

CATHEDRAL SQUARE CORPORATION
CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2018

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CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2018

CONTENTS

	PAGE
Independent Auditor's Report	1 and 2
Financial Statements:	
Consolidated Statement of Financial Position	3 and 4
Consolidated Statement of Activities and Changes in Net Assets	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 through 16
SUPPLEMENTARY INFORMATION	
Schedule 1 - Consolidating Schedule of Financial Position	17 and 18
Schedule 2 - Consolidating Schedule of Activities	19
Schedules of Revenues and Expenses	
Schedule A - Management	20 and 21
Schedule B - Assisted Living Operations	22
Schedule C - SASH	23
Schedule D - Memory Care at Allen Brook	24 and 25
Schedule E - Ruggles House	26 and 27



INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Cathedral Square Corporation

Report on the Financial Statements

We have audited the accompanying financial statements of Cathedral Square Corporation, which comprise the consolidated statement of financial position as of September 30, 2018, and the related consolidated statements of activities and changes in net assets, and cash flows for the year 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 auditor's 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 qualified audit opinion.

Basis for Qualified Opinion

As discussed in Note 21 to the financial statements, the Corporation's financial statements do not include the statements of financial position for limited partnerships and corporations controlled by either Cathedral Square Corporation or CSC Partners Inc., a wholly owned subsidiary of Cathedral Square Corporation as of September 30, 2018, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements. In our opinion, accounting principles generally accepted in the United States of America require that all controlled entities be consolidated.

Opinion

In our opinion, except for the effects of not consolidating all controlled entities discussed in the Basis for Qualified Opinion paragraph, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Cathedral Square Corporation as of September 30, 2018, and the results of its operations and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on pages 17 through 23 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Certified Public Accountants

January 8, 2019
South Portland, Maine

CATHEDRAL SQUARE CORPORATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

September 30, 2018

ASSETS

CURRENT ASSETS	
Cash and Cash Equivalents	\$ 2,410,329
Board Restricted Cash (Notes 15 and 17)	1,199,201
Accounts Receivable	227,909
Accounts Receivable - Related Parties (Note 9)	58,240
Grants Receivable	102,193
Tenant Security Deposits	160,399
Inventory	9,142
Prepaid Expenses	<u>225,139</u>
Total Current Assets	<u>4,392,552</u>
OTHER ASSETS	
Notes Receivable (Note 2)	172,128
Equity Contributions (Note 11)	2,249,427
Development Projects (Note 12)	1,166,215
Restricted Escrow Accounts (Note 6)	<u>1,309,963</u>
Total Other Assets	<u>4,897,733</u>
PROPERTY AND EQUIPMENT (Note 3)	
Land and Improvements	1,104,451
Buildings and Improvements	14,146,463
Furniture, Fixtures and Equipment	552,173
Construction in Process	<u>24,901</u>
Total	15,827,988
Less Accumulated Depreciation	<u>(3,022,701)</u>
NET PROPERTY AND EQUIPMENT	<u>12,805,287</u>
ENDOWMENT (Note 10)	<u>864,207</u>
TOTAL ASSETS	<u><u>\$ 22,959,779</u></u>

See accompanying notes to the financial statements.

CATHEDRAL SQUARE CORPORATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Continued)

September 30, 2018

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts Payable	\$ 82,207
Accrued Interest Payable	22,887
Other Accrued Liabilities (Note 14)	759,952
Tenant Security Deposit and Interest	159,469
Resident Service Deposits	40,766
Deferred Revenue	225,381
Current Portion of Long-term Debt	<u>185,616</u>
Total Current Liabilities	<u>1,476,278</u>
LONG-TERM DEBT	
Notes Payable, Net of Current Portion (Notes 3 and 20)	11,365,368
Less Deferred Loan Fees	(43,746)
Deferred Interest Payable (Note 4)	<u>2,680,222</u>
Total Long-term Debt	<u>14,001,844</u>
TOTAL LIABILITIES	<u>15,478,122</u>
NET ASSETS	
Unrestricted	5,212,786
Temporarily Restricted (Notes 10 and 17)	1,768,871
Permanently Restricted (Note 10)	<u>500,000</u>
TOTAL NET ASSETS	<u>7,481,657</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 22,959,779</u></u>

See accompanying notes to the financial statements.

CATHEDRAL SQUARE CORPORATION

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the Year Ended September 30, 2018

REVENUES	
Rental Revenue - Tenants (Note 19)	\$ 1,669,254
Housing Assistance Payments (Note 18)	877,897
State and Federal Assistance	1,172,857
Donations	263,422
Management and Development Fees (Note 9)	4,230,055
Client Fees	969,770
Other Income/Grants	3,424,998
Investment Income	108,618
TOTAL REVENUES	<u>12,716,871</u>
EXPENSES	
Program Services	10,296,162
Management and General	1,304,161
Fundraising	4,235
TOTAL EXPENSES	<u>11,604,558</u>
INCREASE IN NET ASSETS	1,112,313
NET ASSETS, Beginning of Year	<u>6,369,344</u>
NET ASSETS, End of Year	<u>\$ 7,481,657</u>

CHANGES IN NET ASSETS BY RESTRICTION TYPE

CHANGES IN UNRESTRICTED NET ASSETS	
UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	\$ 4,107,246
Total Support and Revenue	10,804,462
Net Assets Released from Restriction	1,905,636
Total Operating Expenses	<u>(11,604,558)</u>
UNRESTRICTED NET ASSETS, END OF YEAR	<u>\$ 5,212,786</u>
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS	
TEMPORARILY RESTRICTED NET ASSETS, BEGINNING OF YEAR	\$ 1,762,098
Total Support and Revenue	1,912,409
Net Assets Released from Restriction	<u>(1,905,636)</u>
TEMPORARILY RESTRICTED NET ASSETS, END OF YEAR	<u>\$ 1,768,871</u>
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS	
PERMANENTLY RESTRICTED NET ASSETS, BEGINNING OF YEAR	\$ 500,000
Total Support and Revenue	-
Net Assets Released from Restriction	<u>-</u>
PERMANENTLY RESTRICTED NET ASSETS, END OF YEAR	<u>\$ 500,000</u>

See accompanying notes to the financial statements.

