

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

A KID'S PLACE OF TAMPA BAY, INC.

June 30, 2013 and 2012

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## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of A Kid's Place of Tampa Bay, Inc. as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

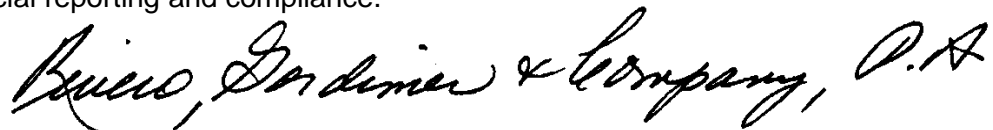
## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.650, *Rules of the Auditor General* 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.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2013, on our consideration of A Kid's Place of Tampa Bay, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering A Kid's Place of Tampa Bay, Inc.'s internal control over financial reporting and compliance.



Tampa, Florida  
October 17, 2013

A Kid's Place of Tampa Bay, Inc.

STATEMENTS OF FINANCIAL POSITION

June 30,

	<u>2013</u>	<u>2012</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (note A6)	\$ 482,971	\$ 302,360
Beneficial interest in assets held by others (note A9)	54,634	-
Grant receivable (note A5)	124,916	150,025
Prepaid expenses	17,510	15,550
Other	<u>1,721</u>	<u>1,140</u>
Total current assets	<u>681,752</u>	<u>469,075</u>
VEHICLES AND EQUIPMENT, less accumulated depreciation (note B)	<u>59,798</u>	<u>75,900</u>
TOTAL ASSETS	<u>\$ 741,550</u>	<u>\$ 544,975</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accrued expenses	<u>\$ 68,380</u>	<u>\$ 62,191</u>
Total current liabilities	<u>68,380</u>	<u>62,191</u>
COMMITMENTS (note C)	<u>-</u>	<u>-</u>
NET ASSETS (notes A2 and C)		
Unrestricted	606,856	482,134
Temporarily restricted	11,570	650
Permanently restricted	<u>54,744</u>	<u>-</u>
Total net assets	<u>673,170</u>	<u>482,784</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 741,550</u>	<u>\$ 544,975</u>

The accompanying notes are an integral part of these statements.

A Kid's Place of Tampa Bay, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended June 30, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and other support (note A3)				
Federal financial assistance	\$ 1,332,423	\$ -	\$ -	\$ 1,332,423
State of Florida financial assistance	510,085	-	-	510,085
Contributions	630,487	30,000	54,744	715,231
Special events, net of direct expenses of \$32,201	104,005	-	-	104,005
In-kind revenue (note C)	314,944	-	-	314,944
Net assets released from restrictions				
Satisfaction of program restrictions	19,080	(19,080)	-	-
Total revenue and other support	<u>2,911,024</u>	<u>10,920</u>	<u>54,744</u>	<u>2,976,688</u>
Expenses				
Program services	2,563,577	-	-	2,563,577
Supporting expenses				
Management and general	210,847	-	-	210,847
Fundraising	11,878	-	-	11,878
Total expenses	<u>2,786,302</u>	<u>-</u>	<u>-</u>	<u>2,786,302</u>
Change in net assets	124,722	10,920	54,744	190,386
Net assets at beginning of year	<u>482,134</u>	<u>650</u>	<u>-</u>	<u>482,784</u>
Net assets at end of year	<u>\$ 606,856</u>	<u>\$ 11,570</u>	<u>\$ 54,744</u>	<u>\$ 673,170</u>

The accompanying notes are an integral part of this statement.

A Kid's Place of Tampa Bay, Inc.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

For the year ended June 30, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenue and other support (note A3)				
Federal financial assistance	\$ 1,333,326	\$ -	\$ -	\$ 1,333,326
State of Florida financial assistance	440,944	-	-	440,944
Contributions	514,837	17,275	-	532,112
In-kind rent (note C)	283,161	-	-	283,161
Net assets released from restrictions			-	
Satisfaction of program restrictions	16,625	(16,625)	-	-
Total revenue and other support	<u>2,588,893</u>	<u>650</u>	<u>-</u>	<u>2,589,543</u>
Expenses				
Program services	2,380,344	-	-	2,380,344
Supporting expenses				
Management and general	194,337	-	-	194,337
Fundraising	9,440	-	-	9,440
Total expenses	<u>2,584,121</u>	<u>-</u>	<u>-</u>	<u>2,584,121</u>
Change in net assets	4,772	650	-	5,422
Net assets at beginning of year	<u>477,362</u>	<u>-</u>	<u>-</u>	<u>477,362</u>
Net assets at end of year	<u>\$ 482,134</u>	<u>\$ 650</u>	<u>\$ -</u>	<u>\$ 482,784</u>

The accompanying notes are an integral part of this statement.

