

**STATE OF FLORIDA
BOARD OF ACCOUNTANCY**

**IN RE: PETITION FOR VARIANCE BY
CRAIG HARRINGTON**

FILED	
Department of Business and Professional Regulation Deputy Agency Clerk	
CLERK	Brandon Nichols
Date	6/2/2011
File #	2011-03789

VW 2011-064

ORDER

Petitioner, Craig Harrington, filed a petition for a permanent variance from Rule 61H1-27.0041(2), Florida Administrative Code (FAC), on March 28, 2011. The notice of the petition appeared in the Florida Administrative Weekly on April 15, 2011, in Volume 37 Number 15; no comments by interested persons were received. The petition was heard at a duly-noticed meeting of the Board of Accountancy held on May 6, 2011, in Tampa, Florida. At the hearing on this matter, Petitioner was present and the Board was represented by Mary Ellen Clark, Assistant Attorney General.

STATEMENT OF RELEVANT FACTS

The facts relevant to the petition are as follows:

1. After completing all required education, examinations, and training, Petitioner was admitted to the South African Institute of Chartered Accountants on July 28, 1994. Petitioner applied for licensure as a Florida certified public accountant (CPA) in March, 2010, and passed the fourth portion of the CPA examination in or around November 2010.

2. Section 473.308(4), Florida Statutes (FS), provides that an applicant for licensure must show one year of eligible work experience (applicants who passed the examination on or before June 30, 2010, were exempt from this requirement). Rule 61H1-27.0041, FAC, specifies the manner in which the one year of work experience must be documented.

3. Rule 61H1-27.0041(2), FAC, provides in part that "one year of work experience~

shall be held and understood to mean the rendition of services such as are customarily performed by full-time, regularly employed staff employees of a certified public accountant during the normal workweek as required by the employing certified public accountant, commencing after the completion of the educational requirements set forth in subsection 61H1-27.002(3), F.A.C."

4. While not presently working under the supervision of a CPA, Petitioner worked seventeen years in the financial/accounting field. He completed his training in South Africa under the supervision of a CPA at Deloitte & Touche from 1989-1994. He worked in the United States for twelve years as a Financial Manager for two different corporations, which included working closely with the CPAs who reviewed the financial activities and prepared the corporations' tax returns.

5. Petitioner seeks a permanent variance from Rule 61H1-27.0041(2), FAC, to the extent necessary for the Board to find that the supervision requirements have been met and that he has met the one year work experience requirement for licensure.

Grounds for Approval

The Board determined that the petition for variance should be granted on the following grounds:

6. Petitioner established that the purpose of the underlying statute, Section 473.308(4)(a), FS, would be met were he to be granted a variance from the rule.

7. Petitioner further established that the Board's application of Rule 61H1-27.0041(2), FAC, to his circumstances would violate principles of fairness and would impose a substantial hardship on him.

It is therefore **ORDERED** that the petition be **GRANTED**.

This Order shall become effective upon filing with the Clerk of the Department of Business and Professional Regulation.

DONE AND ORDERED this 27th day of May, 2011,
by the Florida Board of Accountancy.


Veloria A. Kelly, Division Director ✓

NOTICE TO APPLICANT

You may seek review of this Order, pursuant to Sections 120.569 and 120.57, Florida Statutes, by filing a petition with the Division Director of the Board, 240 Northwest 76th Drive, Suite A, Gainesville FL 32607, within 21 days of receipt of this Order. If you dispute any material fact upon which the Board's decision is based, you may request a hearing before an administrative law judge pursuant to Section 120.57(1), FS; your petition must contain the information required by Rule 28-106.201, FAC, a copy of which is enclosed, including a statement of the material facts which are in dispute. If you do not dispute any material fact, you may request a hearing before the Board pursuant to Section 120.57(2), FS; your petition must include the information required by Rule 28-106.301, FAC, a copy of which is enclosed. If you request a hearing, you have the right to be represented by an attorney or other qualified representative, to take testimony, to call or cross-examine witnesses, to have subpoena and subpoena duces tecum issued, and to present written evidence or argument.

Pursuant to Section 120.573, FS, you are hereby notified that mediation pursuant to that section is not available.

Certificate of Service

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by U.S. Certified Mail to Craig Harrington, 547 97th Avenue N, Naples, Florida 31408; and to F. Scott Boyd, Executive Director, Joint Administrative Procedures Committee, Room 120 Holland Building, Tallahassee, Florida 32399-1300, and Mary Ellen Clark, Assistant Attorney General, PL-01, The Capitol, Tallahassee, Florida 32399-1050 this 2nd day of June, 2011.