CATHEDRAL SQUARE CORPORATION

STATEMENT OF CASH FLOWS

For the Year Ended September 30, 2018

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in Net Assets	\$ 1,112,313
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities	
Depreciation and Amortization	435,631
Amortization of Debt Issuance Costs	7,677
Deferred Interest Expense	2,562
Gain on Investments	(73,897)
Change in Operating Assets and Liabilities	
Accounts Receivable	37,076
Accounts Receivable - Related Parties	138,268
Grants Receivable	89,942
Tenant Security Deposits	(2,507)
Prepaid Expenses	(58,778)
Inventory	(3,804)
Notes Receivable	2,450
Accounts Payable	(112,545)
Deferred Revenue	1,464
Accrued Interest Payable	(598)
Accrued Expenses	76,956
Tenant Security Deposits	3,294
	<u>1,655,504</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	
CASH FLOWS FROM INVESTING ACTIVITIES	
Equity Contributions	(168,516)
Change in Investments in Development Projects	(679,828)
Net Deposits to Restricted Escrows	(183,556)
Change in Endowment Investments	53,969
Purchases of Property and Equipment	(979,688)
	<u>(1,957,619)</u>
NET CASH USED BY INVESTING ACTIVITIES	
CASH FLOWS FROM FINANCING ACTIVITIES	
Loan Proceeds	752,817
Debt Issuance Costs	(13,395)
Principal Payments of Long-term Debt	(177,114)
	<u>562,308</u>
NET CASH PROVIDED BY FINANCING ACTIVITIES	
NET INCREASE IN CASH	260,193
CASH AT BEGINNING OF YEAR	<u>3,349,337</u>
CASH AT END OF YEAR	<u><u>\$ 3,609,530</u></u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:	
Cash Paid During the Year for:	
Interest	<u><u>\$ 394,800</u></u>

See accompanying notes to the financial statements.

CATHEDRAL SQUARE CORPORATION

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities - Cathedral Square Corporation (CSC) is a non-profit Corporation organized for the purpose of providing support services to the elderly, handicapped and persons with other special needs.

Basis of Consolidation - The consolidated financial statements include the accounts of CSC which consists of five programs: Management, SASH, Assisted Living, Memory Care at Allen Brook, and several rental projects. The statements also include CSC Partners Inc., a wholly owned subsidiary of CSC.

Management - Management accounts for all payroll related activities of CSC. Programs and entities are charged a fee for services rendered by the employees of CSC. In addition, management provides service to entities which are independent of CSC. These services consist of development, management, and maintenance of housing projects along with other special assistance designed to improve the quality of life of the residents of the housing projects.

Support and Services at Home (SASH) - SASH is a caring partnership connecting statewide health and long term care systems to nonprofit affordable housing providers. The program is part of the Blueprint for Health, Vermont's health care reform initiative. The program helps Vermont's most vulnerable citizens, seniors and individuals with special needs, access to care and support services they need to stay healthy while living comfortably and safely at home.

Assisted Living Operations - The Assisted Living Residence at Cathedral Square Senior Living consists of 29 units within the 108 unit building located at 3 Cathedral Square, Burlington, Vermont. Personal care services are available 24 hours a day and three meals per day are provided.

Memory Care at Allen Brook - The Corporation owns and operates a housing project that receives funding for services from Medicaid. The project consists of 14 units for tenants with dementia.

Heineberg Senior Housing - The Corporation owns and operates a housing project subsidized by the Vermont Housing Finance Agency. The project consists of 82 units that are rented to elderly low income residents.

Whitney Hill Housing - The Corporation owns and operates a housing project subsidized by the Vermont Housing Finance Agency. The project consists of 44 units that are rented to elderly low income residents.

Ruggles House - The Corporation owns and operates a housing project funded by various housing agencies. The project consists of 15 units that are rented to elderly low income residents.

CATHEDRAL SQUARE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

CSC McAuley - The Corporation owns and operates a housing project funded by various housing agencies. The project consists of 74 units that are rented to elderly low income residents.

Intercompany Transactions - All significant intercompany transactions and balances are eliminated in consolidation.

Income Taxes - No provision for taxes on income is made in the Corporation's financial statements since, as a not-for-profit corporation, it is exempt from income taxes under Internal Revenue Code 501(c)(3).

In accordance with accounting principles generally accepted in the United States of America, management has evaluated its exposure to material tax positions and determined that there are no such tax positions requiring accounting recognition. Informational returns filed by the Corporation are subject to examination by the Internal Revenue Service for a period of three years. While no informational returns are currently being examined by the Internal Revenue Service, the three previous tax years remain open. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements.

Housing Subsidy Covenants - Several of the consolidated entities have entered into housing subsidy covenants with Vermont Housing and Conservation Board (VHCB), as a condition of loans made by VHCB. Pursuant to these covenants, tenants' incomes must fall within certain affordability guidelines.

Cash - For purposes of reporting cash flows, cash includes cash on hand and amounts due from banks. The statement of cash flows does not include tenant security deposits in cash. These funds are held in trust and may be returned to the tenants.

Receivables - Grants Receivable are stated at the amount management expects to collect on outstanding balances. Amounts due are recorded based on a cost reimbursement basis. Cathedral Square Corporation (CSC) bills grant providers on a quarterly basis. No allowance for the valuation of the receivables has been recorded since all amounts have been deemed collectible.

