIP QUESTIONNAIRE

IMPORTANT: Questions 4 - 10 must be completed by all partnerships. If this is the partnership's initial return or if the partnership did not file a return under the same name and same federal I.D. number for the preceding year, questions 1, 2 and 3 must be answered. **Failure to do so may result in a request for a delinquent return.**

1. Indicate whether: (a) new business; (b) successor to previously existing business which was organized as:
 (1) corporation; (2) partnership; (3) sole proprietorship; or (4) other _____

If successor to previously existing business, give name, address and federal I.D. number of the previous business organization.

2. List the following *Kentucky* account numbers. Enter N/A for any number not applicable.
 Employer Withholding N/A
 Sales and Use Tax Permit N/A
 Consumer Use Tax N/A
 Unemployment Insurance N/A
 Coal Severance and/or Processing Tax N/A

3. If a foreign partnership, enter the date qualified to do business in Kentucky. _____

4. If change of accounting period, Item E on page 1, is checked, complete the following information:
 Year End before the change:
 Month _____ and Day _____

a. Change from a Fiscal Year to a Calendar Year (NOT a 52/53 week filer):

b. Change from a Calendar Year to a Fiscal Year (NOT a 52/53 week filer):
 New Year End:
 Month _____ and Day _____

c. Change from a Fiscal Year to a Calendar Year (52/53 week filer):
 New Year End: December and day of week _____

d. Change from a Calendar Year to a Fiscal Year (52/53 week filer):

New Year End:
Month _____ and day of week _____

If a 52/53 week filer: (Choose one of the options below.)
i. Option A: Ends on the same day of the week and whatever date this same day of the week last occurs in a calendar month.
ii. Option B: Ends on the same day of the week and whatever date this same day of the week occurs that is the nearest to the last day of the calendar month.

5. The partnership's books are in care of: (name and address)
MARYHURST, INC.
SAME

6. Are disregarded entities included in this return?
 Yes No. If yes, list name, address and federal I.D. number of each entity. _____

7. For the taxable period being reported, was the partnership a partner in a pass-through entity doing business in Kentucky?
 Yes No
 If yes, list name and federal I.D. number of the pass-through entity(ies). _____

For the taxable period being reported, was the partnership doing business in Kentucky other than through its interest held in a pass-through entity doing business in Kentucky? Yes No

8. Was this return prepared on: (a) cash basis, (b) accrual basis, (c) other _____

9. Did the partnership file a Kentucky tangible personal property tax return for January 1, 2012? Yes No

10. Is the partnership currently under audit by the Internal Revenue Service? Yes No
 If yes, enter years under audit _____

If the Internal Revenue Service has made final and unappealable adjustments to the partnership's taxable income which have not been reported to the department, check here and file an amended Form 765 for each year adjusted. Attach a copy of the final determination to each amended return.

I, the undersigned, declare under the penalties of perjury, that I have examined this return, including all accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete.

X [Signature]
Signature of partner or member

X 27-286340 X 11/2/12
SSN or FEIN Date

DEMING MALONE LIVESAY & OSTROFF PSC
Name of person or firm preparing return

61-1064249 11/8/12
SSN, PTIN or FEIN Date

May the DOR discuss this return with the preparer?
 Yes No
 Email Address: JMCAFFREY@DMLO.COM
 Telephone No.: (502) 426-9660

2
 (FORM 765)
KENTUCKY SCHEDULE K-1



2011

41A765 (K-1)
 DEPARTMENT OF REVENUE

▶ See instructions.

For calendar year 2011 or fiscal year beginning JUL 1, 2011, and ending JUN 30, 2012.