Brandon M. Nichols

U.S. Postal Service CERTIFIED MAIL RECEIPT <small>(Domestic Mail Only. No Insurance Coverage Provided)</small>	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage \$	Postmark Here
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees \$	
Sent to <u>Craig Harrington</u>	
Street, Apt. No., or PO Box No.	
City, State, ZIP+4	
PS Form 3800, August 2005	
See Reverse for Instructions	

FILED

Department of Business and Professional Regulation

Deputy Agency Clerk

CLERK Brandon Nichols

Date 3/28/2011

File #

Amended**PETITION FOR WAIVER FROM RULE 61H1-27.0041(1) (b) and RULE 61H1-27.0041(2), FAC****Petitioner Information:**

Craig Charles Harrington
547 87th Avenue N
Naples FL 34108
Ph: (239) 450-2747
Fax (239) 261 4015

VW 2011-064**Attorney Information:**

Not Applicable

Applicable portions of the rule:**61H1-27.0041(1) (b) One Year of Work Experience:**

"Supervised" and "supervision" the subjection of the applicant, during employment, to oversight, guidance and evaluation by a supervisor who had the right to control and direct the applicant as to the result to be accomplished by the work and also as to the means by which the result was to be accomplished "

61H1-27.0041(2) One Year of Work Experience:

"One year of work experience shall be held and understood to mean the rendition of services such as are customarily performed by full-time, regularly employed staff employees of a certified public accountant during the normal workweek as required by the employing certified public accountant, commencing after the completion of the educational requirements set forth in subsection 61H1-27.002(3), FAC. The experience must either average at least twenty (20) hours a week over no more than one hundred and four (104) weeks or average no more than forty (40) hours a week over no more than fifty-two (52) weeks. Reasonable vacation time and sick leave or other required absences may be permitted. The supervisor, in her or his report to the Department, shall certify that the applicant rendered such services as are customarily performed by full-time, regularly employed staff employees for a minimum of 2000 hours gained over a period of not less than fifty-two (52) or more than one hundred and four (104) weeks. The sequence of the experience is considered immaterial, that is, whether the experience was secured before or after taking the examination, or partly before the examination and partly after the examination, provided the two periods combined equal at least one year."

The statute the rule is implementing:

Section 473.308(4a), FS

Type of action requested:

The petitioner requests that the Board of Accountancy please waive Rule 61H1-27.0041(1) (b), FAC and Rule 61H1-27.0041(2), FAC

Specific facts that demonstrate a substantial hardship:

These rules require one year of work experience under the supervision of a licensed certified public accountant or a chartered accountant. The strict application of these rules, however, would cause unintended results, I would have to leave my current place of employment as Financial

Manager of Fun Time Early Childhood Academy, Inc because the Academy is not in a position to employ a certified public accountant to supervise me. I was employed by Fun Time in October 2008. A major reason why Fun Time employed me was to utilize my experience and skills to bring the accounting function in-house. This entailed the implementation of an accounting system and internal controls to ensure that a reliable accounting system is operating in the business. I completed the educational requirements for licensure in April 2010 and since then I have continued to work in my current position at Fun Time. I have been happily employed at Fun Time and I still have a great deal more to offer Fun Time in the development of their financial systems. Leaving my current employer to find a position under a CPA would likely mean a reduction in pay. This would cause a substantial economic hardship to me. It would also result in Fun Time not being able to continue the development of their financial systems.

The reason why the waiver would serve the specific purposes of the underlying statute:

The AICPA and the NASBA have urged each jurisdiction to revise its laws in order to bring about uniformity in licensing and regulating the public accounting profession. In doing so, the one year work experience rule, which allows for a CPA licensure candidate to gain practical knowledge of the field, was passed in the State of Florida. I believe that the length of time that I have been working in the field and the level at which I work accomplish what the one year work experience rule is trying to achieve.

I was admitted to the South African Institute of Chartered Accountants as a Chartered Accountant (South Africa) on July 28, 1994 after passing the Qualifying Examination and having completed the period of practical training prescribed by the Independent Regulatory Board for Auditors. My training contract (Number 388564) was completed from April 1, 1989 to November 4, 1992 during my employment at Deloitte & Touche. My work at Deloitte & Touche was supervised by numerous Chartered Accountants who were licensed with the South African Institute of Chartered Accountants.

Attached is my Confirmation of Completion of the Training Contract (Attachment 1) and my Confirmation of Examination Requirement (Attachment 2) issued by the Independent Regulatory Board for Auditors, a letter of service from Deloitte & Touche (Attachment 3), my certificate from the Public Accountants' and Auditors' Board (Attachment 4) certifying that I passed the Qualifying Examination and completed the required period of training and my Certificate of Membership (attachment 5) from the South African Institute of Chartered Accountants.