A Kid's Place of Tampa Bay, Inc.

STATEMENTS OF CASH FLOWS

For the year ended June 30,

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities		
Change in net assets	<u>\$ 190,386</u>	<u>\$ 5,422</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	38,932	30,727
Decrease (increase) in grants receivable	25,109	(256)
Increase in other current assets	(581)	(653)
(Increase) decrease in prepaid expenses	(1,960)	142
Increase in accrued expenses	6,189	21,650
Total adjustments	<u>67,689</u>	<u>51,610</u>
Net cash provided by operating activities	<u>258,075</u>	<u>57,032</u>
Cash flows from investing activities		
Purchases of vehicles and equipment	(22,830)	(22,207)
Increase in beneficial interest	<u>(54,634)</u>	<u>-</u>
Net cash used in investing activities	<u>(77,464)</u>	<u>(22,207)</u>
Net increase in cash and cash equivalents	<u>180,611</u>	<u>34,825</u>
Cash and cash equivalents at beginning of year	<u>302,360</u>	<u>267,535</u>
Cash and cash equivalents at end of year	<u><u>\$ 482,971</u></u>	<u><u>\$ 302,360</u></u>

The accompanying notes are an integral part of these statements.

A Kid's Place of Tampa Bay, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2013

	Program Services	Management and General	Fundraising	Total Expenses
Salaries and wages	\$ 1,607,808	\$ 103,285	\$ 10,000	\$ 1,721,093
Payroll taxes	182,790	11,730	1,137	195,657
Employee benefits	96,390	1,977	575	98,942
	<u>1,886,988</u>	<u>116,992</u>	<u>11,712</u>	<u>2,015,692</u>
Professional fees	33,122	27,431	-	60,553
Office supplies	9,050	251	-	9,301
Staff training and compliance	9,237	93	-	9,330
Postage and shipping	903	195	-	1,098
Telephone	17,153	865	-	18,018
Printing and publications	1,259	309	-	1,568
Technology	2,072	1,181	-	3,253
Program supplies	137,027	-	-	137,027
Occupancy	328,172	18,733	-	346,905
Insurance	24,270	32,042	-	56,312
Vehicle expense	7,264	-	-	7,264
Maintenance	59,077	8,984	-	68,061
Security	11,262	-	-	11,262
Other	901	825	-	1,726
	<u>2,527,757</u>	<u>207,901</u>	<u>11,712</u>	<u>2,747,370</u>
Total expenses before depreciation expense				
Depreciation expense	<u>35,820</u>	<u>2,946</u>	<u>166</u>	<u>38,932</u>
Total expenses	<u>\$2,563,577</u>	<u>\$ 210,847</u>	<u>\$ 11,878</u>	<u>\$2,786,302</u>

The accompanying notes are an integral part of this statement.

A Kid's Place of Tampa Bay, Inc.

STATEMENT OF FUNCTIONAL EXPENSES

For the year ended June 30, 2012

	Program Services	Management and General	Fundraising	Total Expenses
Salaries and wages	\$ 1,523,188	\$ 97,745	\$ 8,000	\$ 1,628,933
Payroll taxes	168,158	10,791	884	179,833
Employee benefits	88,265	1,811	444	90,520
	<u>1,779,611</u>	<u>110,347</u>	<u>9,328</u>	<u>1,899,286</u>
Volunteer expenses	188	-	-	188
Professional fees	32,191	21,193	-	53,384
Office supplies	10,914	302	-	11,216
Staff training and compliance	8,718	88	-	8,806
Postage and shipping	1,280	318	-	1,598
Telephone	14,584	672	-	15,256
Printing and publications	4,382	1,193	-	5,575
Technology	2,093	1,327	-	3,420
Program supplies	101,649	-	-	101,649
Occupancy	324,995	18,552	-	343,547
Insurance	22,460	29,652	-	52,112
Vehicle expense	1,528	-	-	1,528
Maintenance	45,534	7,910	-	53,444
Security	1,402	-	-	1,402
Other	510	473	-	983
	<u>2,352,039</u>	<u>192,027</u>	<u>9,328</u>	<u>2,553,394</u>
Total expenses before depreciation expense				
Depreciation expense	28,305	2,310	112	30,727
	<u>2,380,344</u>	<u>\$ 194,337</u>	<u>\$ 9,440</u>	<u>\$ 2,584,121</u>
Total expenses				

