

**THE BEACON COUNCIL ECONOMIC DEVELOPMENT FOUNDATION, INC.
D/B/A THE BEACON COUNCIL FOUNDATION**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2014 AND 2013



THE BEACON COUNCIL ECONOMIC DEVELOPMENT FOUNDATION, INC.
D/B/A THE BEACON COUNCIL FOUNDATION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Beacon Council Economic Development Foundation, Inc.
d/b/a The Beacon Council Foundation

Report on the Financial Statements

We have audited the accompanying financial statements of The Beacon Council Economic Development Foundation, Inc., d/b/a The Beacon Council Foundation (a Florida not-for-profit corporation), which comprise the statements of financial position as of September 30, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, 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 statements 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 statements.

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 statements referred to above present fairly, in all material respects, the financial position of The Beacon Council Economic Development Foundation, Inc. d/b/a The Beacon Council Foundation as of September 30, 2014 and 2013, 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.

Morrison, Brown, Argiz & Farra

Miami, Florida
April 2, 2015

An Independent Member of Baker Tilly International

**THE BEACON COUNCIL ECONOMIC DEVELOPMENT FOUNDATION, INC.
D/B/A THE BEACON COUNCIL FOUNDATION**

STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30,

ASSETS	2014	2013
Cash	\$ 345,048	\$ 155,653
TOTAL ASSETS	\$ 345,048	\$ 155,653
LIABILITIES AND NET ASSETS		
LIABILITIES		
Due to The Miami-Dade Beacon Council, Inc.	\$ 10	\$ 10
TOTAL LIABILITIES	10	10
NET ASSETS		
Unrestricted	149,075	155,643
Temporarily restricted	195,963	-
TOTAL NET ASSETS	345,038	155,643
TOTAL LIABILITIES AND NET ASSETS	\$ 345,048	\$ 155,653

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

**THE BEACON COUNCIL ECONOMIC DEVELOPMENT FOUNDATION, INC.
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STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED SEPTEMBER 30,

	2014			2013		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
REVENUES AND OTHER SUPPORT						
Contributions	\$ -	\$ 300,934	\$ 300,934	\$ -	\$ 35,000	\$ 35,000
Grant from The Miami-Dade Beacon Council, Inc	-	-	-	150,000	-	150,000
Other income	-	-	-	300	-	300
Net assets released from restrictions	104,971	(104,971)	-	35,000	(35,000)	-
TOTAL REVENUES AND OTHER SUPPORT	104,971	195,963	300,934	185,300	-	185,300
EXPENSES						
Program expenses:						
One Community One Goal	104,971	-	104,971	27,379	-	27,379
Support Services:						
Management and general	6,568	-	6,568	175	-	175
TOTAL EXPENSES	111,539	-	111,539	27,554	-	27,554
CHANGE IN NET ASSETS	(6,568)	195,963	189,395	157,746	-	157,746
NET ASSETS (DEFICIT), beginning of year	155,643	-	155,643	(2,103)	-	(2,103)
NET ASSETS, end of year	\$ 149,075	\$ 195,963	\$ 345,038	\$ 155,643	\$ -	\$ 155,643

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

**THE BEACON COUNCIL ECONOMIC DEVELOPMENT FOUNDATION, INC.
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STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30,

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 189,395	\$ 157,746
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Grant from The Miami-Dade Beacon Council, Inc.	-	(150,000)
NET CASH PROVIDED BY OPERATING ACTIVITIES	189,395	7,746
CASH FLOWS FROM FINANCING ACTIVITIES:		
Due to The Miami-Dade Beacon Council, Inc.	-	(10,383)
NET CASH USED IN FINANCING ACTIVITIES	-	(10,383)
NET INCREASE (DECREASE) IN CASH	189,395	(2,637)
CASH, BEGINNING OF YEAR	155,653	158,290
CASH, END OF YEAR	\$ 345,048	\$ 155,653

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

**THE BEACON COUNCIL ECONOMIC DEVELOPMENT FOUNDATION, INC.
D/B/A THE BEACON COUNCIL FOUNDATION**

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

1. NATURE OF OPERATIONS

The Beacon Council Economic Development Foundation, Inc. d/b/a The Beacon Council Foundation (the "Foundation"), formerly known as The Dade County Economic Research Foundation, Inc. is a tax-exempt, not-for-profit organization created on August 6, 1986 in the state of Florida to implement a county-wide strategic plan for economic development. The Foundation serves as a sales, marketing and research organization in conjunction with local chambers of commerce and economic development groups to promote the economic development of Miami-Dade County, Florida.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting and presented in accordance with an accounting standard issued by the Financial Accounting Standards Board ("FASB"). The Foundation reports its three types of net assets as follows:

Unrestricted - Net assets which are neither permanently nor temporarily restricted by donor-imposed stipulations.

