

To the Board of Trustees of
Becket Hall, Inc.

We have examined the balance sheets of Becket Hall, Inc. as of June 30, 1976 and 1975 and the related statements of income, expenses and changes in fund balances for the years then ended. Our examinations were 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 sheets and statements 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, 1976 and 1975 and the results of its operations and changes in fund balances for the years then ended, in conformity with generally accepted accounting principles consistently applied.

Pricewaterhouse, Co.

**BECKET HALL, INC.
STATEMENT OF INCOME, EXPENSES AND
CHANGES IN FUND BALANCES**

	Current operating fund	Scholarship fund	Building fund (Note 1)	Total, all funds Year ended June 30,	
				1976	1975 (Note 3)
Income:					
Room and board	\$ 38,903			\$ 38,903	\$ 31,433
Investment income	12,761	\$ 286		13,047	12,355
Loss on security transactions	(8,572)			(8,572)	
Subsidies and gifts —					
Diocese of Rochester	24,000			24,000	24,000
St. Bernard's Seminary	20,948			20,948	37,315
Other	3,600	5,027		8,627	1,200
Retreats	7,056			7,056	6,638
Other	8,133		\$ 6,525	14,658	6,879
	<u>106,829</u>	<u>5,313</u>	<u>6,525</u>	<u>118,667</u>	<u>119,820</u>
Expenses:					
Salaries	45,403			45,403	43,367
Payroll taxes and benefits	5,698			5,698	5,188
Occupancy costs	37,020			37,020	36,745
Food	31,192			31,192	22,070
Postage, telephone and supplies	9,539			9,539	8,092
Books, dues and subscriptions	1,356			1,356	2,467
Scholarships		2,089		2,089	
Other	7,784			7,784	7,918
	<u>137,992</u>	<u>2,089</u>		<u>140,081</u>	<u>125,847</u>
Excess of income over (under) expenses	(31,163)	3,224	6,525	(21,414)	(6,027)
Fund balances at beginning of year	11,070	2,382	2,365,509	2,378,961	2,384,988
Transfers among funds	18,463	1,736	(20,199)		
Fund balances at end of year	<u>(\$ 1,630)</u>	<u>\$ 7,342</u>	<u>\$2,351,835</u>	<u>\$2,357,547</u>	<u>\$2,378,961</u>