Included in Accounts Receivable are amounts due from managed properties for management and development work and are recorded at net realizable value. No allowance for the valuation of the receivables has been recorded since all amounts have been deemed collectible.

CATHEDRAL SQUARE CORPORATION

NOTES TO THE FINANCIAL STATEMENTS
(Continued)

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Notes Receivable - Notes receivable are reported at their outstanding principal balances. As described in Note 2 repayment of these notes is dependent on cash flows. Cathedral Square Corporation owns a general partnership interest in each of the entities. Cathedral Square considers all development fees receivable to be 100% collectable.

Deferred Loan Fees - Deferred loan fees are being amortized over the term of the related note payable.

Rental Income - Rental income is recognized as rents become due under the terms of the operating leases with project residents. All receivables are recorded at net realizable value. Cathedral Square Corporation does not charge interest on past due receivables. Most receivables are collected within 90 days.

Fixed Income Securities - Fixed Income securities consist of mutual funds and are carried at Fair Value.

Inventory - Inventories are stated at cost using First In, First Out (FIFO) Method.

Functional Allocation of Expenses - The costs of providing various programs and supporting activities have been summarized on a functional basis in the statement of activities and the supplementary information to the financial statements. Accordingly, certain costs have been allocated between the programs and supporting services based on estimated personnel time and space utilized for the related activity.

Use of 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 the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Property and Equipment - Property and equipment are carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Subsequent Events - Subsequent events have been evaluated through January 8, 2019, the date the financial statements were available to be issued.

CATHEDRAL SQUARE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

NOTE 2 - NOTES RECEIVABLE - MANAGEMENT

Notes Receivable at September 30, 2018 were:

Promissory Note - Development fee for services provided by Cathedral Square Corporation to the Essex Senior Housing, LP, 0% interest, due from available cash flow.	\$ 8,683
Promissory Note - Development fee for services provided by Cathedral Square Corporation to the TSH Limited Partnership, 0% interest, due from available cash flow, due in full on May 11, 2041, secured by real property.	163,445
	\$ 172,128

NOTE 3 - LONG-TERM DEBT

Long-term debt consists of the following:

<u>Lender</u>	<u>Property</u>	<u>Interest Rate</u>	<u>Payments</u>	<u>Maturity</u>	<u>2018</u>
<u>Vermont Housing and Conservation Board (VHCB)</u>	Ruggles House L.P.	0%	Deferred	October 31, 2031	\$ 195,000
	Ruggles House L.P.	0%	Deferred	October 31, 2031	98,500
	Heineberg Senior Housing	0%	Deferred	March 10, 2035	625,000
	Whitney Hill Housing	0%	Deferred	March 10, 2037	673,283
	CSC McAuley LLC	0%	Deferred	September 25, 2047	30,000
	CSC McAuley LLC	0%	Deferred	September 25, 2047	700,000
	CSC McAuley LLC	0%	Deferred	September 25, 2047	492,500
<u>City of Burlington</u>	Ruggles House L.P.	0%	Deferred	Sale/Change of Use	110,000
	Heineberg Senior Housing	0%	Deferred	Sale/Change of Use	150,000
	CSC McAuley LLC	0%	Deferred	September 25, 2047	80,000
	CSC McAuley LLC	0%	Deferred	September 25, 2047	150,000
<u>Champlain Housing Trust</u>	Ruggles House L.P.	0%	Deferred	December 31, 2031	250,000
	CSC McAuley	0%	Deferred	August 28 th , 2047	148,000

CATHEDRAL SQUARE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

NOTE 3 - LONG-TERM DEBT

<u>Lender</u>	<u>Property</u>	<u>Interest Rate</u>	<u>Payments</u>	<u>Maturity</u>	<u>2018</u>
<u>TD Bank</u>	Ruggles House L.P.	2.5%	\$1,087/Mo	June 19, 2022	150,508
<u>Vermont Housing Finance Agency (VHFA)</u>	Heineberg Senior Housing	6.41%	\$12,836/Mo	March 10, 2035	1,566,188
	Whitney Hill Housing	6.57%	\$7,901/Mo	February 10, 2037	1,011,365
	CSC McAuley LLC	5.054%	\$17,284/Mo	March 1, 2047	3,128,970
	CSC McAuley LLC	0%	Deferred	March 1, 2047	510,320
	Memory Care at Allen Brook	0%	Deferred	December, 11, 2047	262,000
<u>Peoples United Bank</u>	Heineberg Senior Housing	3.9%	\$3,145/Mo	July 28, 2021	103,543
<u>National Housing Trust Community Development Fund</u>	Heineberg Senior Housing	3.0%	\$715/Mo	December 31, 2025	55,807
<u>Vermont Community Loan Fund</u>	Memory Care at Allen Brook	5.0%	Interest only until September 15, 2019, then \$5,690/Mo	September 12, 2024	1,060,000
Total					11,550,984
Less Current Portion					185,616
					<u>\$11,365,368</u>

Current portions of long-term debt are due within the next five years as follows:

<u>Year Ending September 30</u>	<u>Total Amount</u>
2019	\$ 185,616
2020	211,304
2021	219,172
2022	307,760
2023	870,561
Thereafter	9,756,571
Total	<u>\$ 11,550,984</u>

CATHEDRAL SQUARE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

NOTE 4 - DEFERRED INTEREST PAYABLE

Various entities have deferred interest payable arrangements at September 30, 2018 as follows:

Heineberg Senior Housing - Note Payable - VHCB	\$ 1,375,967
Ruggles House Limited Partnership - Note Payable - City of Burlington	117,613
CSC McAuley, LLC - Note Payable - VHCB	770,234
CSC McAuley, LLC - Note Payable - City of Burlington	<u>416,408</u>
Total	<u>\$ 2,680,222</u>

NOTE 5 - RETIREMENT PLAN

The Corporation maintains a defined contribution retirement plan for its employees under Section 403(b) of the Internal Revenue Code. Contributions are made by the Corporation and, in addition, employees may make voluntary, tax-deferred contributions from their compensation. The Corporation also funds a defined contribution Section 457(b) plan for the CEO. During the year ended September 30, 2018, employer contributions to the retirement plans totaled \$205,596.