**PARTNER'S SHARE OF INCOME,
 CREDITS, DEDUCTIONS, ETC.**

| | | |
|--|--|--|
| Partner's identifying number ▶ 31-1542209 | Partnership's FEIN ▶ 27-2563110 | Kentucky Corporation/LLET Account Number ▶ |
| Partner's name, address and ZIP code MARYHURST, INC. 1015 DORSEY LANE LOUISVILLE, KY 40223-2612 | | Partnership's name, address and ZIP code MB CARE LLC 2125 GOLDSMITH LANE LOUISVILLE, KY 40218 Check if applicable: <input type="checkbox"/> Qualified investment pass-through entity |
| A This partner is a <input type="checkbox"/> general partner <input type="checkbox"/> limited partner <input checked="" type="checkbox"/> limited liability company member B Partner's share of liabilities: Nonrecourse \$ Qualified nonrecourse financing \$ Other \$ 0. | | F Enter partner's percentage of: Profit sharing <u>39.902444%</u> <u>44.805446%</u> Loss sharing <u>50.000000%</u> <u>50.000000%</u> Ownership of capital <u>39.344485%</u> <u>49.267825%</u> |
| C What type of entity is this partner? <input type="checkbox"/> Individual <input type="checkbox"/> Estate <input type="checkbox"/> Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> General Partnership <input type="checkbox"/> Trust <input checked="" type="checkbox"/> Other Pass-through Entity | | |
| D Partner's taxable percentage of partnership's distributive share items below (1) Resident partner <u>100%</u> (2) Nonresident partner (see Schedule A, Section I, line 12) <u> </u> % | | |
| E Check box if nonresident partner's income is reported on: <input type="checkbox"/> Kentucky Nonresident Income Tax Withholding on Distributive Share Income Transmittal Report and Composite Income Tax Return (Form 740NP-WH and Form PTE-WH) | | |
| | | <input type="checkbox"/> Final K-1 <input type="checkbox"/> Amended K-1 |

| | | (a) Distributive Share Items | (b) Amount |
|---|--------|------------------------------|------------|
| Income (Loss) | | | |
| 1. Ordinary income (loss) from trade or business activities | 1 | | 152,743 00 |
| 2. Net income (loss) from rental real estate activities | 2 | | 00 |
| 3. Net income (loss) from other rental activities | 3 | | 00 |
| 4. Portfolio income (loss): | | | |
| (a) Interest | 4(a) | | 221 00 |
| (b) Dividends | (b) | | 00 |
| (c) Royalties | (c) | | 00 |
| (d) Net short-term capital gain (loss) | (d) | | 00 |
| (e) Net long-term capital gain (loss) | (e) | | 00 |
| (f) Other portfolio income (loss) (attach schedule) | (f) | | 00 |
| 5. Guaranteed payments to partners | 5 | | 00 |
| 6. Section 1231 net gain (loss) (other than due to casualty or theft) | 6 | | 00 |
| 7. Other income (loss) (attach schedule) | 7 | | 00 |
| Deductions | | | |
| 8. Charitable contributions (attach schedule) and housing for homeless deduction (attach Schedule HH) | 8 | | 00 |
| 9. IRC Section 179 expense deduction (attach federal Form 4562 and Kentucky Form 4562) | 9 | | 00 |
| 10. Deductions related to portfolio income (loss) (attach schedule) | 10 | | 00 |
| 11. Other deductions (attach schedule) | 11 | | 00 |
| Investment Interest | | | |
| 12. (a) Interest expense on investment debts | 12(a) | | 00 |
| (b) (1) Investment income included on lines 4(a), 4(b), 4(c) and 4(f) above | (b)(1) | | 221 00 |
| (2) Investment expenses included on line 10 above | (2) | | 00 |



PARTNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

| (a) Distributive Share Items - continued | (b) Amount | |
|---|------------|---------|
| Tax Credits | | |
| 13. Kentucky Small Business Investment Tax Credit | 13 | 00 |
| 14. Skills Training Investment Tax Credit | 14 | 00 |
| 15. Certified Rehabilitation Tax Credit | 15 | 00 |
| 16. Kentucky Unemployment Tax Credit | 16 | 00 |
| 17. Recycling/Composting Equipment Tax Credit | 17 | 00 |
| 18. Kentucky Investment Fund Tax Credit | 18 | 00 |
| 19. Coal Incentive Tax Credit | 19 | 00 |
| 20. Qualified Research Facility Tax Credit | 20 | 00 |
| 21. GED Incentive Tax Credit | 21 | 00 |
| 22. Voluntary Environmental Remediation Tax Credit | 22 | 00 |
| 23. Biodiesel Tax Credit | 23 | 00 |
| 24. Environmental Stewardship Tax Credit | 24 | 00 |
| 25. Clean Coal Incentive Tax Credit | 25 | 00 |
| 26. Ethanol Tax Credit | 26 | 00 |
| 27. Cellulosic Ethanol Tax Credit | 27 | 00 |
| Form 5695-K Pass-through Amounts | | |
| 28. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 3) | 28 | 00 |
| 29. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 9) | 29 | 00 |
| 30. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 15) | 30 | 00 |
| 31. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 29) | 31 | 00 |
| 32. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 32) | 32 | 00 |
| 33. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 44) | 33 | 00 |
| 34. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 47) | 34 | 00 |
| 35. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 54) | 35 | 00 |
| 36. Energy Efficiency Products Tax Credit (Enter on Form 5695-K, line 60) | 36 | 00 |
| 37. ENERGY STAR Home or ENERGY STAR Manufactured Home Tax Credit | 37 | 00 |
| 38. Railroad Maintenance and Improvement Tax Credit | 38 | 00 |
| 39. Railroad Expansion Tax Credit | 39 | 00 |
| 40. Endow Kentucky Tax Credit | 40 | 00 |
| Other Items | | |
| 41. (a) Type of Section 59(e)(2) expenditures ▶ | 41(a) | |
| (b) Amount of Section 59(e)(2) expenditures | (b) | 00 |
| 42. Tax-exempt interest income | 42 | 00 |
| 43. Other tax-exempt income | 43 | 00 |
| 44. Nondeductible expenses | 44 | 00 |
| 45. Property distributions (including cash) | 45 | 137,500 |
| 46. Supplemental information required to be reported to each partner (attach schedules) | 46 | |
| LLET Pass-through Items | | |
| 47. Partner's share of partnership's Kentucky sales from Schedule K, Section II, line 1 | 47 | 00 |
| 48. Partner's share of partnership's total sales from Schedule K, Section II, line 2 | 48 | 00 |
| 49. Partner's share of partnership's Kentucky property from Schedule K, Section II, line 3 | 49 | 00 |
| 50. Partner's share of partnership's total property from Schedule K, Section II, line 4 | 50 | 00 |
| 51. Partner's share of partnership's Kentucky payroll from Schedule K, Section II, line 5 | 51 | 00 |
| 52. Partner's share of partnership's total payroll from Schedule K, Section II, line 6 | 52 | 00 |
| 53. Partner's share of Kentucky gross profits from Schedule K, Section II, line 7 | 53 | 902,118 |
| 54. Partner's share of total gross profits from all sources from Schedule K, Section II, line 8 | 54 | 902,118 |
| 55. Partner's share of limited liability entity tax (LLET) nonrefundable credit from Schedule K, Section II, line 9 ... | 55 | 00 |



PARTNER'S SHARE OF INCOME, CREDITS, DEDUCTIONS, ETC.

(a) Distributive Share Items - continued

(b) Amount

Resident Partner Adjustment

| | | | |
|---|----|---------|----|
| 56. Combination of Kentucky Schedule K-1, lines 1 through 6, 9 and portions of lines 7 and 11. Add income amounts and subtract (loss) and deduction amounts (see instructions) | 56 | 152,964 | 00 |
| 57. Combination of federal Schedule K-1, lines 1 through 10, 12 and portions of lines 11 and 13. Add income amounts and subtract (loss) and deduction amounts (see instructions) | 57 | 152,964 | 00 |
| 58. Enter difference of lines 56 and 57 here and on appropriate line on Schedule M (see instructions) | 58 | 0 | 00 |

Schedule K-1
(Form 1065)

2011

Department of the Treasury
Internal Revenue Service

For calendar year 2011, or tax
year beginning JULY 1, 2011
ending JUNE 30, 2012

**Partner's Share of Income, Deductions,
Credits, etc.**

▶ See separate instructions.

Final K-1 Amended K-1 OMB No. 1545-0099

**Part III Partner's Share of Current Year Income,
Deductions, Credits, and Other Items**

Part I Information About the Partnership

A Partnership's employer identification number
27-2563110

B Partnership's name, address, city, state, and ZIP code
**MB CARE LLC
2125 GOLDSMITH LANE
LOUISVILLE, KY 40218**

C IRS Center where partnership filed return
CINCINNATI, OH

D Check if this is a publicly traded partnership (PTP)

Part II Information About the Partner

E Partner's identifying number
31-1542209

F Partner's name, address, city, state, and ZIP code
**MARYHURST, INC.
1015 DORSEY LANE
LOUISVILLE, KY 40223-2612**