After leaving Deloitte & Touche I was employed as the Financial Director at Constantia Greetings (Pty) (Ltd) before being transferred within the group to the position of Project Accountant. The period covered by these positions was from April 1994 to December 1997.

After arriving in the United States I worked as Financial Manager for Designers' Rug Center, Inc. Designers' Rug Center could not employ a certified public accountant to supervise me. My job duties during my nine years of employment at Designers' Rug Center are outlined in the letter from Christopher Smith (Attachment 6), the President of Designers' Rug Center. I worked closely with the firm's accountants. A letter of reference from Paul Stepler (Attachment 7) is attached.

I have also worked as an independent contractor performing accounting services for a number of businesses, both domestic and foreign. At both corporations I worked closely with the certified public accountant who reviewed the financial activities and prepared the corporations' tax returns. A letter from Robert DiBenedetto, the accountant of Wheelbase Investments Ltd, Creative Interlocking, Inc. and International Flooring Consultants, LLC is attached (Attachment 8).

A job description for my position at Fun Time Early Childhood Academy, Inc. (Attachment 9) is attached. A letter from Ms. Amy Cooper, the partner on the Fun Time audit is attached (Attachment 10). I have also provided the management letters from the two audits I assisted in at Fun Time (Attachments 10 & 11). An unqualified audit opinion was issued for both audits.

The attachments from the Independent Regulatory Board for Auditors, the Public Accountants' and Auditors' Board and the South African Institute of Chartered Accountants' confirm that I have satisfied their academic and their training requirements. Satisfying the deficiency that the Board of Accountancy levied against me in March 2008 and passing the Uniform CPA Examination in November 2010 confirm that I have satisfied the Board of Accountancy's academic requirements for licensure. The letters from my previous employers and the certified public accountants speak to my level of experience in the accounting profession and show that I routinely render services that are customarily performed by a certified public accountant. I believe that the length of time that I have been working in the accounting field, twenty-one years of which seventeen have been worked after qualifying as a Chartered Accountant (South Africa), and the level at which I work accomplish what the one year work rule experience rule is trying to achieve. Lastly please consider the fact that I passed the Uniform CPA Examination in November 2010, a mere five months after June 30, 2010, the date given in the in the licensure memorandum.

Petitioner Statement

The petitioner seeks a permanent waiver from Rule 61H1-27.0041(1) (b), FAC and Rule 61H1-27.0041(2), FAC.

Dated this 24th day of March, 2011.

Craig Harrington

From: Fun Time Academy

239 261 4015

Fax.

Mar 28 2011 02:57pm P006/028

03/26/2011 16 31

#781 P 005/027



Attachment 1

Building 2 Greenstone Hill Office Park Emerald Boulevard Modderfontein
PO Box 751595 Garden View 2047 Johannesburg South Africa
Tel 087 940 8800 Fax 087 940 8873 E-mail board@irba.co.za
Dokax 158 Johannesburg Internet www.irba.co.za

STATE OF FLORIDA
COUNTY OF Collier

On this 22 day of Mar, 20 11, I attest that the preceding or
attached document is a true, exact, complete, and unaltered
photocopy made by me of (description of document)
presented to me by the document's custodian.

Craig Harrington, and, to the best of my
knowledge, that the photocopied document is neither a public
record nor a publicly recordable document, certified copies of
which are available from an official source other than a
notary public

10 Jan 2011

Ref no E1 11-38

Franny Kain

NOTARY PUBLIC-STATE OF FLORIDA
Franny Kain
Commission #DD698203
Expires: JULY 24, 2011
BONDED THROUGH ATLANTIC BONDING CO., INC.

To Whom It May Concern

CONFIRMATION OF COMPLETION OF THE TRAINING CONTRACT

Training Contract Number: 388564

This serves to confirm that Craig Charles Harrington served under a training contract
registered with the Independent Regulatory Board for Auditors (IRBA) from the
01 April 1989 to 04 November 1992.

Having completed the period of the practical training prescribed by IRBA, this candidate
has successfully fulfilled the training contract requirements. Kindly note that this does not
necessarily imply that Craig has completed all of the education and examination
requirements to be met for registration as a Registered Auditor (RA). These aspects may
be confirmed in writing separately

Yours faithfully

Mmatsie Mpshane

Mmatsie Mpshane
Professional Manager: Education, Training and Professional Development

From: Fun Time Academy

239 261 4015

Fax.