NOTE 6 - RESTRICTED ESCROW ACCOUNTS

The Corporation's properties have various regulatory agreements with Vermont Housing Finance Agency and the Department of Housing and Urban Development. These agreements place various restrictions and requirements on the projects, including required deposits to Replacement Reserves, Residual Receipts, Sinking Funds, and Operating Reserve accounts.

The Projects are required to make deposits monthly into reserves from operations or surplus cash or hold funds in escrow. Written agency approval is often required to make withdrawals of these funds.

NOTE 7 - SIGNIFICANT CONCENTRATIONS OF CREDIT RISK

Cathedral Square Corporation maintains the majority of its cash balances at several banking institutions in Burlington, Vermont. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. Cathedral Square Corporation acquired a surety bond for coverage of cash balances in excess of the FDIC limit.

NOTE 8 - OTHER CONCENTRATIONS

A substantial portion of the Corporation's assets are concentrated in multifamily real estate.

The SASH and Assisted Living programs and Memory Care at Allen Brook operate, and are primarily funded by the Centers for Medicare and Medicaid Services (CMS).

CATHEDRAL SQUARE CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 (Continued)

NOTE 9 - RELATED PARTY TRANSACTIONS

CSC or CSC Partners, Inc. are either the owner, general partner, co-general partner or management agent in several partnerships and housing projects. CSC has entered into management contracts with these entities. During 2018, management fees charged totaled \$491,631. CSC also provides onsite administrative support, resident services, and maintenance services to these entities. Fees for these services totaled \$2,367,815. At September 30, 2018, CSC was owed \$58,240 from these entities.

CSC rents office space for \$3,000 per month from Farrell Street Senior Housing, L.P. CSC is the general partner of Farrell Street Senior Housing, L.P.

CSC entered into a Capital Advance Agreement with the U.S. Department of Housing and Urban Development (HUD) for \$3,527,800 on behalf of Farrell Street Senior Housing, LP for the construction of the project. The capital advance is non-interest bearing, matures May 1, 2047 and is secured by the real estate and personal property of Farrell Street Senior Housing, LP. The capital advance is recorded on the Partnership's books and not on CSC's books.

Pursuant to the partnership agreements, CSC is entitled to receive partnership administration fees from various partnerships in which CSC is either a General Partner or a Co-General Partner. Fees received in 2018 totaled \$64,484.

NOTE 10 - INVESTMENTS

The Corporation has established an Endowment Fund with funds received by donation from McAuley Square, Inc. The corporation adopted the investment policy of the donor which stipulated that that the original corpus of the Endowment, \$500,000, must be preserved. The remainder can be distributed, up to 5% annually, at the sole discretion of the board of directors. The funds are to be used to provide resident services to McAuley Square tenants. The fair value of the Endowment as of September 30, 2018 was \$864,207. Of this amount, \$500,000 has been recorded as permanently restricted net assets. The remaining \$364,207 is recorded as temporarily restricted net assets. See Note 17.

Changes in Endowment Net Assets consisted of the following:

Beginning Balance	\$ 844,279
Interest and Dividends	17,901
Net Appreciation	73,897
Less: Investment Fees	(6,077)
Distributions	<u>(65,793)</u>
	864,207
Permanently Restricted	<u>(500,000)</u>
Temporarily Restricted	<u><u>\$ 364,207</u></u>

CATHEDRAL SQUARE CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 (Continued)

NOTE 10 - INVESTMENTS (Continued)

Return on Investment consisted of the following:

Interest and Dividends	\$ 17,901
Unrealized Gain on Investments	<u>73,897</u>
Total Return on Investment	<u>\$ 91,798</u>

Pursuant to the FASB ASC 820-10-50, the Corporation is required to make disclosures about the calculations (i.e. “inputs”) used to generate fair value measurements, including their classification within a hierarchy that prioritizes the inputs to the fair value measurements. The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2: Observable quoted prices in active markets for similar assets or liabilities or identical assets or liabilities in inactive markets; and
- Level 3: Inputs that are not based on observable market data.

The fair value of the Corporation’s investments was calculated using the following input data as of September 30, 2018:

Level 1 Inputs:	
Cash	\$ 19,755
Equity Exchange Traded Securities	198,693
Exchange Traded Fixed Income Securities	121,184
Bonds	108,924
Common Stock	<u>415,651</u>
Total	<u>\$ 864,207</u>

NOTE 11 - EQUITY CONTRIBUTIONS

CSC or CSC Partners, Inc. are the co-general partners in several limited partnerships. Equity contributions to these entities at September 30, 2018 was \$2,249,427. Equity contributions are accounted for under the equity method.

NOTE 12 - DEVELOPMENT PROJECTS

As of September 30, 2018, Cathedral Square Corporation has paid \$1,166,215 in development costs and development fees associated with the development or redevelopment of various properties. These costs are expected to be reimbursed by the entities.

CATHEDRAL SQUARE CORPORATION
 NOTES TO THE FINANCIAL STATEMENTS
 (Continued)

NOTE 13 - SELF INSURANCE

The Corporation maintains a self-insurance program for its unemployment costs for former employees who have terminated their employment with CSC. The Corporation is liable for direct reimbursement on claims made by former employees with the State of Vermont. CSC participates in a trust to maintain deposits and process claims. The trust has established a stop-loss reserve fund to pay claims in excess of \$25,000 or 10% of the Corporation's taxable wages, whichever is greater, up to twice the threshold for accessing the fund. Stop-loss reserve fund payments are at the sole discretion of the Trustees. Self-insurance costs are accrued based on claims reported as of the balance sheet date as well as an estimated liability for claims incurred but not reported. As of September 30, 2018, the total accrued liability for self-insurance costs was \$6,300.

