

Independent Auditor's Report

Board of Directors
Holy Family Institute

We have audited the accompanying combined statements of financial position of Holy Family Institute as of June 30, 2009 and 2008, and the related combined statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of Holy Family Institute's management. 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Holy Family Institute as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements of the Holy Family Institute taken as a whole. The additional information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

Maher Duessel
Pittsburgh, Pennsylvania
December 16, 2009

HOLY FAMILY INSTITUTE

COMBINED STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2009

	<u>2009</u>
Assets	
Cash and cash equivalents	\$ 4,969,874
Accounts receivable, net of allowance of \$604,169 and \$576,380	5,381,672
Pledges receivable	50,509
Investments	7,905,837
Prepaid expenses	97,347
Property and equipment, net of accumulated depreciation of \$10,210,831 and \$9,548,423	7,627,861
Other assets	<u>3,293</u>
Total Assets	<u>\$ 26,036,393</u>
Liabilities and Net Assets	
Liabilities:	
Accounts payable	\$ 750,622
Accrued expenses	1,775,213
Lines of credit	4,886,661
Refundable deposits	6,110
Notes payable	<u>403,509</u>
Total Liabilities	<u>7,822,115</u>
Net Assets:	
Unrestricted:	
Undesignated	1,518,420
Board designated:	
Repairs and replacements	711,193
Property and equipment	6,377,756
Other board designations	<u>3,534,313</u>
Total unrestricted	<u>12,141,682</u>
Temporarily restricted	2,756,232
Permanently restricted	<u>3,316,364</u>
Total Net Assets	<u>18,214,278</u>
Total Liabilities and Net Assets	<u>\$ 26,036,393</u>

HOLY FAMILY INSTITUTE

COMBINED STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, Gains, and Other Support:				
Fees from program services:				
Governmental agencies	\$ 14,507,825	-	\$ -	\$ 14,507,825
Other	13,921,481	-	-	13,921,481
Contributions and grants	1,242,803	524,739	-	1,767,542
United Way	563,747	42,346	-	606,093
Fundraising events, net of related expenses	115,604	-	-	115,604
Miscellaneous	430,807	-	-	430,807
Investment income (loss)	(1,021,155)	18,920	-	(1,002,235)
Net assets released from restrictions	1,434,592	(1,434,592)	-	-
Total revenues, gains, and other support	31,195,704	(848,587)	-	30,347,117
Expenses:				
Program services:				
Holy Family Social Services	9,410,182	-	-	9,410,182
Holy Family Learning	12,553,051	-	-	12,553,051
St. Mary's Villa for Children and Families	6,332,174	-	-	6,332,174
Grant to Nazareth Academy	-	-	-	-
Holy Family Institute-Unified Treatment Program	497,864	-	-	497,864
Total program services	28,793,271	-	-	28,793,271
Fundraising services	606,966	-	-	606,966
Administration services	4,630,687	-	-	4,630,687
Total expenses	34,030,924	-	-	34,030,924
Change in Net Assets	(2,835,220)	(848,587)	-	(3,683,807)
Net Assets:				
Beginning of year	14,976,902	3,604,819	3,316,364	21,898,085
End of year	\$ 12,141,682	\$ 2,756,232	\$ 3,316,364	\$ 18,214,278