Temporarily Restricted - Net assets whose use by the Foundation is limited by donor-imposed stipulations that either expire by the passage of time or that can be fulfilled or removed by actions of the Foundation pursuant to those stipulations. Temporarily restricted net assets as of September 30, 2014 were approximately \$196,000 and consist of cash received restricted for use in specific programs. There were no temporarily restricted net assets as of September 30, 2013.

Permanently Restricted - Net assets whose use by the Foundation is limited by donor-imposed stipulations that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Foundation. There were no permanently restricted net assets as of September 30, 2014 and 2013.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") 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.

Concentration of Credit Risk

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash. The Foundation limits its exposure by placing its cash with high quality financial institutions. At times, cash deposits may be in excess of the Federal Deposit Insurance Corporation ("FDIC") insured limits. The Foundation has not experienced losses on its cash.

Significant Donors

In 2014, three donors accounted for 70% of total revenues and support. In 2013, one donor accounted for 81% of total revenues and support.

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NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tax Status

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation recognizes and measures tax positions based on their technical merit and assesses the likelihood that the positions will be sustained upon examination based on the facts, circumstances and information available at the end of each period. Interest and penalties on tax liabilities, if any, would be recorded in interest expense and other non-interest expense, respectively.

The U.S. Federal jurisdiction is the major tax jurisdiction where the Foundation files informational tax returns. The Foundation is generally no longer subject to U.S. Federal examinations by tax authorities for fiscal years before 2011.

Contributions

The Foundation recognizes contributions received as revenue in the period received. The Foundation considers all contributions to be available for unrestricted use unless they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as "net assets released from restrictions."

Donated Services

Board members and volunteers have donated significant time to the Foundation's activities. However, the value of these services is not reflected in the accompanying financial statements, since such services are not the type that would qualify for recognition.

Recent Accounting Pronouncement

Services Received from Personnel of an Affiliate

In April 2013, the FASB issued an accounting standard update which requires not-for-profit entities to apply similar recognition and measurement bases for services received from personnel of an affiliate that directly benefit the recipient not-for-profit entity and for which the recipient not-for-profit entity is not charged by the affiliate. The update requires that those services be measured at the cost recognized by the affiliate for the personnel providing those services unless such measurement would significantly overstate or understate the value of the service received, in which case the recipient not-for-profit entity may elect to recognize such services at the fair value of the service. The update is effective prospectively for fiscal years beginning after June 15, 2014, and interim periods thereafter, with early adoption permitted. The Foundation is currently evaluating the effect the update will have on its financial statements.

Subsequent Events

The Foundation has evaluated subsequent events through April 2, 2015, which is the date the financial statements were available to be issued.

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NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2014 AND 2013

3. DUE TO THE MIAMI-DADE BEACON COUNCIL, INC.

The Foundation conducts business with its affiliate, The Miami-Dade Beacon Council, Inc. (the "Council"). The Council is a separate entity and is tax exempt under Section 501(c)(6) of the Internal Revenue Code. During the years ended September 30, 2014 and 2013, the Council advanced certain funds to the Foundation primarily to cover program expenses for the One Community One Goal Program (NOTE 4).

On April 15, 2011, the Foundation executed a promissory note with the Council in the amount of \$150,000. On July 19, 2013, the Board of Directors of the Council resolved to convert the promissory note to a grant for the Foundation. Due to The Miami-Dade Beacon Council, Inc. consists of short-term advances for operating expenses of \$10 at September 30, 2014 and 2013.

4. ONE COMMUNITY ONE GOAL

During the year ended September 30, 2011, the Foundation launched a new program, the One Community One Goal Targeted Industry Study for Miami-Dade County. The project identified and prioritized the target industries and required education programs which would have the best chance of creating the new jobs needed in the future for Miami-Dade County. Education and training was the foundation of the program and the study would also provide findings to integrate with all local economic development plans including the Economic Element of the Miami-Dade County Comprehensive Plan and the Economic Development portion of the Miami-Dade County Strategic Plan. The project included six elements; Research and Strengths, Weaknesses, Opportunities and Threats Analysis, Community and Business Input and Interviews, Inventory of Education Assets, Prioritization of Target Industries and the Publication of the Final Report and Recommendations.

During 2012, the study was completed and "rolled-out" to stakeholders and other community partners in the project. The Foundation entered the second phase of the project contingent upon the success of the study and securing additional funding.

During 2014 and 2013, the Foundation has been presenting the study to stakeholders and other community partners. During the years ended September 30, 2014 and 2013, the Foundation incurred expenses of approximately \$105,000 and \$27,000, respectively, for the One Community One Goal program.