NOTE 14 - ACCRUED LIABILITIES - MANAGEMENT

CSC received a loan/grant from Vermont Housing Conservation Board (VHCB) for the purpose of assisting elderly people to purchase shares in a Williston cooperative. No interest is due on the loan/grant and no repayment plan is scheduled. The notes receivable consist of loans to elderly people to assist them with the purchase of shares in the cooperative. During 2012, VHCB approved CSC's request to reserve up to \$2,000 per year for a period of three years to cover unforeseen SASH expenses at Williston Woods. The initial \$2,000 reserve was established during fiscal year 2012, with \$2,000 additional added during both 2013 and 2014. Through September 30, 2018, \$953 of SASH expenses have been incurred to be reimbursed from the reserve. The balance of the loan/grant at September 30, 2018 is \$12,074 plus accrued interest of \$5,981 (total of \$18,055). This liability is offset by a restricted escrow account, a related loan receivable and the SASH receivable that, in total, equals the same amount.

NOTE 15 - BOARD RESTRICTED CASH

As of September 30, 2018, cash totaling \$1,199,201 has been classified as restricted cash. Use requires the consent of the Board of Directors of the Corporation.

NOTE 16 - COMMITMENTS

On October 23, 2017, the CSC Board of Directors approved a resolution for the purchase rights of Lot 2 at Cambrian Rise in Burlington, Vermont, for a housing project called Juniper House. As of September 30, 2018, construction had not commenced.

NOTE 17 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at September 30, 2018 consist of the following:

Investments Restricted by Donor	\$ 364,207
Grant Funds Received in 2018 and Not Expended	205,462
Board Restricted Cash	<u>1,199,201</u>
	<u><u>\$ 1,768,870</u></u>

NOTE 18 - HOUSING ASSISTANCE PAYMENTS

The U.S. Department of Housing and Urban Development (HUD) has contracted with several of the consolidated entities to provide project rental assistance on behalf of eligible families.

CATHEDRAL SQUARE CORPORATION
NOTES TO THE FINANCIAL STATEMENTS
(Continued)

NOTE 19 - MASTER LEASE

A master lease was executed in 2001 with the Lund Family Center by the former owners of the McAuley Square properties. The lease has been assigned to CSC McAuley, LLC. Pursuant to this agreement, the Lund Family Center leases all seven units in Unit 1. The lease was renewed in December 2016 for a period of 5 years with an option to renew for two additional 5 year terms. The lease calls for annual increases of not less than 2% and not more than 5% or such amount as may be secured in a project based voucher contract with Burlington Housing Authority.

NOTE 20 - HOME PROGRAM

Pursuant to loan agreements with the City of Burlington, CSC McAuley, LLC must designate nineteen (19) dwelling units as HOME units to comply with affordability and other specified requirements for a period of twenty (20) years. Failure to comply with these requirements may result in repayment of funds.

NOTE 21 - ENTITIES OMITTED FROM THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements do not include the Limited Partnerships controlled by either CSC or CSC Partners Inc., a wholly owned subsidiary of Cathedral Square Corporation (CSC). CSC does not believe it is practical or meaningful to include the statements of financial position and the results of operations of the following partnerships in the consolidated statements:

CSSL Limited Partnership	TSH Two Limited Partnership
Essex Senior Housing LP	Farrell Street Senior Housing LP
GWC II Limited Partnership	Rail City Housing LP
Richmond Terrace LP	TSH Limited Partnership
SH Limited Partnership	Elm Place Limited Partnership

CSC also does not believe it is practical or meaningful to include the statements of financial position and results of operations of the following entities, related through common board control, in the consolidated statements:

- Jeri Hill Housing Corporation
- Monroe Place Corporation
- South Burlington Community Housing Corporation

Separate financial statements for all of the above entities have been prepared and forwarded to the appropriate funding agencies.

The exclusion of the above entities represents a departure from Generally Accepted Accounting Principles which would require these entities to be included in consolidated financial statements.

If the financial statements had been consolidated with these entities, the total assets, liabilities, and net assets would have increased by \$63,494,395, \$36,785,688 and \$26,708,707, respectively, and revenue and expenses would have increased by \$5,793,275 and \$6,990,208, respectively, at September 30, 2018.

SUPPLEMENTARY INFORMATION

CATHEDRAL SQUARE CORPORATION
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

