

**EARLY LEARNING COALITION  
OF THE BIG BEND REGION, INC.  
Tallahassee, Florida**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**Years Ended June 30, 2008 and 2007**

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**MEMBERS**

AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

FLORIDA INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

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THOMSON BROCK  
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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Early Learning Coalition  
of the Big Bend Region, Inc.  
Tallahassee, Florida

We have audited the accompanying statements of financial position of Early Learning Coalition of the Big Bend Region, Inc. (a nonprofit organization) as of June 30, 2008 and 2007, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller of the United States. Those standards require that we plan and perform the audit 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 Early Learning Coalition of the Big Bend Region, Inc. as of June 30, 2008 and 2007, 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.

In accordance with *Government Auditing Standards*, we have issued our report dated February 25, 2009, on our consideration of Early Learning Coalition of the Big Bend Region, Inc.'s internal control over financial reporting and our tests of its compliance with certain provision of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to

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describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Early Learning Coalition of the Big Bend Region, Inc. taken as a whole. The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Organization. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, Chapter 69I-5, Rules of the Department of Financial Services, and Chapter 10.650, *Rules of the Auditor General* and is also 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 stated, in all material respects, in relation to the financial statements taken as a whole.

*Thomson Beede Kugel + Company*

February 25, 2009

**EARLY LEARNING COALITION OF THE BIG BEND REGION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
<b><u>ASSETS</u></b>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,662,097	\$ 934,173
Grants receivable	2,559,910	2,875,250
Prepaid expenses	36,493	38,412
Other current assets	<u>5,820</u>	<u>654</u>
TOTAL CURRENT ASSETS	4,264,320	3,848,489
PROPERTY AND EQUIPMENT, Net	267,701	316,476
OTHER ASSETS	<u>12,533</u>	<u>12,533</u>
	\$ <u>4,544,554</u>	\$ <u>4,177,498</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
CURRENT LIABILITIES		
Direct child care services payable	\$ 3,622,887	\$ 3,363,323
Accounts payable and accrued expenses	515,789	325,129
Deferred revenue	<u>30,786</u>	<u>7,355</u>
TOTAL CURRENT LIABILITIES	4,169,462	3,695,807
NET ASSETS		
Unrestricted	<u>375,092</u>	<u>481,691</u>
TOTAL NET ASSETS	<u>375,092</u>	<u>481,691</u>
	\$ <u>4,544,554</u>	\$ <u>4,177,498</u>

See accompanying notes.

**EARLY LEARNING COALITION OF THE BIG BEND REGION, INC.**  
**STATEMENTS OF ACTIVITIES**  
**Years Ended June 30, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
UNRESTRICTED REVENUE AND SUPPORT		
Florida Agency for Workforce Innovation		
Office of Early Learning Grant/Contract:		
School Readiness and Related Child Care Services	\$ 17,231,800	\$ 17,054,342
Voluntary Pre-kindergarten	7,393,459	7,433,403
Administrative Revenue	838,601	760,922
Other Grant Revenue	9,687	64,046
Public Support:		
Local matching contributions	78,214	45,474
In-kind contributions	2,017	27,021
Other Revenue	<u>40,964</u>	<u>69,723</u>
 TOTAL REVENUE AND SUPPORT	 25,594,742	 25,454,931
 EXPENSES		
Program services:		
Florida Agency for Workforce Innovation		
Office of Early Learning Grant/Contract:		
School Readiness and Related Child Care Services	17,141,958	17,128,096
Voluntary Pre-kindergarten	7,395,604	7,433,403
Other Child Care Research and Support	133,293	110,879
Administrative expenses	<u>1,030,486</u>	<u>776,345</u>
 TOTAL EXPENSES	 <u>25,701,341</u>	 <u>25,448,723</u>
 CHANGE IN NET ASSETS	 ( 106,599)	 6,208
 NET ASSETS, BEGINNING OF YEAR	 <u>481,691</u>	 <u>475,483</u>
 NET ASSETS, END OF YEAR	 <u>\$ 375,092</u>	 <u>\$ 481,691</u>

See accompanying notes.

**EARLY LEARNING COALITION OF THE BIG BEND REGION, INC.**  
**STATEMENTS OF CASH FLOWS**  
**Years Ended June 30, 2008 and 2007**

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$( 106,599)	\$ 6,208
Adjustments to reconcile change in net assets to Cash provided by (used in) operating activities:		
Depreciation	241,582	221,261
(Increase) decrease in assets:		
Grants receivable	315,340	( 1,335,805)
Prepaid expenses	1,919	4,269
Other current assets	( 5,166)	( 27,685)
Increase (decrease) in liabilities:		
Direct child care services payable	259,564	( 788,104)
Accounts payable and accrued expenses	190,660	( 95,638)
Deferred revenue	<u>23,431</u>	<u>( 24,974)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	920,731	( 2,040,468)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	( <u>192,807</u> )	( <u>84,672</u> )
NET CASH USED IN INVESTING ACTIVITIES	( <u>192,807</u> )	( <u>84,672</u> )
 NET INCREASE (DECREASE) IN CASH	727,924	( 2,125,140)
 CASH AT BEGINNING OF YEAR	<u>934,173</u>	<u>3,059,313</u>
 CASH AT END OF YEAR	\$ <u>1,662,097</u>	\$ <u>934,173</u>

See accompanying notes.