The accompanying notes are an integral part of this statement.

A Kid's Place of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2013 and 2012

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A brief description of the organization and a summary of its significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

1. Description of the Organization

A Kid's Place of Tampa Bay, Inc. (the "Organization"), is a not-for-profit corporation founded in 2009 for the purpose of protecting and caring for neglected and abused children who have been removed from their homes. The Organization provides comfort and safety in a stable and nurturing environment at a critical time.

2. Basis of Accounting

These financial statements, presented on the accrual basis of accounting, have been prepared to focus on the Organization as a whole and to present net assets, revenues, and expenses based on the existence or absence of donor-impaired restrictions.

The Organization adheres to the provisions of Financial Accounting Standards Board Accounting Standards Codification Topic 958 ("FASB ASC Topic 958") *Not-For-Profit Entities*.

Under FASB ASC Topic 958, net assets and revenue, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

- Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted net assets - Cash and other assets received with donor stipulations that limit their use. When a donor restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets (as defined above) and reported in the statement of activities as "net assets released from restrictions." If a restriction is fulfilled in the same time period in which the support is received, the Organization reports the support as unrestricted.
- Permanently restricted net assets - Net assets subject to donor-imposed stipulations that will be maintained permanently by the Organization.

3. Revenue and Expense Recognition

The Organization recognizes public support, revenue and expenses on the accrual basis. Support and revenues from grants and contracts are generally recognized as eligible costs when incurred and/or required services are performed. Functional expenses are allocated on the basis of specific identification, where possible, or management's best estimates.

A Kid's Place of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013 and 2012

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. Contributions

The Organization accounts for contributions in accordance with FASB ASC Topic 958. Accordingly, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

5. Grants Receivable

Grants receivable represent qualified grant expenses incurred that have not yet been reimbursed. Management considers grants receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required.

6. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

7. Income Taxes

The Organization is exempt from income taxes under Internal Revenue Code Section 501 (c)(3) and qualifies for the charitable contribution deduction under Section 170 (b)(1)(A), and is not considered a private foundation. Accordingly, no provision or benefit for income taxes has been reflected in the accompanying financial statements. The Organization has not reported any unrelated business income; however, such status is subject to final determination upon examination, if any, of the related income tax returns by appropriate taxing authorities. Management does not believe the results of examination, if any, would have a significant effect on the Organization's revenue, expenses, or net assets.

The Organization is not aware of any tax positions it has taken that are subject to a significant degree of uncertainty. Tax years after June 30, 2010 remain subject to examination by taxing authorities.

8. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

A Kid's Place of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013 and 2012

NOTE A - DESCRIPTION OF THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

9. Beneficial Interest in Assets Held by Others

The Organization recognizes funds held by others by the Community Foundation of Tampa Bay, Inc. for the benefit of A Kid's Place of Tampa Bay, Inc.'s Endowment Fund at its fair market value. These transfers of funds to the Community Foundation of Tampa Bay, Inc. are irrevocable, and variance powers have not been granted to the recipient organization.

10. Donated Goods and Services

The Organization records the value of donated goods or services when there is an objective basis available to measure their value. Donated use of the facility is reflected as contributions in the accompanying financial statements at fair value as the facility is used.

11. Functional Allocation of Expenses

The costs of providing the Organization's programs and other activities have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited as shown in the statement of functional expenses.

