

**THE CHILDREN'S COALITION
FOR NORTHEAST LOUISIANA, INC.**

**FINANCIAL REPORT
JUNE 30, 2009**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

2/24/10

THE CHILDREN'S COALITION FOR NORTHEAST LOUISIANA, INC.

**FINANCIAL REPORT
JUNE 30, 2009**

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MARTIN, HARRISON & SMALLWOOD, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditors' Report

December 22, 2009

The Board of Directors
The Children's Coalition
for Northeast Louisiana, Inc.
Monroe, Louisiana

We have audited the accompanying statements of financial position of the Children's Coalition for Northeast Louisiana, Inc. (a Non-profit Corporation) as of June 30, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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 General of the United States; and the Louisiana Government Audit Guide, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor. 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 the 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 Children's Coalition for Northeast Louisiana, Inc. as of June 30, 2009 and 2008, and the changes in their net assets and their 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 also issued our report dated December 23, 2009, on our consideration of the Children's Coalition for Northeast Louisiana, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audits.

The Board of Directors
The Children's Coalition
for Northeast Louisiana, Inc.
December 22, 2009
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Our audits were conducted for the purpose of forming an opinion on the basic financial statements of the Children's Coalition for Northeast Louisiana, Inc. taken as a whole. The accompanying financial information listed as Other Supplementary Information 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 audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Martin, Harrison & Smallwood, LLP

THE CHILDREN'S COALITION FOR NORTHEAST LOUISIANA, INC

STATEMENTS OF FINANCIAL POSITION

	JUNE 30	
	<u>2009</u>	<u>2008</u>
ASSETS		
Cash	\$ 68,991	\$ 30,915
Accounts Receivable	135,064	131,106
Furniture and Equipment, net	82,335	92,020
Prepaid Expenses	28,722	9,945
Deferred Charges	479	1,300
	<u> </u>	<u> </u>
TOTAL ASSETS	<u><u>\$ 315,591</u></u>	<u><u>\$ 265,286</u></u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	\$ 12,538	\$ 27,958
Accrued Payroll Liabilities	2,056	7,124
Capital Leases Payable - Current	6,426	6,069
Capital Leases Payable - Long-Term	9,112	14,301
Notes Payable - Bank line-of-credit	20,575	84,348
Deferred Revenue - DHH-M	3,812	3,370
Deferred Revenue - Memberships	-	2,900
Total Liabilities	<u>54,519</u>	<u>146,070</u>
Net Assets		
Unrestricted	128,570	43,907
Temporarily Restricted and/or Designated	132,502	75,309
Total Net Assets	<u>261,072</u>	<u>119,216</u>
	<u> </u>	<u> </u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 315,591</u></u>	<u><u>\$ 265,286</u></u>

The accompanying notes are an integral part of these financial statements.

THE CHILDREN'S COALITION FOR NORTHEAST LOUISIANA, INC

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2009

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUES			
Donations and Sponsorships	\$ 44,637	\$ -	\$ 44,637
In-Kind Donations at Fair Value	9,776	-	9,776
Grants - Federal	376,526	-	376,526
Grants - Vendor Contracts	639,009	-	639,009
Grants - Other	143,075	177,592	320,667
Registration and Tuition Fees	32,469	-	32,469
Memberships	30,986	-	30,986
Interest	1,078	-	1,078
Contributions and Net Revenue from Special Events			
Special Event Revenue	79,800	-	79,800
Costs of Direct Benefits to Donors	(28,912)	-	(28,912)
Other Revenue	1,937	-	1,937
Total	<u>1,330,381</u>	<u>177,592</u>	<u>1,507,973</u>
Net Assets Released from Restrictions	<u>120,399</u>	<u>(120,399)</u>	<u>-</u>
Total Support and Revenue	1,450,780	57,193	1,507,973
EXPENSES			
Program Services			
Health Care	184,459	-	184,459
Early Childhood Education	545,205	-	545,205
Youth Development	319,505	-	319,505
Hurricane Relief Services	6,387	-	6,387
Parenting Education	128,520	-	128,520
Total Program Expenses	<u>1,184,077</u>	<u>-</u>	<u>1,184,077</u>
Supporting Services			
Management & General	159,764	-	159,764
Fund Raising	22,276	-	22,276
Total Supporting Services	<u>182,040</u>	<u>-</u>	<u>182,040</u>
Total Expenses	<u>1,366,117</u>	<u>-</u>	<u>1,366,117</u>
Change in Net Assets	84,663	57,193	141,856
NET ASSETS AT BEGINNING OF YEAR	<u>43,907</u>	<u>75,309</u>	<u>119,216</u>
NET ASSETS AT END OF YEAR	<u>\$ 128,570</u>	<u>\$ 132,502</u>	<u>\$ 261,072</u>