Mar 28 2011 02:57pm P007/028

03/26/2011 16:31

#781 P 008/027



Ernest Oppenheimer
Avenue
Brynar, Johannesburg
Tel: 011 622 8533
Fax: 011 622 4029
PO Box 51595
Gordon View 2047
Johannesburg
Doxes 158 Johannesburg
Email: board@irba.co.za
Web: www.irba.co.za

Attachment 2.

Ref: E1-11-38
15 November 2007

To Whom It May Concern

CONFIRMATION OF EXAMINATION REQUIREMENT

Index No. 1463

This serves to confirm that Craig Charles Harrington has successfully passed the following examinations prescribed by the Independent Regulatory Board for Auditors (IRBA):

Qualifying Examination – Part I : **March 1994**

Qualifying Examination – Part II : **March 1994**

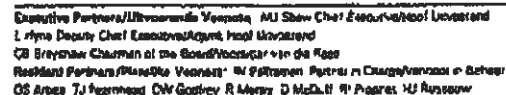
Yours faithfully


Shirley Ferndale
Professional Manager
Education, Training and Professional Development

NOTARY PUBLIC, STATE OF FLORIDA
Fanny Kain
Commission #DD698263
Expires JULY 24, 2011
BORDO T. EV. ATLANTIC MARITIME CO., INC.

STATE OF FLORIDA
COUNTY OF Collier

On this 24 day of Mar, 2011, I attest that the preceding or attached document is a true, exact, complete, and unaltered photocopy made by me of (description of document) presented to me by the document's custodian, Craig Harrington, and, to the best of my knowledge, that the photocopied document is neither a public record nor a publicly recordable document, certified copies of which are available from an official source other than a notary public.



Attachment 4

STATE OF FLORIDA
COUNTY OF Collier

On this 12 day of Mar 2011, I attest that the preceding or attached document is a true, exact, complete, and unaltered photocopy made by me of (description of document) presented to me by the document's custodian.

Craig Harrington and, to the best of my knowledge, that the photocopied document is neither a public record nor a publicly recordable document, certified copies of which are available from an official source other than a notary public

NOTARY PUBLIC-STATE OF FLORIDA
Franny Kain
Commission # DD698203
Expires JULY 24, 2011
BONDED THRU ATLANTIC BONDING CO, INC.

Public Accountants' & Auditors' Board

This is to certify that

Craig Charles Harrington
in

.... June 1994 ..
passed

the Qualifying Examination and completed the
required period of practical training

in November ... 1992

as prescribed by the
Public Accountants' and Auditors' Board in terms
of the provisions of the Public Accountants'
and Auditors' Act, 1991.

Given under our hands this. ...10 day of

..... June 1994 ..



NO4885

Chairman

Director

Attachment S.



The South African Institute of Chartered Accountants

Certificate of Membership



CA (SA)

*This is to recognise that***Craig Charles Harrington***is a member of the Institute and became entitled to the
designation Chartered Accountant (SA) in***1994***Given under the Common Seal of the Institute*

Executive President



Chairman

Sealed & signed in accordance with the
by-laws of the Institute of Chartered Accountants
of South Africa, and the Seal of the Institute
is now in the custody of the Executive President
at the offices of the Institute, Johannesburg

STATE OF FLORIDA
COUNTY OF Collier

On this 22 day of Mar 2011, I attest that the preceding or
attached document is a true, exact, complete, and unaltered
photocopy made by me of (description of document)
presented to me by the document's custodian,
Craig Harrington, and, to the best of my
knowledge, that the photocopied document is neither a public
record nor a publicly recordable document, certified copies of
which are available from an official source other than a
notary public

NOTARY PUBLIC-STATE OF FLORIDA
Franny Kain
Commission #DD698203
Expires: JULY 24, 2011
ROCKWELL SECURITIES ATLANTIC BROKERS CO., INC.



Southwest Florida's Premier Rug Source

Attachment 6

March 22, 2011

Ms Vctoria Kelly
Division Director
Florida Board of Accountancy
140 N.W. 76th Drive, Suite A
Gainesville FL 32607
Fax 352-333-2508

Dear Ms. Kelly,

My partner and I opened Designers' Rug Center in Tampa Florida in 1992. In 1993 I decided to expand the operation and opened a second store in Naples Florida. I was based in Tampa and appointed a manager in the Naples store. I traveled to Naples at least three times a week to assist in the store's operations. In 1994 I decided to close the Tampa store, move to Naples and expand the operation in South West Florida. A building was purchased and renovated and Designers' Rug Center moved into the store in 1997.