NOTE B - VEHICLES AND EQUIPMENT

Vehicles and equipment are valued at cost at the acquisition date and fair value at the date of donation. Assets are capitalized when the purchase price or estimated fair value exceeds \$1,500 and the estimated useful life is more than one year. Depreciation is computed on the straight-line method based upon the estimated useful lives ranging from three to five years. Depreciation expense was \$38,932 and \$30,727 for the years ended June 30, 2013 and 2012, respectively.

Vehicles and equipment consist of the following at June 30,:

	<u>2013</u>	<u>2012</u>
Vehicles	\$ 111,563	\$ 106,155
Playground equipment	16,522	16,522
Storage unit	9,304	9,303
Leasehold Improvements	<u>10,830</u>	<u>-</u>
	148,219	131,980
Less accumulated depreciation	<u>(88,421)</u>	<u>(56,080)</u>
	<u>\$ 59,798</u>	<u>\$ 75,900</u>

A Kid's Place of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013 and 2012

NOTE C - COMMITMENTS AND CONTINGENCIES

The Organization leases the residential and administrative facilities, under an operating lease with an unrelated entity for \$1 per year. In-kind contributions and rent expense, at fair value, was approximately \$315,000, and \$283,200 for the years ended June 30, 2013 and 2012, respectively.

Certain funding agencies reserve the right to examine records by terms of the Organization's contracts. In the event there is a determination on non-qualifying expenditures for which a payment has been made, the funding agency may demand a refund for the appropriate amount. Management of the Organization does not anticipate adjustments to be made for grants closed out as of June 30, 2013. Accordingly, no provision for such a liability has been made in the accompanying financial statements.

NOTE D - RETIREMENT PLAN

The Organization sponsors a profit sharing plan under the provisions of Section 401(k) of the Internal Revenue Code. The Plan covers all eligible employees and the Organization may provide a discretionary contribution to the employee deferral account. The Organization provided discretionary contributions of approximately \$3,100 and \$-0- for the years ended June 30, 2013 and 2012, respectively.

NOTE E - CONCENTRATIONS OF CREDIT RISK

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents, grants receivable, gift cards and prepaid expenses. The Organization manages its risk with cash and cash equivalents through the use of high credit worthy financial institutions. All cash accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2013, approximately \$233,000 of cash and cash equivalents are not insured. The Organization has not experienced any losses from its deposits.

Concentrations of credit risk with respect to the unsecured receivables are limited, as the receivables are grants receivable from not-for-profit pass-through agencies. Concentrations of audit risk associated with gift cards and prepaid expenses are limited because of their short-term nature.

NOTE F - PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets are restricted to investment in perpetuity. Permanently restricted net assets consist of an Endowment Fund with a balance of \$54,744 at June 30, 2013.

A Kid's Place of Tampa Bay, Inc.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2013 and 2012

NOTE G - ENDOWMENT NET ASSETS

In accordance with FASB ASC 958-205-50 *“Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures of All Endowment Funds,”* the Organization has established a permanently restricted endowment fund. This fund is invested in accordance with the investment policy of the Organization.

Changes in the endowment’s net assets are as follows for the year ended June 30, 2013:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets at June 30, 2012	\$ -	\$ -	\$ -	\$ -
Endowment contributions	-	-	54,744	54,744
Unrealized loss on investments	-	(110)	-	(110)
Endowment net assets at June 30, 2013	<u>\$ -</u>	<u>\$ (110)</u>	<u>\$ 54,744</u>	<u>\$ 54,634</u>

The temporarily restricted balance at June 30, 2013 represents investments losses related to permanently restricted endowments.

NOTE H - SUBSEQUENT EVENTS

The Organization has evaluated events and transactions occurring subsequent to June 30, 2013 as of October 17, 2013, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

A KID'S PLACE OF TAMPA BAY, INC.