The accompanying notes are an integral part of these financial statements.

THE CHILDREN'S COALITION FOR NORTHEAST LOUISIANA, INC

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

	Unrestricted	Temporarily Restricted	Total
SUPPORT AND REVENUES			
Donations and Sponsorships	\$ 44,498	\$ -	\$ 44,498
In-Kind Donations at Fair Value	23,536	-	23,536
Grants - Federal	670,123	-	670,123
Grants - Other	297,555	131,000	428,555
Registration and Tuition Fees	27,656	-	27,656
Memberships	24,725	-	24,725
Interest	2,016	-	2,016
Contributions and Net Revenue from Special Events			
Special Event Revenue	48,970	-	48,970
Costs of Direct Benefits to Donors	(3,969)	-	(3,969)
Other Revenue	3,167	-	3,167
Total	<u>1,138,277</u>	<u>131,000</u>	<u>1,269,277</u>
Net Assets Released from Restrictions	<u>95,954</u>	<u>(95,954)</u>	<u>-</u>
Total Support and Revenue	1,234,231	35,046	1,269,277
EXPENSES			
Program Services			
Health Care	179,167	-	179,167
Early Childhood Education	438,699	-	438,699
Youth Development	341,416	-	341,416
Parenting Education	98,165	-	98,165
Total Program Expenses	<u>1,057,447</u>	<u>-</u>	<u>1,057,447</u>
Supporting Services			
Management & General	190,382	-	190,382
Fund Raising	29,323	-	29,323
Total Supporting Services	<u>219,705</u>	<u>-</u>	<u>219,705</u>
Total Expenses	<u>1,277,152</u>	<u>-</u>	<u>1,277,152</u>
Change in Net Assets	(42,921)	35,046	(7,875)
NET ASSETS AT BEGINNING OF YEAR	<u>86,828</u>	<u>40,263</u>	<u>127,091</u>
NET ASSETS AT END OF YEAR	<u>\$ 43,907</u>	<u>\$ 75,309</u>	<u>\$ 119,216</u>

The accompanying notes are an integral part of these financial statements.

