

The Friends of the Children's Advocacy Center of Brevard, Inc.

PROGRAM SPECIFIC FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Friends of the Children's Advocacy Center of Brevard, Inc.
Melbourne, Florida

Report of the Schedule of Expenditures of State Awards

We have audited the accompanying schedule of expenditures of state awards for the Children's Advocacy Center of Brevard Building Acquisition Project of the Friends of the Children's Advocacy Center of Brevard, Inc. for the year ended December 31, 2017, and the related notes.

Management's Responsibility for the Schedule of Expenditures of State Awards

Management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of a financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. 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; and the audit requirements of Chapter 10.650, Rules of the Auditor General. Those standards and rules require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the expenditures of state awards for the Children's Advocacy Center of Brevard Building Acquisition Project of the Friends of the Children's Advocacy Center of Brevard, Inc. for the year ended December 31, 2017, in accordance with accounting principles generally accepted in the United States of America.

McDonough CPA Solutions, PA

January 18, 2018
Melbourne, Florida

The Friends of the Children’s Advocacy Center of Brevard, Inc.
Schedule of Expenditures of State Financial Assistance
For the year ended December 31, 2017

<u>State Agency</u>	<u>State CSFA Number</u>	<u>Contract</u>	<u>State Expenditures</u>
State Financial Assistance			
State Courts System			
Children's Advocacy Center of			
Brevard Building Acquisition Project	22.028	SC007CO	<u>\$ 1,500,000</u>

See notes to the schedule of state financial assistance

The Friends of the Children’s Advocacy Center of Brevard, Inc.
Notes to Schedule of Expenditures of State Financial Assistance
For the year ended December 31, 2017

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of state financial assistance (the “Schedule”) includes the state award for the Friends of the Children’s Advocacy Center of Brevard, Inc. (the “Center”) for the year ended December 31, 2017. The information in this Schedule is presented in accordance with Chapter 10.650, Rules of the Auditor General. Because the Schedule presents only a selected portion of the operations of the Center, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Center.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting.

NOTE C- SUBRECIPIENTS

Subrecipient of the grant to the Center is the Space Coast Health Foundation, Inc. who received \$1,500,000 in cost reimbursements for the Children Advocacy Center of Brevard Building Acquisition Project.

NOTE D- MAJOR PROGRAM DETERMINATION

The major state project selected for testing as determined by the auditor on a risk-based approach is as follows:

<u>State Agency</u>	<u>State CSFA Number</u>	<u>Contract</u>	<u>State Expenditures</u>
State Financial Assistance			
State Courts System			
Children's Advocacy Center of Brevard Building Acquisition Project	22.028	SC007CO	<u>\$ 1,500,000</u>

**REPORT ON COMPLIANCE FOR EACH STATE PROJECT AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY CHAPTER 10.650, RULES OF THE AUDITOR GENERAL**

To the Board of Directors
The Friends of the Children's Advocacy Center of Brevard, Inc.
Melbourne, Florida

Report on Compliance for each State Project

We have audited The Friends of the Children's Advocacy Center of Brevard, Inc.'s (the "Center") compliance with the types of compliance requirements described *Department of Financial Services' State Projects Compliance Supplement*, that could have a direct and material effect on each of The Friends of the Children's Advocacy Center of Brevard, Inc.'s major State projects for the year ended December 31, 2017. The Center's state projects 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 state statutes, regulations, and the terms and conditions of its state projects applicable to its state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of The Friends of the Children's Advocacy Center of Brevard, Inc.'s major 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 Chapter 10.650, Rules of the Auditor General. Those standards 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 State project occurred. An audit includes examining, on a test basis, evidence about The Friends of the Children's Advocacy Center of Brevard, Inc.'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 state project. However, our audit does not provide a legal determination of the Center's compliance.

Opinion on Each Major State Project

In our opinion, The Friends of the Children's Advocacy Center of Brevard, Inc.'s compiled, 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 state projects for the year ended December 31, 2017.

Report on Internal Control Over Compliance

Management of The Friends of the Children's Advocacy Center of Brevard, Inc. 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 Center's internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 state project and to test and report on internal control over compliance in accordance with 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 Center'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 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 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 as combination of deficiencies, in internal control over compliance with the type of compliance requirement of a 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 results of that testing based on the requirements of Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

McDonough CPA Solutions, PA

January 18, 2018
Melbourne, Florida

**The Friends of the Children’s Advocacy Center of Brevard, Inc.
 Schedule of Findings and Questioned Costs – State Projects
 For the year ended December 31, 2017**

Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP

UNMODIFIED

Internal control over financial reporting:

- Material weakness(es) identified? _____ YES X NO
- Significant deficiency(ies) identified? _____ YES X NONE

Noncompliance material to financial statements noted?

_____ YES X NO

State Projects

Internal control over major state projects:

- Material weakness(es) identified? _____ YES X NO
- Significant deficiency(ies) identified? _____ YES X NONE

Type of auditor's report issued on compliance for major state projects:

UNMODIFIED

Any audit findings disclosed that are required to be reported in accordance with the Rules of the Auditor General, Chapter 10.656

_____ YES X NO

Identification of major state projects:

CSFA Number

Name of state project

22.028

Children Advocacy Center of Brevard
 Building Acquisition Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Any prior year audit findings disclosed that are required to be reported in accordance with the Rules of the Auditor General, Chapter 10.656

_____ YES X NO

A management letter, in accordance with Section 10.656(3)(e), Rules of the Auditor General has not been presented because there are no items related to State financial assistance required to be reported.