September 30, 2018

ASSETS

	Management	Assisted Living Operations	SASH	Memory Care at Allen Brook	Ruggles House	Heineberg Housing	Whitney Hill Housing	CSC McAuley LLC	Eliminations	Total
CURRENT ASSETS										
Cash and Cash Equivalents	\$ 1,233,065	\$ 244,256	\$ 522,838	\$ 70,078	\$ 3,539	\$ 69,781	\$ 145,966	\$ 120,806	\$ -	\$ 2,410,329
Board Restricted Cash	1,199,201	-	-	-	-	-	-	-	-	1,199,201
Accounts Receivable	19,358	79,270	8,543	100,470	745	6,350	574	12,599	-	227,909
Accounts Receivable - Related Parties	205,263	97,520	-	-	-	-	-	1,173	(245,716)	58,240
Grants Receivable	11,944	-	90,249	-	-	-	-	-	-	102,193
Tenant Security Deposits	-	-	-	6,842	8,249	64,146	37,292	43,870	-	160,399
Inventory	-	6,164	-	2,978	-	-	-	-	-	9,142
Prepaid Expenses	204,613	-	-	-	-	5,869	6,341	8,316	-	225,139
Total Current Assets	2,873,444	427,210	621,630	180,368	12,533	146,146	190,173	186,764	(245,716)	4,392,552
OTHER ASSETS										
Notes Receivable	172,128	-	-	-	-	-	-	-	-	172,128
Equity Contributions	2,249,427	-	-	-	-	-	-	-	-	2,249,427
Development Projects	1,166,215	-	-	-	-	-	-	-	-	1,166,215
Restricted Escrow Accounts	16,558	-	-	69,660	89,730	313,070	367,520	453,425	-	1,309,963
Total Other Assets	3,604,328	-	-	69,660	89,730	313,070	367,520	453,425	-	4,897,733
PROPERTY AND EQUIPMENT										
Land and Improvements	-	-	-	246,934	-	58,558	218,985	579,974	-	1,104,451
Building and Improvements	-	-	-	1,350,609	879,868	4,881,900	1,588,924	5,445,162	-	14,146,463
Furniture, Fixtures and Equipment	237,859	-	-	61,129	15,000	141,872	81,513	14,800	-	552,173
Construction in Process	-	-	-	15,854	-	-	9,047	-	-	24,901
Total	237,859	-	-	1,674,526	894,868	5,082,330	1,898,469	6,039,936	-	15,827,988
Less Accumulated Depreciation	(203,651)	-	-	(31,414)	(53,362)	(1,943,978)	(568,696)	(221,600)	-	(3,022,701)
NET PROPERTY AND EQUIPMENT	34,208	-	-	1,643,112	841,506	3,138,352	1,329,773	5,818,336	-	12,805,287
ENDOWMENT	864,207	-	-	-	-	-	-	-	-	864,207
TOTAL ASSETS	\$ 7,376,187	\$ 427,210	\$ 621,630	\$ 1,893,140	\$ 943,769	\$ 3,597,568	\$ 1,887,466	\$ 6,458,525	\$ (245,716)	\$ 22,959,779

CATHEDRAL SQUARE CORPORATION
CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
(Continued)

September 30, 2018

LIABILITIES AND NET ASSETS

	Management	Assisted Living Operations	SASH	Memory Care at Allen Brook	Ruggles House	Heineberg Housing	Whitney Hill Housing	CSC McAuley, LLC	Eliminations	Total
CURRENT LIABILITIES										
Accounts Payable	\$ 24,298	\$ 17,359	\$ 9,896	\$ 11,291	\$ 2,232	\$ 9,958	\$ 2,938	\$ 22,948	\$ (18,713)	\$ 82,207
Accrued Interest Payable	-	-	-	-	115	5,903	3,691	13,178	-	22,887
Other Accrued Liabilities	439,422	24,478	268,590	12,213	1,499	7,314	5,185	1,251	-	759,952
Tenant Security Deposits	-	-	-	5,669	8,249	63,105	37,584	44,862	-	159,469
Due to Intercompany	-	119,377	17,101	77,131	10,322	2,164	908	-	(227,003)	-
Resident Service Deposits	-	36,020	-	-	-	-	-	4,746	-	40,766
Deferred Revenue	13,176	2,228	205,463	1,719	-	2,310	37	448	-	225,381
Current Portion of Long-term Debt	-	-	-	-	9,383	96,568	29,237	50,428	-	185,616
Total Current Liabilities	476,896	199,462	501,050	108,023	31,800	187,322	79,580	137,861	(245,716)	1,476,278
LONG-TERM DEBT										
Notes Payable	-	-	-	1,322,000	794,625	2,403,970	1,655,411	5,189,362	-	11,365,368
Less Deferred Loan Fees	-	-	-	(11,481)	-	-	-	(32,265)	-	(43,746)
Other Note Payable	-	-	-	-	20,000	-	-	-	(20,000)	-
Deferred Interest Payable	-	-	-	-	117,613	1,375,967	-	1,186,642	-	2,680,222
Total Long-term Debt	-	-	-	1,310,519	932,238	3,779,937	1,655,411	6,343,739	(20,000)	14,001,844
Total Liabilities	476,896	199,462	501,050	1,418,542	964,038	3,967,259	1,734,991	6,481,600	(245,716)	15,478,122
NET ASSETS										
Unrestricted	4,835,883	227,748	(84,883)	474,598	(20,269)	(369,691)	152,475	(23,075)	20,000	5,212,786
Temporarily Restricted	1,563,408	-	205,463	-	-	-	-	-	-	1,768,871
Permanently Restricted	500,000	-	-	-	-	-	-	-	-	500,000
TOTAL NET ASSETS	6,899,291	227,748	120,580	474,598	(20,269)	(369,691)	152,475	(23,075)	20,000	7,481,657
TOTAL LIABILITIES AND NET ASSETS	\$ 7,376,187	\$ 427,210	\$ 621,630	\$ 1,893,140	\$ 943,769	\$ 3,597,568	\$ 1,887,466	\$ 6,458,525	\$ (245,716)	\$ 22,959,779