THE CHILDREN'S COALITION FOR NORTHEAST LOUISIANA, INC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2009

	Program Services					Supporting Services			Total Expenses
	Health Care	Early Childhood Education	Youth Development	Hurricane Relief Services	Parenting Education	Program Services	Management & General	Fund Raising	
\$	115,475	395,002	204,175	-	80,092	794,744	77,272	7,608	879,624
Salaries	9,696	32,731	16,457	-	6,356	65,240	6,877	488	72,605
Payroll Taxes	2,352	8,011	4,145	-	1,626	16,134	2,312	156	18,602
Workers Compensation	127,523	435,744	224,777	-	88,074	876,118	86,461	8,252	970,831
Total Salaries and Related Expenses									
Advertising	2,098	75	4,400	-	-	6,573	3,490	1,555	11,618
Bank Charges	-	-	-	-	-	-	662	-	662
Board Expenses	-	-	-	-	-	-	2,081	-	2,081
Computer Maintenance	1,664	1,850	1,016	-	716	5,246	2,026	-	7,272
Contract for Services	1,616	4,960	8,550	-	-	15,126	3,655	-	18,781
Dues and Subscriptions	123	5,075	250	-	-	5,448	725	-	6,173
Equipment Lease	2,084	1,756	1,069	-	919	5,828	733	-	6,561
Janitorial	-	-	-	-	-	-	194	-	194
Meetings	6,622	3,079	1,554	-	1,863	13,118	3,096	643	16,857
Postage and Delivery	1,393	1,998	1,108	-	995	5,495	812	-	6,306
Printing & Reproduction	1,528	3,433	1,556	-	3,148	9,665	3,558	3,880	17,103
Professional Fees	4,715	9,896	14,218	-	5,994	34,822	13,059	-	47,881
Rent	10,020	15,829	12,155	-	6,475	44,479	16,403	2,895	63,777
Maintenance & Repairs	1,401	3,619	1,586	-	843	7,449	2,834	-	10,283
Miscellaneous	-	-	147	740	-	1,767	807	-	1,547
Security	-	29	-	-	-	176	76	-	252
Scholarships	-	6,462	-	-	-	6,462	-	-	6,462
Supplies	6,938	4,668	7,412	5,540	1,346	25,904	3,455	4,082	33,441
Telephone	2,329	4,526	3,380	-	1,134	11,369	2,176	384	13,929
Training	-	7,240	18,022	-	4,687	29,949	235	-	30,184
Insurance	-	550	370	-	-	920	3,072	-	3,992
Interest	-	-	-	-	-	-	4,512	-	4,512
Travel	7,721	19,123	7,614	-	7,880	42,338	1,765	-	44,103
Taxes & Licenses	3,605	6,190	4,986	-	2,299	17,080	1,210	-	18,504
Utilities	181,379	536,101	314,170	6,280	126,374	1,164,305	157,096	21,905	1,343,306
Total	3,080	9,104	5,335	107	2,146	19,772	2,668	371	22,811
Depreciation	184,459	545,205	319,505	6,387	128,520	1,184,077	159,764	22,276	1,366,117
Total Functional Expenses	\$	\$	\$	\$	\$	\$	\$	\$	\$

The accompanying notes are an integral part of these financial statements.

THE CHILDREN'S COALITION FOR NORTHEAST LOUISIANA, INC
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2008

	Program Services				Supporting Services		Total Expenses	
	Health Care	Early Childhood Education	Youth Development	Parenting Education	Program Services	Management & General		Fund Raising
Salaries	\$ 83,481	\$ 332,625	\$ 240,762	\$ 73,613	\$ 730,481	\$ 60,706	\$ 6,818	\$ 798,005
Payroll Taxes	6,709	27,344	19,240	6,216	59,509	6,721	521	66,751
Workers Compensation	997	4,090	2,383	777	8,247	1,146	84	9,477
Total Salaries and Related Expenses	91,187	364,059	262,385	80,606	798,237	68,573	7,423	874,233
Advertising	-	-	-	-	-	1,420	2,900	4,320
Bank Charges	-	-	-	-	-	806	-	806
Board Expenses	-	-	-	-	-	1,799	-	1,799
Computer Maintenance	-	1,428	1,356	329	3,113	2,445	-	5,558
Computer Software	-	-	-	-	-	-	-	-
Contract for Services	-	300	-	-	300	-	-	300
Dues and Subscriptions	-	350	-	-	350	274	-	624
Education/Public Awareness	29,578	1,750	19,887	1,750	52,965	-	1,000	53,965
Equipment Lease	1,089	1,388	2,250	727	5,454	630	-	6,084
Janitorial	108	108	194	97	507	675	-	1,182
Meetings	6,349	1,688	4,037	196	12,270	4,700	79	17,049
Postage and Delivery	1,774	2,703	1,507	745	6,729	1,645	-	8,374
Printing & Reproduction	3,009	4,410	6,482	514	14,415	2,518	256	17,189
Professional Fees	1,400	950	5,574	300	8,224	34,695	-	42,919
Rent	9,038	26,569	9,696	2,970	48,273	34,465	6,272	89,010
Maintenance & Repairs	1,157	2,362	1,900	810	6,229	2,463	-	8,692
Miscellaneous	-	-	-	-	-	4,718	-	4,718
Security	-	-	-	-	-	63	-	63
Supplies	19,945	6,348	10,176	1,041	37,510	6,432	11,393	55,335
Scholarships	-	-	-	-	-	-	-	-
Telephone	1,583	3,410	3,136	261	8,390	2,857	-	11,247
Training	1,017	1,224	2,647	2,421	7,309	518	-	7,827
Insurance	-	-	437	-	437	1,924	-	2,361
Interest	-	-	-	-	-	2,898	-	2,898
Travel	8,242	13,498	4,340	4,021	30,101	2,967	-	33,068
Taxes & Licenses	-	-	-	-	-	391	-	391
Utilities	1,140	-	623	-	1,763	7,586	-	9,349
Total	176,616	432,545	336,627	96,788	1,042,576	187,462	29,323	1,259,361
Depreciation	2,551	6,154	4,789	1,377	14,871	2,920	-	17,791
Total Functional Expenses	\$ 179,167	\$ 438,699	\$ 341,416	\$ 98,165	\$ 1,057,447	\$ 190,382	\$ 29,323	\$ 1,277,152