Designers' Rug Center was growing very rapidly. The financial side of the business was being operated by a bookkeeper and her work was being reviewed by certified public accountant. The accountant prepared the monthly financial statements. As the company continued to grow my partner and I realized that a financial controller/administrative controller would be needed in the business.

I had worked with Craig Harrington in South Africa when we were teaching at the same high school. Craig had left teaching and had returned to university on a part-time basis to complete his Bachelor of Commerce and his Honors Bachelor of Accounting Science. He wrote and passed the Public Accountants' and Auditors' Board Qualifying Examination and was admitted to the South African Institute of Chartered Accountants as a Chartered Accountant (South Africa) in July 1994.

Craig had the financial and administrative skills that Designers' Rug Center required. I started the process to obtain an H1B1 visa to enable Craig to work in the United States. The Immigration and Naturalization Service issued the approval notice for the H1B1 visa in July 1997. Craig began his employment in December 1997.

I had been focusing on the sales growth at Designers' Rug Center and had not been focusing on the accounting and systems side of the business. Craig's initial project was to review the current accounting environment and to design and implement the required accounting systems and internal controls to ensure that there were reliable financial systems in place and that the financial systems operated effectively and efficiently.

Designers' Rug Center was using the Stage Soft accounting system. The version being used was old and there was no support being offered by the manufacturer. Craig had to review the accounting programs on the market and select a program that would be the best fit for Designers' Rug Center. After purchasing the program it was Craig's responsibility to install the program, to run the new program in parallel with the existing program and at the appropriate time convert to the new program. Craig had to teach himself and the bookkeeper the program.



Southwest Florida's Premier Rug Source

Attachment 6

Additional functions that Craig performed follow.

The accounting department consisted of Craig and the bookkeeper. The bookkeeper was responsible for the processing of the accounting data into the subsidiary and general ledgers, the preparation of the payroll and the related returns and the monthly bank reconciliation. Craig was responsible for reviewing the bookkeeper's work and for reviewing the returns prepared by the bookkeeper.

Craig ensured that the financial transactions were recorded on the accrual basis. Craig processed the adjusting journal entries and monthly financial statements for distribution to the owners. He reviewed all of the bookkeeper's reconciliations as well as reconciling the receivables and payables control accounts and reconciling all of the prepayment and accrual accounts.

Inventory is the corporation's largest asset and consisted of owned inventory and inventory on consignment. Craig reconciled the inventory system (Magic) to the inventory account in the accounting system. He also controlled the sales of the consignment inventory, controlled the payments to the consignment vendors and reconciled the consignment inventory records to consignment inventory on hand.

At year-end Craig organized and supervised the inventory count. He resolved any differences that were identified and reconciled the inventory per the accounting records to physical inventory on hand.

Craig prepared the pack used by the auditors to review the corporation's transactions and used to prepare the tax returns. This pack consisted of the income statement and balance sheet, the adjusting journal entries, the working-papers that supported the amounts disclosed on the financial statements and the required disclosures for tax reporting. After the auditors prepared the tax returns Craig reviewed the returns before I signed them. He was responsible for submitting the returns. Any questions from the Internal Revenue Service were resolved by Craig working with the auditors to provide the requested information to the IRS.

I purchased inventory directly from suppliers in India, Pakistan, China, Turkey and Iran. After I had placed the orders Craig worked with the suppliers and the bank relating to the acceptance of the letters of credit that were used to pay for the goods. He also worked with the customs brokers in the clearing of the goods and organizing the transportation of the goods from the custom's warehouse to the store.

I opened a second store in Fort Myers in 1999. Another corporation, DRC Properties, was formed to run the store. Craig set up the accounting systems for the new corporation and performed all of the accounting functions for the new corporation.

Further expansion was planned and preliminary plans were made to open a store in Highlands North Carolina. Craig prepared a business plan which included the financial projections for the new venture. After the decision was made to open in North Carolina, Craig formed the two new corporations (the Limited Partnership which was used to purchase the building and the C Corporation for the retail operation) in North Carolina. He registered the corporations with the North Carolina Department of Revenue for sales tax and income tax purposes.

*Southwest Florida's Premier Rug Source**Attachment 6*

Craig set up the accounting system for the two new corporations and worked with the bookkeeper to perform all of the accounting functions for the new corporations. He was responsible for the preparation of the year-end pack for the auditors, for the review of the tax returns and submitting the returns.

Designers' Rug Center entered into an agreement with Baer's Furniture where Designers' Rug Center supplied rugs to Baer's Furniture and managed the rug departments in the three Baer's Furniture stores. The three stores were Naples, Fort Myers and Boca Raton. Craig was responsible for the control of the inventory, the invoicing of the sales, the implementing of the accounting controls and the hiring of staff to run the departments.