CATHEDRAL SQUARE CORPORATION
CONSOLIDATING SCHEDULE OF ACTIVITIES

For the Year Ended September 30, 2018

	Management	Assisted Living Operations	SASH	Memory Care at Allen Brook	Ruggles House	Heineberg Housing	Whitney Hill Housing	CSC McAuley, LLC	Eliminations	Total
REVENUES										
Rental Revenue - Tenants	\$ -	\$ -	\$ -	\$ 46,510	\$ 83,617	\$ 714,396	\$ 393,499	\$ 431,232	\$ -	\$ 1,669,254
Housing Assistance Payments	-	-	-	31,898	79,176	208,182	80,955	477,686	-	877,897
State and Federal Assistance	-	699,366	-	473,491	-	-	-	-	-	1,172,857
Donations	88,216	-	-	175,206	-	-	-	-	-	263,422
Management and Development Fees	4,389,839	-	-	-	-	-	-	-	(159,784)	4,230,055
Client Fees	-	715,048	-	254,722	-	-	-	-	-	969,770
Other Income/Grants	990,319	2,775	3,256,425	850	15,163	15,123	9,455	85,260	(950,372)	3,424,998
Investment Income	104,503	-	-	175	173	1,029	1,027	1,711	-	108,618
TOTAL SUPPORT AND REVENUE	5,572,877	1,417,189	3,256,425	982,852	178,129	938,730	484,936	995,889	(1,110,156)	12,716,871
EXPENSES										
Program Services	3,201,327	1,384,056	3,242,004	913,403	201,023	994,109	461,392	976,504	(1,077,656)	10,296,162
Management and General	1,304,161	25,000	-	7,500	-	-	-	-	(32,500)	1,304,161
Fundraising	4,235	-	-	-	-	-	-	-	-	4,235
TOTAL OPERATING EXPENSES	4,509,723	1,409,056	3,242,004	920,903	201,023	994,109	461,392	976,504	(1,110,156)	11,604,558
INCREASE (DECREASE) IN NET ASSETS	1,063,154	8,133	14,421	61,949	(22,894)	(55,379)	23,544	19,385	-	1,112,313
TOTAL NET ASSETS, Beginning of Year	5,836,137	219,615	106,159	412,649	2,625	(314,312)	128,931	(42,460)	20,000	6,369,344
TOTAL NET ASSETS, End of Year	\$ 6,899,291	\$ 227,748	\$ 120,580	\$ 474,598	\$ (20,269)	\$ (369,691)	\$ 152,475	\$ (23,075)	\$ 20,000	\$ 7,481,657
CHANGES TO UNRESTRICTED NET ASSETS:										
BEGINNING OF THE YEAR	\$ 3,779,502	\$ 219,615	\$ (99,304)	\$ 412,649	\$ 2,625	\$ (314,312)	\$ 128,931	\$ (42,460)	\$ 20,000	\$ 4,107,246
Total Support and Revenue	5,476,234	1,417,189	1,440,659	982,852	178,129	938,730	484,936	995,889	(1,110,156)	10,804,462
Net Assets Released from Restriction	89,870	-	1,815,766	-	-	-	-	-	-	1,905,636
Total Operating Expenses	4,509,723	1,409,056	3,242,004	920,903	201,023	994,109	461,392	976,504	(1,110,156)	11,604,558
UNRESTRICTED NET ASSETS, END OF YEAR	\$ 4,835,883	\$ 227,748	\$ (84,883)	\$ 474,598	\$ (20,269)	\$ (369,691)	\$ 152,475	\$ (23,075)	\$ 20,000	\$ 5,212,786
CHANGES TO TEMPORARILY RESTRICTED NET ASSETS:										
BEGINNING OF THE YEAR	\$ 1,556,635	\$ -	\$ 205,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,762,098
Total Support and Revenue	96,643	-	1,815,766	-	-	-	-	-	-	1,912,409
Net Assets Released from Restriction	(89,870)	-	(1,815,766)	-	-	-	-	-	-	(1,905,636)
TEMPORARILY RESTRICTED NET ASSETS, END OF YEAR	\$ 1,563,408	\$ -	\$ 205,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,768,871
CHANGES TO PERMANENTLY RESTRICTED NET ASSETS:										
BEGINNING OF THE YEAR	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Net Assets Released from Restriction	-	-	-	-	-	-	-	-	-	-
PERMANENTLY RESTRICTED NET ASSETS, END OF YEAR	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000

CATHEDRAL SQUARE CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES AND EXPENSES
 For the Year Ended September 30, 2018

MANAGEMENT

REVENUES

Management and Maintenance Fees	\$ 3,848,389
Development Fees	541,450
Other Income	990,319
Donations	88,216
Gain on Investment	73,897
Income from Investment	17,901
Interest Income	12,705
	<hr/>
Total Revenues	<u>5,572,877</u>

EXPENSES

Administrative	
Salaries	594,037
Payroll Taxes	43,326
Pension	25,980
Life/Disability	5,862
Insurance	222,781
Workers Compensation	10,812
	<hr/>
Total Administrative Expenses	<u>902,798</u>
Housing Operations	
Salaries	1,224,889
Payroll Taxes	92,286
Pension	45,797
Life/Disability	11,216
Insurance	366,128
Workers Compensation	39,475
	<hr/>
Total Housing Operations Expenses	<u>1,779,791</u>
Housing Services	
Salaries	769,559
Payroll Taxes	56,970
Pension	33,755
Life/Disability	7,294
Insurance	207,314
Workers Compensation	14,202
	<hr/>
Total Housing Services Expenses	<u>1,089,094</u>

CATHEDRAL SQUARE CORPORATION

SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES AND EXPENSES
(Continued)

For the Year Ended September 30, 2018

MANAGEMENT

Development	
Salaries	238,484
Payroll Taxes	17,839
Pension	11,984
Life/Disability	3,717
Insurance	56,008
Workers Compensation	4,410
Total Development Expenses	<u>332,442</u>
Unallocated Expenses	
Vehicle	8,151
Dues and Subscriptions	2,299
Telephone	21,569
Office Expense	21,167
Education	27,468
Rent	36,000
Audit	22,404
Legal	1,334
Computer	55,375
Depreciation	17,323
Postage	10,537
Employee Appreciation	5,970
Travel	15,420
Marketing	11,306
Bad Debt	3,734
Contributions	2,101
Investment Expenses	71,870
Other	71,570
Total Unallocated Expenses	<u>405,598</u>
Total Operating Expenses	<u>4,509,723</u>
INCREASE IN NET ASSETS	<u><u>\$ 1,063,154</u></u>