The accompanying notes are an integral part of these financial statements.

THE CHILDREN'S COALITION FOR NORTHEAST LOUISIANA, INC

STATEMENTS OF CASH FLOWS

	YEAR ENDED JUNE 30	
	2009	2008
Cash Flows From Operating Activities		
Increase (Decrease) in Net Assets	\$ 144,927	\$ (7,875)
Adjustment to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation	22,811	17,791
Changes in assets and liabilities:		
Accounts Receivable	(7,029)	(15,911)
Prepaid Expenses	(18,777)	9,642
Deferred Charges	822	822
Accounts Payable	(15,420)	13,717
Salaries Payable	(4,469)	4,469
Accrued Payroll Liabilities	(599)	(297)
Deferred Revenue	(2,458)	(2,555)
Net cash provided (used) by operating activities	<u>119,808</u>	<u>19,803</u>
Cash Flow From Investing Activities		
Purchase of equipment	<u>(13,127)</u>	<u>(68,495)</u>
Net cash provided (used) by investing activities	<u>(13,127)</u>	<u>(68,495)</u>
Cash Flow From Financing Activities		
Payments of capital lease obligations	(4,832)	(10,065)
Capital Lease	-	16,334
Proceeds from note payable - LOC (Net of payments)	<u>(63,773)</u>	<u>44,746</u>
Net cash provided (used) by financing activities	<u>(68,605)</u>	<u>51,015</u>
Increase (Decrease) in Cash	38,076	2,323
Cash at Beginning of Year	<u>30,915</u>	<u>28,592</u>
Cash at End of Year	<u>\$ 68,991</u>	<u>\$ 30,915</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2009

NOTE 1 - DESCRIPTION OF ORGANIZATION

The Children's Coalition for Northeast Louisiana, Inc. - a voluntary health and welfare organization (the Coalition) was established in 2000 to act as a coordinating agency to develop a comprehensive and integrated system of resources that support children and their families as they live and grow to their full potential.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The financial statements have been prepared on an accrual basis and in conformity with the standards promulgated by the American Institute of Certified Public Accountants in its *Audit Guide for Not-For-Profit Organizations*.

The financial statements of the Coalition are presented as recommended by the Financial Accounting Standards Board in ASC 958-205 (formerly Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*). Under ASC 958-205, the Coalition is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. At June 30, 2009 and 2008, the Coalition had no permanently restricted net assets.

B. Contributions

The Coalition has also adopted ASC 958-55 (formerly SFAS No. 116, *Accounting for Contributions Received and Contributions Made*). In accordance with ASC 958-55, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions. Under ASC 958-55, such contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the related time restrictions or the funds are expended in accordance with the donor's intention. The organization has elected to recognize temporarily restricted contributions which are released from the restriction in the same year as unrestricted contributions.

C. Donated Services

Members, agencies, business firms, volunteers and others contribute substantial services toward the fulfillment of projects initiated by the Coalition. No amounts have been recognized in the Statement of Activities because the criteria for recognition of such volunteer effort under ASC 958-55 have not been satisfied.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Furniture and Equipment

Furniture and equipment are stated at cost. All donated capital assets are recorded at fair market value on the date of the donation. Depreciation is computed on a straight-line basis over the useful lives of the assets using the following estimated lives:

	<u>Years</u>
Furniture and Equipment	3 - 10

E. Leased Equipment Capitalized

The imputed cost of leased equipment is capitalized and charged to earnings using the straight-line method of amortization over estimated useful lives of five years for financial reporting purposes. Generally, when items of leased property are retired or otherwise disposed of, the cost and related accumulated amortization are removed from the accounts and any resulting gain or loss is reflected in income. Amortization of assets under capital leases is included in depreciation expense for 2009 and 2007.