At the height of the operations Designers' Rug Center consisted of the Naples, Fort Myers and Highland locations as well as managing and operating the rug departments in the three Baer's stores located in Naples, Fort Myers and Boca Raton. There were two property companies which owned two of the buildings that the retail operations traded from. Sales had grown from \$1.5m in 1996 to \$3.5m in 2004. Craig was responsible for all financial matters relating to the retail operations and the property companies.

Craig was responsible for the registering the newly formed corporations for sales and use tax. He was responsible for ensuring that the correct sales tax amount was calculated and paid by the due date. The Florida Department of Revenue selected Designer's Rug Center for a self-audit which Craig completed. The period for the self-audit covered the time prior to Craig being employed by Designers' Rug Center. Some errors were highlighted by the self-audit. I sent Craig on a sales tax course given by Florida Department of Revenue representatives.

Craig implemented what he learned at the course. Designers' Rug Center was once again selected for a self-audit and as a result of the changes he put into effect the Florida Department of Revenue gave a clean audit. The Florida Department of Revenue sales tax auditor performed an on-site sales tax audit of DRC Properties. Once again a clean audit was obtained.

The corporations in North Carolina were not profitable and I made the decision to close the operation. Craig was responsible for closing down the operations and the sale of the building and deregistering the corporations with the respective North Carolina agencies.

In 2005 I purchased my partner's share of Designers' Rug Center and DRC Properties. Craig prepared the valuation of the corporations which was used in the determination of the price paid for my partner's share of the corporation. Craig worked with the attorneys and accountant in drafting the purchase agreement used in the transaction.

After I purchased my partner's share I wanted to reorganize the business. I wanted to have both retail stores in the same corporation so I closed DRC Properties. Craig closed and deregistered the corporation. He designed a chart of accounts divided into two departments. He prepared the monthly financial statements for each department and the consolidated financial statements for the stores.

A partner and I own the building that Designers' Rug Center trades out of. The building is owned by DRC Investments L.C. Craig is solely responsible for all of the financial transactions of the L.C. He is responsible for the calculation and payment of the sales tax and resolving any sales tax issues. He also prepares the year-end pack which the accountant uses to prepare the 1065.



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Attachment 6

My partner in the LC is a non-resident individual. His interest in the LC is held by Creative Interlocking, a Florida C Corporation. Creative Interlocking is wholly owned by Wheelbase Investments Ltd, a company registered in the United Kingdom. Craig worked with the accountant who prepares the tax returns for both Creative and Wheelbase to set up the best financial structure for my partner's holding.

Craig performs all of the accounting functions for Creative Interlocking. Using the K1 from DRC Investments he prepares the financial statements for Creative Interlocking. He prepares the year-end pack to give to the accountant to prepare the tax returns for Creative Interlocking.

Craig performs all of the accounting functions for Wheelbase Investments Ltd. Craig prepares the year-end pack for Wheelbase Investments for the accountant to prepare the 1120F tax return. He sends Wheelbase Investment's financial statements and general ledger to the accountant in England so the accountant can prepare the tax returns for submission of Her Majesty's Taxes in England.

As a result of the recession I had to reduce employees and Craig's full-time position was eliminated in October 2008. Craig is employed as an independent contractor. His function is now more of a review type function. He still prepares the monthly financial statements, prepares the payable and receivables reconciliations and reviews the general ledger. He continues to control and reconcile the inventory and the inventory held on consignment.

He prepares the year-end pack and adjusting journal entries which are used by the accountant to prepare the tax returns. He reviews the tax returns before I sign the returns. Whenever I have any accounting issues Craig either resolves these issues independently or works with the corporation's accountant to resolve the issues.

If you have any questions relating to Craig's job functions please call me at 239-450-2060

Yours sincerely,

Christopher Smith
President

GUALARIO, LICHT & ANDREWS, P.A. Attachment 7
CERTIFIED PUBLIC ACCOUNTANTS

ANTHONY J. GUALARIO CPA
MICHAEL A. LICHT CPA
PATRICIA A. ANDREWS, CPA
PAUL S. STEPLER, CPA

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
FLORIDA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

March 19, 2011

Ms. Veloria Kelly, Division Director
Florida Board of Accountancy
140 N.W. 76th Drive, Suite A
Gainesville FL 32607
Fax 352-333-2508

Dear Ms. Kelly,

Gualario, Licht and Andrews P.A. have been Designers' Rug Center, Inc. and DRC Investments L.C. accountants for the past ten years. Gualario, Licht and Andrews P.A. prepare the client's tax returns and provide financial assistance and consulting advice as required.

