

# Annual Report

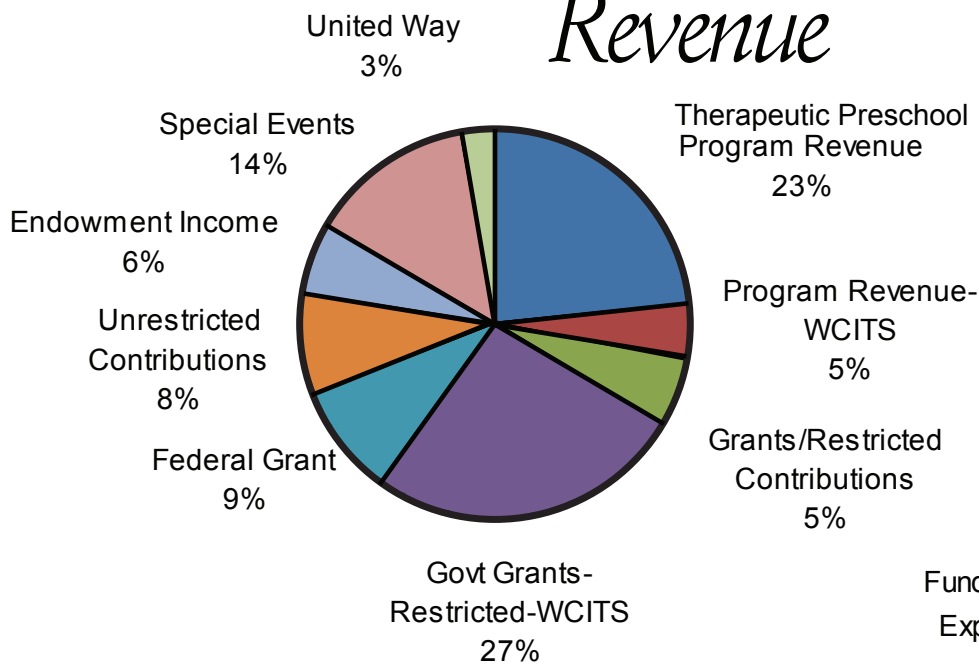
The charts presented are based on the audited financials for Children's TLC for the 2010 fiscal year (September 1, 2009 to August 31, 2010.) The complete audit report is available upon request.

The Agency's financial results for fiscal year 2010 reflected a 63% decrease in the net operating loss from the previous year. Agency-wide cost controls resulted in a 15% decrease in expenses for the year. The Agency achieved a \$214,551 reduction in bad debt expense -- an 82% improvement from the previous year. The investment in the new billing software, along with personnel turnover, provided efficiencies such as electronic billing and overall improvement in the billing and collection processes. Salary and benefits decreased 6% for the year, attributable to better utilization of personnel resources and eliminating one position.

While total revenue dipped slightly in fiscal 2010, the agency did receive significant increases in categorical aid and grants from the State of Kansas. In addition, the Agency received \$207,458 in Head Start and Early Head Start funding for the last 8 months of the fiscal year.

Financial markets continued to fluctuate in fiscal year 2010 but showed an overall improvement after the dramatic decline during fiscal year 2009. The financial audit for Children's TLC reflected realized losses of (\$90,078) that were offset with unrealized gains of \$235,161 in the Stepladder Endowment. The revenue chart shown below reflects the net increase in market value as well as \$55,409 in interest and dividends. These trends continued in fiscal year 2011, and as of August 31, 2011, the market value of the Endowment had improved by an additional \$236,744.

## Revenue



## Expenses