F. Compensated Absences

Employees earn forty hours of vacation after completing six months of employment. After one year, they earn eighty hours and after five years, they earn one hundred twenty hours increasing to one hundred sixty hours after ten years for each year thereafter. Employees earn eight days of sick leave after six months. After one year, they earn sixteen days increasing to twenty days after five years for each year thereafter. The financial statements do not include any accrual for vacation or sick pay. The Coalition's policy is that vacation days are taken in the year accrued or compensated prior to year-end. Sick days may be accumulated to a maximum of 30 days; however, employees are not paid for any unused sick days upon termination.

G. Functional Expenses

Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated by various statistical bases.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Programs

The Coalition's principal programs and primary funding sources are:

Health Care

Covering Kids and Families income is primarily funded by Louisiana Department of Health and Hospitals-Medicaid. This program was developed as an effort to increase the enrollment in the LaCHIP and LaMOM program, which provides health insurance to children in families with incomes of up to 250% of poverty level. The LaChip Coordinator works with a regional coalition and the Medicaid office in outreach activities. An outreach effort is the annual Start School Right Children's Resources and Health Fair, which is funded through various sponsorships.

The Fetal Infant Mortality Reduction Initiative is funded through the Louisiana Department of Health and Hospitals-Office of Public Health/Maternal and Child Health Coalition. An expansion of this program to surrounding parishes is being funded by the Living Well Foundation. Two part-time public health nurses housed at OPH review medical records with a team of medical experts to ascertain causes of fetal and infant mortality. A community action team organized through the Coalition works to provide community solutions for any identified problems.

The third program under this initiative is Coordinated School Health, funded through the University of Louisiana at Lafayette-Picard Center for Child Development. Funding is provided by a Board of Regents grant. This effort works with area school systems to develop a plan for the social, emotional and physical health of students and staff. The planning includes analyzing school budgets to assure proper Medicaid billing for services being provided.

Early Childhood Education – There are several initiatives and funding sources under this focus area:

Northeast Louisiana Child Care Connections: This initiative provides the child care resource and referral agency for the 12 parishes in northeast Louisiana. Louisiana Department of Social Services-Office of Family Services provides funding for these efforts through Child Development Block Grant funds. Child Care Connections provides: consumer education and referral services; training for child care providers and staff, and technical assistance in child care centers and in family child care homes. A major focus is providing support for centers who voluntarily participate in the Quality Start rating system for child care. As this entity, the Children's Coalition is eligible for School Readiness Tax Credits from businesses and corporations to support child care.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

*H. Programs – (Continued)***Early Childhood Education – (Continued)**

Mental Health Consultations: Mental health consultants are made available to child care centers for up to six months to work with staff to improve the social emotional development of children in child care centers. This effort is funded through the Tulane Institute for Infant and Early Childhood Mental Health from a grant with LA DSS.

Community Solutions to Economic Success: With funding from the Work Force Investment Board Area 81, a program director coordinates a business leaders' task force in finding solutions to meet the child care needs of employers and employees in the community. The purpose is to assure that families have the quality child care they need to enter the workforce and to remain employed. The Program Director also works with area Quality Start centers to improve their business and administrative practices. JP Morgan Chase through the United Way has provided an additional grant to support this effort to improve administrative practices in child care centers.

Al's Pals: Kids Making Healthy Choices: Funded through the LA Department of Health and Hospitals-Office for Addictive Disorders and with a partnership with Monroe City Schools and their Safe Schools/Healthy Students grant, Al's Pals is a life skills program for 4 year olds. Every student in the preschool program of Monroe City Schools as well as 4 year olds in eight child care centers was involved in this program.

Monroe City Schools-Safe Schools/Healthy Students: With funding from this grant, the Children's Coalition provides an Early Childhood Coordinator to work with child care and the school system in providing resources for child care and parents, training and coordination of services.

