

BECKET HALL, INC. BALANCE SHEET

Assets	Current operating fund	Scholarship fund	Building fund (Note 1)	Total, all funds June 30,	
				1975	1974 (Note 1)
Cash	\$ 2,616	\$ 2,382	\$ 75,338	\$ 80,336	\$ 1,155
Accounts receivable, less allowance for doubtful accounts of \$14,437 in 1975	15,654			15,654	22,792
Pledges receivable (Note 1)			58,500	58,500	130,000
Securities (Note 2)			281,056	281,056	282,592
Building and furnishings (Note 1)			1,929,423	1,929,423	1,929,423
	<u>\$18,270</u>	<u>\$2,382</u>	<u>\$2,344,317</u>	<u>\$2,364,969</u>	<u>\$2,365,962</u>
Liabilities and Fund Balance					
Accounts payable	\$ 7,200			\$ 7,200	\$ 3,998
Fund balance	11,070	\$ 2,382	\$ 2,344,317	2,357,769	2,361,964
	<u>\$18,270</u>	<u>\$2,382</u>	<u>\$2,344,317</u>	<u>\$2,364,969</u>	<u>\$2,365,962</u>

STATEMENT OF INCOME, EXPENSES AND CHANGES IN FUND BALANCE

	Current operating fund	Scholarship fund	Building fund (Note 1)	Total, all funds Year ended June 30,	
				1975	1974 (Note 1)
Income:					
Room and board	\$ 31,433			\$ 31,433	\$ 27,407
Investment income	11,320	\$ 26		11,346	9,916
Subsidies and gifts —					
Diocese of Rochester	24,000			24,000	
St. Bernard's Seminary	37,315			37,315	65,585
Other	1,200			1,200	
Retreats	6,638			6,638	3,935
Other	6,879			6,879	4,664
	<u>118,785</u>	<u>26</u>		<u>118,811</u>	<u>111,507</u>
Expenses:					
Salaries	43,367			43,367	41,837
Payroll taxes and benefits	5,188			5,188	6,391
Occupancy costs	36,745			36,745	31,125
Food	22,070			22,070	21,064
Postage, telephone and supplies	8,092			8,092	8,494
Books, dues and subscriptions	2,467			2,467	1,769
Other	7,918			7,918	5,935
	<u>125,847</u>			<u>125,847</u>	<u>116,615</u>
Excess of income over (under) expenses	(7,062)	26		(7,036)	(5,108)
Fund balance at beginning of year	21,146		\$ 2,343,659	2,364,805	2,367,072
Transfers between funds	(3,014)	2,356	658		
Fund balance at end of year	<u>\$ 11,070</u>	<u>\$ 2,382</u>	<u>\$ 2,344,317</u>	<u>\$ 2,357,769</u>	<u>\$ 2,361,964</u>

NOTES TO FINANCIAL STATEMENTS JUNE 30, 1975 AND 1974

NOTE 1 — BACKGROUND AND SUMMARY OF ACCOUNTING PRINCIPLES:

Background -

Becket Hall is a residence for St. John Fisher College students who intend to enter a seminary. The Hall was built adjacent to the St. John Fisher College campus on land leased from the College for a nominal sum. The construction was financed by a capital funds campaign in the late 1960's. (Two colleges also participate in the proceeds.)

Summary of accounting principles -

The records of the Hall are maintained on an accrual basis except that no depreciation on the building and furnishings is recorded. The building and furnishings are carried as one amount, but the portion applicable to furnishings would be relatively minor. Assuming a fifty-year life for the building, annual depreciation would add between \$35,000 and \$40,000 to expenses.

Prior to July 1, 1974, the unexpended proceeds from the capital funds campaign and the uncollected pledges were not recognized in the financial statements. Accordingly, for purposes of these financial statements, the financial statements for the year ended June 30, 1974, examined by other independent accountants, have been restated to reflect these assets.

NOTE 2 — SECURITIES:

The Diocese of Rochester has placed the unexpended proceeds of the capital funds campaign in a bank-managed investment fund. The market value of these securities was reported to be \$209,788 and \$212,227 at June 30, 1975 and June 30, 1974, respectively.

September 15, 1975

To the Board of Trustees of Becket Hall, Inc.

We have examined the balance sheet of Becket Hall, Inc. as of June 30, 1975, and the related statement of income, expenses and changes in fund balance for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In 1974, the American Institute of Certified Public Accountants redefined the accounting principles for nonprofit organizations to require, among other things, the depreciation of buildings and equipment. As more fully described in Note 1, Becket Hall, Inc. has chosen to exclude depreciation from its balance sheet and statement of income and expenses.

In our opinion, except for the effect of omitting depreciation, as discussed in the preceding paragraph, the financial statements examined by us present fairly the financial position of Becket Hall, Inc. at June 30, 1975 and the results of its operations and changes in fund balance for the year then ended, in conformity with generally accepted accounting principles consistently applied.

The financial statements of Becket Hall, Inc. for the year ended June 30, 1974 were examined by other independent accountants and are included only for purposes of comparison.

Price Waterhouse & Co