CATHEDRAL SQUARE CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND EXPENSES

For the Year Ended September 30, 2018

ASSISTED LIVING OPERATIONS

	<u>Personal Care</u>	<u>Kitchen</u>	<u>Total</u>
REVENUES			
Medicaid	\$ 699,366	\$ -	\$ 699,366
Client Fees	433,776	281,272	715,048
Miscellaneous Income	2,775	-	2,775
Total Revenues	<u>1,135,917</u>	<u>281,272</u>	<u>1,417,189</u>
EXPENSES			
Administrative			
Compensation	738,349	104,373	842,722
Agency Call Out	54,187	-	54,187
Payroll Taxes	56,239	7,638	63,877
Health Insurance	184,432	18,821	203,253
Life/Disability	5,074	892	5,966
Workers Compensation	41,801	3,816	45,617
Pension	25,155	2,237	27,392
Education	1,577	-	1,577
Supplies	9,494	13,469	22,963
Food	-	95,801	95,801
Travel	3,166	582	3,748
Other	2,304	14,649	16,953
Total Operating Expenses	<u>1,121,778</u>	<u>262,278</u>	<u>1,384,056</u>
INCREASE IN NET ASSETS FROM OPERATIONS	<u>\$ 14,139</u>	<u>\$ 18,994</u>	33,133
Asset Management Fees			<u>25,000</u>
INCREASE IN NET ASSETS			<u>\$ 8,133</u>

CATHEDRAL SQUARE CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES AND EXPENSES

For the Year Ended September 30, 2018

SASH

REVENUES	
Grant Income	<u>\$ 3,256,425</u>
Total Revenues	<u>3,256,425</u>
EXPENSES	
Salaries	1,465,596
Payroll Taxes	109,658
Health Insurance	240,162
Life/Disability	13,373
Workers Compensation	26,297
Pension	59,594
Recruitment	3,079
Education	21,338
Supplies	5,218
Travel	22,835
Consulting	6,900
Information Technology	8,053
Nursing	139,101
Functional Team	12,313
Grant Expenditures	1,093,467
Other	<u>15,020</u>
Total Operating Expenses	<u>3,242,004</u>
INCREASE IN NET ASSETS	<u>\$ 14,421</u>

CATHEDRAL SQUARE CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES AND EXPENSES
 For the Year Ended September 30, 2018

MEMORY CARE AT ALLEN BROOK

REVENUES

Tenant Rental Income	\$ 46,510
Rental Assistance	31,898
Medicaid	473,491
Client Fees - Personal care	189,854
Client Fees - Kitchen	64,868
Donations	175,206
Other Income	1,025

Total Revenues	<u>982,852</u>
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EXPENSES

Administrative

Management Fees	7,840
Administrative Salaries	52,040
Legal and Accounting	2,920
Other Administrative	23,549

Total Administrative	<u>86,349</u>
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Services

Salaries	365,885
Agency Call Out	17,937
Payroll Taxes	26,551
Pension	1,094
Life/Disability	2,273
Insurance	89,641
Workers Compensation	14,366
Resident Services	44,401
Food	27,293
Supplies	7,919
Other	392

Total Resident Services	<u>597,752</u>
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Utilities

Electricity	8,793
Fuel	5,689
Water and Sewer	11,364
Other Utilities	3,117

Total Utilities	<u>28,963</u>
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CATHEDRAL SQUARE CORPORATION

SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES AND EXPENSES
(Continued)

For the Year Ended September 30, 2018

MEMORY CARE AT ALLEN BROOK

Maintenance and Repairs	
Maintenance Salaries	26,900
Cleaning and Supplies	13,719
Maintenance Contracts	24,546
Trash Removal	1,389
Snow Removal	7,691
Miscellaneous Maintenance	584
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Total Maintenance and Repairs	74,829
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General Expenses	
Payroll Taxes	9,420
Health Insurance	35,160
Workers Compensation	4,400
Interest Expense	45,116
Depreciation	31,414
	<hr/>
Total General Expenses	125,510
	<hr/>
Total Operating Expenses	913,403
	<hr/>
INCREASE IN NET ASSETS FROM OPERATIONS	69,449
Asset Management Fees	7,500
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INCREASE IN NET ASSETS	\$ 61,949
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CATHEDRAL SQUARE CORPORATION
 SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES AND EXPENSES
 For the Year Ended September 30, 2018

RUGGLES HOUSE

REVENUES	
Tenant Rental Income	\$ 83,617
Rental Assistance	79,176
Other Income	15,336
Total Revenues	<u>178,129</u>
EXPENSES	
Administrative	
Management Fees	8,580
Administrative Salaries	11,400
Legal and Accounting	16,646
Other Administrative	15,081
Total Administrative	<u>51,707</u>
Resident Services	<u>18,788</u>
Utilities	
Electricity	10,155
Fuel	7,362
Water and Sewer	4,808
Other Utilities	4,433
Total Utilities	<u>26,758</u>
Maintenance and Repairs	
Maintenance Salaries	13,968
Cleaning and Supplies	9,309
Maintenance Contracts	13,979
Trash Removal	3,151
Snow Removal	5,472
Miscellaneous Maintenance	1,116
Total Maintenance and Repairs	<u>46,995</u>

CATHEDRAL SQUARE CORPORATION
SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES AND EXPENSES
(Continued)

For the Year Ended September 30, 2018

RUGGLES HOUSE

General Expenses	
Property Insurance	3,068
Real Estate Taxes	2,700
Payroll Taxes	3,288
Health Insurance	12,240
Workers Compensation	1,536
Interest Expense	3,295
Depreciation	<u>30,648</u>
Total General Expenses	<u>56,775</u>
Total Expenses	<u>201,023</u>
INCREASE IN NET ASSETS	<u><u>\$ (22,894)</u></u>