Youth Development - There are four initiatives under this focus area:

C.A.R.E. Coalition-Community Alcohol Reduction Efforts Coalition building efforts are funded through LA Department of Health and Hospitals-Office for Addictive Disorders. This coalition brings together parents, service providers, schools systems, law enforcements, faith based and other community leaders to focus on underage drinking through public education and public policy.

Defy Team-Tobacco Free Living Coalition - Funded by a grant from the Tobacco Free Living Coalition and the Louisiana Public Health Institute, 20 youth were involved in training, public awareness campaigns and leadership development targeted at eliminating tobacco usage among youth.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

*H. Programs – (Continued)***Early Childhood Education – (Continued)**

Teen Screen of Northeast Louisiana - The program provides a basic mental health screening for every 7th grader in Monroe City Schools and Ouachita Parish Schools. Any student screened at risk for depression or suicide is referred to services within the community. This effort is funded through a grant from LA DHH-Office of Mental Health. Additional funding is provided by a grant from Sisters of Charity.

4th Judicial District Youth Services Planning Board - The Children's Coalition provides staff support to this board from our general funds.

Hurricane Relief Services

Hurricane Relief Services were funded through a grant from Save the Children and various private donations. The funds were used to help victims of hurricanes in the Northeast Louisiana area.

Parenting Education

The Parent Education initiative is funded through a grant from the Louisiana Department of Social Services – Office of Family Services through Temporary Aid for Needy Families (TANF) funds. Other funding sources include the Louisiana Children's Trust Fund. This program develops parent training opportunities in the community to enhance childhood literacy, quality care, success in school and strengthening the family.

I. Tax-Exempt Status

The Coalition is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for Federal income taxes. Contributions to the Coalition are tax deductible within the limitations prescribed by the Code.

J. Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Coalition considers demand deposits, time deposits and certificates of deposit with an original maturity of three months or less to be cash equivalents.

K. Accounts Receivable

Accounts receivables are stated at the amount management expects to collect from outstanding balances.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Supplemental Cash Flow Information

Cash paid for interest for the years ended June 30, 2009 and 2008 was \$4,512 and \$2,898 respectively.

M. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

N. Minor Reclassifications

Minor reclassifications have been made to the prior year financial statements to make them comparable to the current year presentation.

NOTE 3 - FURNITURE AND EQUIPMENT

Furniture and Equipment consisted of the following at June 30:

	<u>2009</u>	<u>2008</u>
Furniture and Equipment	\$ 159,036	\$ 145,909
Less: Accumulated Depreciation	<u>(76,701)</u>	<u>(53,889)</u>
NET FURNITURE AND EQUIPMENT	<u>\$ 82,335</u>	<u>\$ 92,020</u>

NOTE 4 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets as of June 30, consist of the following:

	<u>2009</u>	<u>2008</u>
Youth Development	\$ 10,972	\$ 74,145
Healthcare	82,094	1,164
Early Childhood Education	39,436	-
Total	<u>\$ 132,502</u>	<u>\$ 75,309</u>

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 5 - LEASES

The Coalition leases its network server and an ultra sound machine under capital leases. The phone system, which is also recorded as a capital lease ended on August 8, 2008, when the terms of the lease were satisfied. The economic substance of these leases is that the Coalition is financing the acquisition of these assets through the leases and accordingly, they are recorded as assets and the lease is recorded as a liability.

The following is an analysis of the leased asset included in furniture and equipment at June 30:

	<u>2009</u>	<u>2008</u>
Equipment Under Capital Lease	\$ 35,105	\$ 35,105
Less: Accumulated Depreciation	<u>(17,106)</u>	<u>(11,420)</u>
Total	<u>\$ 17,999</u>	<u>\$ 23,685</u>

The future minimum lease payments under the capital leases and the net present value of the future minimum lease payments at June 30, 2009 are as follows:

Total minimum lease payments	\$ 20,370
Amount representing interest	<u>(4,832)</u>
Present value of net minimum lease payments	15,538
Current portion	6,426
Long-term capital lease obligation	<u>\$ 9,112</u>

The Coalition leases its copy machine under a noncancelable operating lease expiring in 2012. The Coalition leases office space under a lease that was signed and commenced on July 12, 2007 with a term of 85 months.