For the year ended June 30, 2013

A Kid's Place of Tampa Bay, Inc.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

For the year ended June 30, 2013

Federal/State Grantor/Pass-Through Grant/Program Title	Contract Number	CFDA or CSFA #	Expenditures
<b>Federal</b>			
U.S. Department of Health and Human Services			
Passed-through Florida Department of Children and Families			
Passed-through Eckerd Youth Alternatives, Inc.			
Foster Care Title IV-E	ECAH-RES-AKP-FY13	93.658	\$ 781,972
Social Services Block Grant	ECAH-RES-AKP-FY13	93.667	511,647
Passed-through Heartland for Children, Inc.			
Foster Care Title IV-E	-	93.658	23,380
Social Services Block Grant	-	93.667	<u>15,424</u>
Total expenditures of federal awards			<u>1,332,423</u>
<b>State</b>			
Florida Department of Children and Families			
Passed-through Eckerd Youth Alternatives, Inc.			
Community Based Care Support	ECAH-RES-AKP-FY13	60.094	496,609
Passed-through Heartland for Children, Inc.			
Community Based Care Support	-	60.094	<u>13,476</u>
Total expenditures of and state financial assistance			<u>510,085</u>
Total expenditures of federal awards and state financial assistance			<u>\$ 1,842,508</u>

The accompanying notes are an integral part of this schedule.

A Kid's Place of Tampa Bay, Inc.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
AND STATE FINANCIAL ASSISTANCE

June 30, 2013

NOTE A - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance include the federal and state grant activity of A Kid's Place of Tampa Bay, Inc. (the "Organization") and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations* and Chapter 10.650, *Rules of the Auditor General*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

NOTE B - CONTINGENCIES

These federal and state programs/projects are subject to financial and compliance audits by grantor agencies which, if instances of material noncompliance are found, may result in disallowed expenditures and affect the Organization's continued participation in specific programs. The amount of expenditures which may be disallowed by the grantor agencies cannot be determined at this time, although the Organization expects such amounts, if any, to be immaterial.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN  
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS*

A KID'S PLACE OF TAMPA BAY, INC.

June 30, 2013



**RIVERO, GORDIMER & COMPANY, P.A.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

Member  
 American Institute of Certified Public Accountants  
 Florida Institute of Certified Public Accountants

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Cesar J. Rivero	Sam A. Lazzara
Herman V. Lazzara	Stephen G. Douglas
Marc D. Sasser	Michael E. Helton
Richard B. Gordimer, of Counsel	

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL  
 OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
 OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL  
 STATEMENTS PERFORMED IN ACCORDANCE WITH  
 GOVERNMENT AUDITING STANDARDS

Board of Directors  
 A Kid's Place of Tampa Bay, Inc.

We have audited, in accordance with the 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 General of the United States, the financial statements of A Kid's Place of Tampa Bay, Inc. (the "Organization"), which comprise the statement of financial position as of June 30, 2013, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 17, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

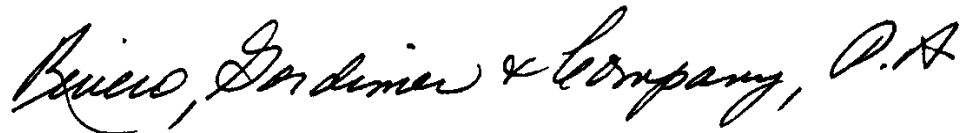
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Benicio, Gordinier & Company, P.A." The signature is written in a cursive, flowing style.

Tampa, Florida  
October 17, 2013

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND  
CHAPTER 10.650, *RULES OF THE AUDITOR GENERAL*

A KID'S PLACE OF TAMPA BAY, INC.

June 30, 2013



**RIVERO, GORDIMER & COMPANY, P.A.**  
**CERTIFIED PUBLIC ACCOUNTANTS**

Member  
American Institute of Certified Public Accountants  
Florida Institute of Certified Public Accountants  
Cesar J. Rivero Sam A. Lazzara  
Herman V. Lazzara Stephen G. Douglas  
Marc D. Sasser Michael E. Helton  
Richard B. Gordimer, of Counsel

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR  
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133  
AND CHAPTER 10.650, RULES OF THE AUDITOR GENERAL

Board of Directors  
A Kid's Place of Tampa Bay, Inc.

**Report on Compliance for Each Major Federal Program and State Project**

We have audited the compliance of A Kid's Place of Tampa Bay, Inc. (the "Organization") with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the requirements described in the Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of the Organization's major federal programs and state project for the year ended June 30, 2013. The Organization's major federal programs and state project are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and state project.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.650, *Rules of the Auditor General*. Those standards, OMB Circular A-133 and Chapter 10.650, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and state project occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state project. However, our audit does not provide a legal determination of the Organization's compliance.