G General partner or LLC member-manager Limited partner or other LLC member

H Domestic partner Foreign partner

I What type of entity is this partner? **EXEMPT ORGANIZATION**

J Partner's share of profit, loss, and capital:

| | Beginning | Ending |
|---------|------------|------------|
| Profit | 39.902444% | 44.805446% |
| Loss | 50.000000% | 50.000000% |
| Capital | 39.344485% | 49.267825% |

K Partner's share of liabilities at year end:

Nonrecourse \$ _____

Qualified nonrecourse financing \$ _____

Recourse \$ **0.**

L Partner's capital account analysis:

| | |
|-------------------------------------|-----------------------|
| Beginning capital account | \$ 69,792. |
| Capital contributed during the year | \$ _____ |
| Current year increase (decrease) | \$ 152,964. |
| Withdrawals & distributions | \$(137,500.) |
| Ending capital account | \$ 85,256. |

Tax basis GAAP Section 704(b) book
 Other (explain)

M Did the partner contribute property with a built-in gain or loss?
 Yes No
If "Yes", attach statement (see instructions)

| | |
|--|---|
| 1 Ordinary business income (loss) 152,743. | 15 Credits |
| 2 Net rental real estate income (loss) | 16 Foreign transactions |
| 3 Other net rental income (loss) | |
| 4 Guaranteed payments | |
| 5 Interest income 221. | |
| 6a Ordinary dividends | 17 Alternative min tax (AMT) items |
| 6b Qualified dividends | |
| 7 Royalties | 18 Tax-exempt income and nondeductible expenses |
| 8 Net short-term capital gain (loss) | |
| 9a Net long-term capital gain (loss) | |
| 9b Collectibles (28%) gain (loss) | 19 Distributions A 137,500. |
| 9c Unrecaptured sec 1250 gain | 20 Other information |
| 10 Net section 1231 gain (loss) | |
| 11 Other income (loss) | |
| 12 Section 179 deduction | |
| 13 Other deductions | |
| 14 Self-employment earnings (loss) | |

*See attached statement for additional information.

For IRS Use Only

Schedule of Activities

For calendar year 2011, or tax year beginning JUL 1, 2011, and ending JUN 30, 2012.

Name: MB CARE LLC

I.D. Number: 27-2563110

For: MARYHURST, INC.

31-1542209

| Description of Activity | Activity Number | 100% Disposed | Publicly Traded Partnership | ALL REMAINING ACTIVITY |
|-------------------------|-----------------|---------------|-----------------------------|------------------------|
| | 1 | | | |

| | Activity - 1 | Activity - | Activity - |
|---|--------------|------------|------------|
| Ordinary business income (loss) | 152,743. | | |
| Net rental real estate income (loss) | | | |
| Other net rental income (loss) | | | |
| Interest income | 221. | | |
| Dividends - Ordinary dividends | | | |
| - Qualified dividends | | | |
| Royalties | | | |
| Net short-term capital gain (loss) | | | |
| Net long-term capital gain (loss) | | | |
| - Collectibles (28%) gain (loss) | | | |
| - Unrecaptured Section 1250 gain | | | |
| Net section 1231 gain (loss) | | | |
| Other portfolio income | | | |
| Section 1256 contracts and straddles | | | |
| Other income | | | |
| Section 179 deduction | | | |
| Charitable contributions | | | |
| Portfolio deductions | | | |
| Investment interest expense | | | |
| Section 59(e)(2) expenditures | | | |
| Other deductions | | | |
| Net earnings from self-employment | | | |
| Gross farming or fishing income | | | |
| Gross nonfarm income | | | |
| LIH credit - Section 42(j)(5) partnerships | | | |
| - Other | | | |
| Qualified rehabilitation expenditures related to rental real estate | | | |
| Other rental credits | | | |
| Credits related to other rental activities | | | |
| Recapture of LIH credit - Section 42(j)(5) partnerships | | | |
| - Other | | | |
| Other credits | | | |
| Post-1986 depreciation adjustment | | | |
| Adjusted gain or loss | | | |
| Portion of adjusted gain/loss allocable to short-term gain/loss | | | |
| Portion of adjusted gain/loss allocable to long-term gain/loss | | | |
| Portion of adjusted gain/loss allocable to section 1231 gain/loss | | | |
| Depletion (other than oil and gas) | | | |
| Oil, gas and geothermal properties - gross income | | | |
| Oil, gas and geothermal properties - deductions | | | |
| Other AMT items | | | |
| Investment income | 221. | | |
| Investment expenses | | | |