The minimum rental under all leases having an initial or remaining term in excess of one year from June 30, 2009, are approximated as follows:

<u>Year Ending</u>	<u>Amount</u>
2010	54,000
2011	54,000
2012	54,000
2013	54,000
2014	54,000
2015	31,500
Total	<u>\$ 301,500</u>

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 5 – LEASES – CONTINUED

Total lease and rent expense for the year ended June 30, 2009 and 2008, was \$70,338 and \$95,094 which includes In-Kind contributions of office space and meeting rooms of \$9,000 and 23,536 respectively.

NOTE 6 – FINANCIAL INSTRUMENTS

CONCENTRATIONS OF CREDIT RISK

The Coalition has concentrated credit risk for cash by maintaining deposits in one bank. A June 30, 2009 and 2008 there were no deposits in excess of the deposit liabilities reported by the bank over the amount that would have been covered by federal insurance.

COLLATERALIZATION POLICY

The Companies do not require collateral to support financial instruments subject to credit risk unless otherwise disclosed

NOTE 6 – NOTES PAYABLE

The Coalition has an agreement with a financial institution for a \$200,250 line of credit to be available to the Coalition. The principal balance outstanding June 30, 2009 and 2008, was \$20,575 and \$84,348.

The Coalition's obligation under this note payable consists of the following:

The interest rate on this Note is subject to change from time to time based on changes in an independent index which is the New York Prime. The index currently is 3.250% per annum. The Coalition will pay this loan in full immediately upon demand. If no demand is made, the Coalition will pay this loan in one payment of all outstanding principal plus all accrued unpaid interest on July 29, 2010. The Coalition will pay regular monthly payments of all accrued unpaid interest due as of each payment date.

NOTE 7 - DISCLOSURES ABOUT CONCENTRATIONS

The Coalition receives the majority of its revenue in the form of grants from various Federal and State agencies. These grants are subject to review by the grantor agencies, which could result in disallowed costs, and there are no guarantees as to future funding.

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2009

NOTE 8 – RISK OF LOSS

The Coalition is exposed to a variety of risks that may result in losses. These risks may include possible loss from acts of God, injury to employees, property damage, or breach of contract. The Coalition finances these potential losses through purchasing insurance. The level of coverage has remained constant.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated subsequent events as of December 28, 2009, the date the financial statements were available to be issued and has determined that no events had occurred which required disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

THE CHILDREN'S COALITION FOR NORTHEAST LOUISIANA, INC.

SCHEDULE OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2009

	Unrestricted		Temporarily Restricted								
	Undesignated	Designated	DHH		Teen Screen		DSS		DSS		
	General	School Readiness Tax Credit	OAD	M	Garrett	Lee Smith	Referral	Training	Technical Assistance	Tulane MH	
Fund Balance July 1, 2008	\$ 43,907	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	94,759	35,200	99,386	103,066	133,452	15,000	124,340	130,657	259,523	149,987	69,177
Expenditures	(181,548)	-	(97,544)	(98,571)	(130,049)	(12,568)	(121,229)	(128,356)	(147,175)	(148,736)	(69,590)
Net Income (Loss)	(86,789)	35,200	1,842	4,495	3,403	2,432	3,111	2,301	112,348	1,251	(413)
Capital and Other Transfers	142,282	(6,030)	(1,842)	(4,495)	(3,403)	(2,432)	(3,111)	(2,301)	(112,348)	(1,251)	413
Fund Balance June 30, 2009	\$ 99,400	\$ 29,170	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See auditors' report.

Temporarily Restricted

Tulane RA	OPH FIMR	Sisters of Charity	Blue Cross Blue Shield	Tobacco Free Living	ULL Coordinated Schools	Monroe City Schools	Hurricane Relief Services	JPMorgan Chase	Living Well Foundation	Workforce Investment Board	LA CTF	Total Restricted	Total
\$ -	\$ -	\$ 74,145	\$ 1,164	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	75,309	\$ 119,216
1,438	39,813	-	-	19,270	75,000	31,147	5,840	46,500	56,092	9,921	8,405	1,378,014	1,507,973
(1,050)	(37,302)	(63,173)	-	(18,652)	(43,956)	(31,146)	(6,280)	(7,064)	(3,888)	(9,065)	(9,175)	(1,184,569)	(1,366,117)
388	2,511	(63,173)	-	618	31,044	1	(440)	39,436	52,204	856	(770)	193,445	141,856
(388)	(2,511)	-	(1,164)	(618)	(1,154)	(1)	440	-	-	(856)	770	(136,252)	-
\$ -	\$ -	\$ 10,972	\$ -	\$ -	\$ 29,890	\$ -	\$ -	\$ 39,436	\$ 52,204	\$ -	\$ -	\$ 132,502	\$ 261,072