## **Opinion on Each Major Federal Program and State Project**

In our opinion, A Kid's Place of Tampa Bay, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

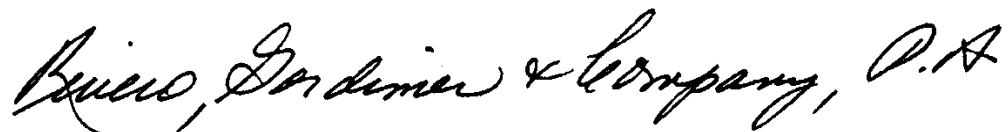
## **Report on Internal Control Over Compliance**

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program or state project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program or state project and to test and report on internal control over compliance in accordance with OMB Circular A-133, Chapter 10.650, *Rules of the Auditor General* but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program and state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program and state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program and state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133, and Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



Tampa, Florida  
October 17, 2013

SCHEDULE OF FINDINGS AND QUESTIONED COSTS –  
FEDERAL PROGRAMS AND STATE PROJECT

A KID'S PLACE OF TAMPA BAY, INC.

June 30, 2013

A Kid's Place of Tampa Bay, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS -  
FEDERAL PROGRAMS AND STATE PROJECT

For the year ended June 30, 2013

**Section I - Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued Unmodified

Internal control over financial reporting  
Material weakness(es) identified?      yes   X   no

Significant deficiency(ies) identified      yes   X   none reported

Noncompliance material to financial statements noted?      yes   X   no

**Federal Award and State Financial Assistance**

Internal control over major programs/projects  
Material weakness(es) identified?      yes   X   no

Significant deficiency(ies) identified      yes   X   none reported

Type of auditors' report issued on compliance for major  
programs/projects Unmodified

Any audit findings disclosed that are required to be  
reported in accordance with Section 510a) of  
OMB Circular A-133 and/or Chapter 10.650  
*Rules of the Auditor General?*      yes   X   no

Identification of major programs/project:

**Federal**

CFDA Number

93.658

93.667

Name of Federal Program

Foster Care - Title IV-E

Social Services Block Grant

**State**

CSFA Number

60.094

Name of State Project

Community Based Care Supports

Dollar threshold used to distinguish between type A and  
type B federal programs \$ 300,000

Dollar threshold used to distinguish between type A and  
type B state project \$ 153,026

Auditee qualified as low-risk auditee      yes   X   no

A Kid's Place of Tampa Bay, Inc.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS -  
FEDERAL PROGRAMS AND STATE PROJECT - CONTINUED

For the year ended June 30, 2013

**Section II - Financial Statement Findings**

No matters were reported for the year ended June 30, 2013 and no matters were reported for the prior year. Accordingly, a corrective action plan is not required.

**Section III - Federal Award and State Financial Assistance Findings and Questioned Costs**

No matters were reported for the year ended June 30, 2013 and no matters were reported for the prior year. Accordingly, a corrective action plan is not required.

**Section IV - Other Issues**

**a. Prior year findings**

No summary schedule of prior audit findings is required because there were no prior audit findings related to federal programs or state project

**b. Management letter**

No findings or observations were required to be reported in a management letter pursuant to Section 10.654(1)(e), *Rules of the Auditor General*

MANAGEMENT LETTER

A KID'S PLACE OF TAMPA BAY, INC.

For the year ended June 30, 2013



**RIVERO, GORDIMER & COMPANY, P.A.**  
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Richard B. Gordimer, of Counsel

MANAGEMENT LETTER

Board of Directors  
A Kid's Place of Tampa Bay, Inc.

We have audited the financial statements of A Kid's Place of Tampa Bay, Inc. as of and for the fiscal year ended June 30, 2013, and have issued our report thereon, dated October 17, 2013.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.650, *Rules of the Florida Auditor General*. We have issued our Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance Required by OMB Circular A-133 and Chapter 10.650, *Rules of the Florida Auditor General*, and Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, dated October 17, 2013, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.650, Rules of the Auditor General, which requires disclosure in the management letter noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements or state project amounts that is less than material which warrants the attention of those charged with governance. Our audit disclosed no matters required to be disclosed by *Rules of the Auditor General (Section 10.654(1)(c))*.

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, and other granting agencies, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Tampa, Florida  
October 17, 2013