THE CHILDREN'S COALITION FOR NORTHEAST LOUISIANA, INC.

SCHEDULE OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008

	UNRESTRICTED	Temporarily Restricted								
	General	DHH-OAD	DHH-M	DHH Teen Screen	Teen Screen Progressive	Teen Screen Garrett Lee Smith	DSS-PE	DSS Resource & Referral	DSS Training	DSS Technical Assistance
Fund Balance July 1, 2007	\$ 86,828	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Income	127,699	90,587	95,990	129,456	19,412	15,000	105,171	132,654	168,303	80,562
Expenditures	(203,752)	(88,530)	(94,622)	(131,624)	(8,868)	(15,000)	(105,312)	(129,417)	(135,325)	(107,826)
Net Income (Loss)	(76,053)	2,057	1,368	(2,168)	10,544	-	(141)	3,237	32,978	(27,264)
Capital and Other Transfers	33,132	(2,057)	(1,368)	2,168	(10,544)	-	141	(3,237)	(32,978)	27,264
Fund Balance June 30, 2008	\$ 43,907	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

See auditors' report.

Temporarily Restricted

Office Of Youth Development	Tulane MH	Tulane RA	OPH FIMR	House Bill 1	Sisters of Charity	Wal Mart 21st Century	March Of Dimes	Blue Cross Blue Shield	LA CTF	Total Restricted	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,660	\$ -	\$ -	\$ 8,766	\$ 4,837	\$ 40,263	\$ 127,091
14,897	63,625	11,840	40,302	22,686	121,000	1,000	13,366	10,000	9,696	1,145,547	1,273,246
(15,087)	(61,717)	(10,061)	(40,444)	(22,341)	(73,515)	(1,000)	(9,382)	(17,602)	(9,696)	(1,077,369)	(1,281,121)
(190)	1,908	1,779	(142)	345	47,485	-	3,984	(7,602)	-	68,178	(7,875)
190	(1,908)	(1,779)	142	(345)	-	-	(3,984)	-	(4,837)	(33,132)	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,145</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,164</u>	<u>\$ -</u>	<u>\$ 75,309</u>	<u>\$ 119,216</u>

OTHER INDEPENDENT AUDITORS' REPORT

MARTIN, HARRISON & SMALLWOOD, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

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302 DEPOT STREET, SUITE A - DELHI, LA 71232 - (318) 878-5573

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

December 22, 2009

The Board of Directors
Children's Coalition for Northeast Louisiana, Inc.
Monroe, Louisiana

We have audited the financial statements of the Children's Coalition for Northeast Louisiana, Inc. (a non-profit corporation) as of and for the years ended June 30, 2009 and 2008, and have issued our report thereon dated December 22, 2009. 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 General of the United States; and the Louisiana Governmental Audit Guide, issued by the Louisiana Society of Certified Public Accountants and the Louisiana Legislative Auditor.

Internal Control Over Financial Reporting

In planning and performing our audits, we considered the Corporation's internal control over financial reporting as a basis for designing our auditing procedures 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 Corporation's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management and employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Corporation's financial statements that is more than inconsequential will not be prevented or detected by the Corporation's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Corporation's internal control.

The Board of Directors
Children's Coalition for Northeast Louisiana, Inc.
December 22, 2009
Page Two

Our consideration of internal control over financial reporting was for the limited purpose described in the second paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Children's Coalition for Northeast Louisiana, Inc.'s financial statements are free of 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.

This report is intended solely for the information and use of the board of directors, management, and the agencies granting funds to the Corporation, others within the entity, the Legislative Auditor of the State of Louisiana and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 23:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Marten, Harrison & Smallwood, LLP