Craig Harrington has been the Financial Controller of Designers' Rug Center for the ten years that I have worked with the client. Craig maintains the accounting records on the accrual basis. At year-end Craig provides me with a year-end package consisting of the financial statements, the trial balance, adjusting journal entries and prepared working papers that support the amounts disclosed in the accounts. The working papers provide the audit evidence to substantiate the amounts disclosed in the accounts. I prepare the tax returns using this package. Much of Craig's work is what I would prepare in my year-end procedures.

Craig prepares monthly financial statements for Designers' Rug Center (the retail corporation) and for DRC Investments (the property company which owns the building that Designers' Rug Center operates from). The financial statements are for both internal use and for distribution to external parties such as banks.

Craig has been responsible for ensuring that Designers' Rug Center, Inc. and DRC Investments L.C. have been compliant with all State and Federal filing requirements. This includes the filing and paying of Sales and Use Tax and the filing of quarterly payroll and annual tax returns.

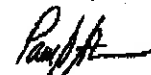
Craig's position at Designers' Rug Center was terminated in October 2008. He has been retained to perform monthly reviews of the financial statements, the financial records and the inventory. At year-end he still provides me with this package that I use to prepare the tax returns.

In all of my dealings with Craig I have found him to be professional and to be very competent in the job that he performs. I believe that the length of time that he has worked in the accounting and auditing field and the level and quality of work that he generates would be much more than equivalent to the one year work rule requirement for Florida CPAs.

Please contact me if you have any questions.

Sincerely,

Gualario, Licht & Andrews, P.A.



Paul S. Stepler

Larson Allen

Attachment 8.

Ms Velona Kelly
Division Director
Florida Board of Accountancy
140 N.W. 76th Drive, Suite A
Gainesville FL 32607
Fax 352-333-2508

Dear Ms. Kelly,

I first worked with Craig Harrington in 2004 when he required accounting and taxation advice relating to the most efficient corporate structure for his client, a company registered in the United Kingdom, who was a member of a Limited Partnership that owned real property in the United States. His client also traded in stocks in the United States and held investments in a Florida based C Corporation.

Using the advice that I gave him Craig implemented the corporate structure that best suited his client.

Since that initial consultation LarsonAllen have prepared the annual tax returns for Creative Interlocking Inc. Craig maintains the accounting records for Creative Interlocking on the accrual basis. At year-end he prepares the year-end package with adjusting journal entries and preliminary tax entries from which the federal and state tax returns can be prepared.

Craig maintains the accounting records for Wheelbase Investments Ltd, a company registered in the United Kingdom, on the accrual basis. Creative Interlocking, Inc. is wholly owned by Wheelbase Investments Ltd. At year-end Craig provides the required information (1042-S and 1099 composite tax forms) from which the 1120F tax return can be prepared.

Craig maintains the accounting records on the accrual basis of International Flooring Corporation LLC, a limited partnership of which he is a member. At year-end he prepares the year-end package with adjusting journal entries from which the 1065 information return can be prepared.

The working-papers that Craig provides at year-end are can be relied upon and do not require any material adjustments. Craig conducts himself in a professional manner and the quality of his work is of a high standard. He has extensive experience in the financial field and this is reflected in the work that he generates.

Sincerely


Robert P. DiBenedetto, Principle



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Attachment 9

**Fun Time Early Childhood Academy
Office Finance Manager
Job Description**

SUMMARY:

Provides administrative office and financial support to the Executive Director. Manages the day-to-day administrative support activities of the office and supervises support staff, as appropriate. Is supervised by the Executive Director.

DUTIES & RESPONSIBILITIES:

1. Oversees the administration of the day-to-day activities of the office.
2. Examines and analyzes office operations and procedures, and recommends policy, new strategies, and procedures to the Executive Director, i.e. those which ensure productivity and efficient office operation.
3. Provides financial assistance and support to the Executive Director.
4. Accurately prepares monthly financial reports, P&Ls and balance sheet for presentation by the treasurer at the monthly board meeting.
5. Prepares the annual budget in conjunction with the board treasurer. If necessary discuss specific inquiries relating to the budget with the member of the finance committee.
6. Responsible for monthly returns, i.e. invoicing of VPK, subsidized childcare, Head Start and USDA food report.
7. Manages accounts receivables and payables and other bank accounts.
8. Reconciles credit card and bank statements, as well as petty cash.
9. Collects and records parent fee payments.
10. Responsible for the preparation of the payroll beginning with downloading the hours worked from Procure, preparation of the timesheets and giving the timesheets to the Executive Director for authorization. After authorization the hours are entered into Advantec or current PEO group salary system. Once payroll is processed the salary reports are downloaded, reviewed and the salary information recorded in Quickbooks.
11. Serves as liaison between Fun Time and the PEO group to resolve any salary issues.
12. Reports any Worker's Compensation injuries following the guidelines stipulated in the Advantec Workers' Compensation Five Step Guide.
13. Obtain the Systems Documentation Questionnaire from the auditors and complete the questionnaire. Extract the working trial balance for the auditors and prepare the working papers supporting the amounts in the trial balance. Prepare all confirmations that the auditors request.
During the audit process work with the auditors and provide the auditors with the information they request to complete the audit.
14. Uses Procure to track employee and child attendance, tuition, etc.
15. Provides orientation of new staff regarding benefits.
16. Responsible for ensuring proper completion of all matters related to employment of staff including requirements of DCF, CCPS and PEO.
17. Responsible for the maintenance of the employees' records to DCF standards and ensuring corrections prior to or when noncompliance is determined with our regulatory inspectors.
18. When required performs research on specific issues, including project planning and management thereof, and implementation and execution of related projects.
19. Independently prepares non-routine letters and/or reports, which may be confidential in nature.

Attachment 9

20. Serves as a liaison between the Executive Director and other offices, individuals, and external institutions and agencies on a range of specified issues.
21. Maintains compliance relating to licensing, registration and renewals of contract with the various regulatory bodies.
22. Oversees and administer the day -to-day activities of specialized project initiatives assigned to you.
23. Supervises the office staff in the performance of his/her duties.
24. Coordinates building maintenance with outside vendors and ensures building safety compliance with federal, state and county regulations.
25. Obtain the 990 Tax Assistance Letter from the auditors and complete the assistance letter. Respond to any auditor's inquiries on a timely basis. Reviews the draft 990 provided by the auditors. Request the auditors to correct any errors found. Distribute final 990 form to the finance committee.
26. Prepare all financial reports that must be included in any grants prepared for potential donors.
27. Performs miscellaneous job-related duties as assigned.

MINIMUM JOB REQUIREMENTS:

Must possess a Bachelor's degree; at least 5 years of experience that is directly related to the duties and responsibilities specified.

KNOWLEDGE, SKILLS, & ABILITIES REQUIRED:

- Interpersonal and communication skills and the ability to work effectively with a wide range of constituencies in a diverse community.
- Critical thinking skills and the ability to manage multiple priorities.
- Organizing and coordinating skills.
- Ability to make administrative and procedural decisions and judgments on sensitive, confidential issues.
- Skill in budget preparation and fiscal management.
- Ability to gather data, compile information, prepare reports and maintain records.
- Knowledge of office management principles and procedures.
- Skills in the use of database management, word processing, spreadsheet, and/or presentation software.
- Effective verbal and written communication skills.
- Ability to use independent judgment and to manage and impart confidential information.

WORKING CONDITIONS & PHYSICAL EFFORT:

- Work is normally performed in a typical interior/office work environment.
- No or little physical effort required.
- No or very limited exposure to physical risk.

LarsonAllen

4020 Tamiami Trail N. Suite 300
Naples, FL 34103-3548
239-269-8585, Fax 239-262-7343

Attachment 10

March 23, 2011

Ms Vateria Kelly
Division Director
Florida Board of Accountancy
140 N.W. 76th Drive, Suite A
Gainesville FL 32607
Fax: 352-333-2508

Dear Ms. Kelly:

LarsonAllen performs the audit of Fun Time Early Childhood Academy, Inc. Craig Harrington was employed by Fun Time in October 2008. In 2009 and 2010 Craig was the principal contact from Fun Time who worked with the audit team that completed the audit.

Craig maintains Fun Time's accounting records on the accrual basis. At year-end he provided the audit team with working papers that supported the amounts disclosed in the financial statements. The working papers that he prepared were of a similar standard that would be prepared by a certified public accountant performing the audit.

As a result of the working-papers provided by Craig the audit was conducted in an efficient and effective manner.

Sincerely,

Amy C. Cooper, CPA
Amy C. Cooper, CPA
Principal



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LLPCPAs, Consultants & Advisors
www.larsonallen.com

Attachment 10

To the Board of Directors
Fun Time Early Childhood Academy, Inc.

We have audited the financial statements of Fun Time Early Childhood Academy, Inc. ("the Academy") for the year ended June 30, 2009, and have issued our report thereon dated November 4, 2009. Professional standards require that we provide you with the following information related to our audit.

Our responsibility under U.S. Generally Accepted Auditing Standards and OMB Circular A-133

As stated in our engagement letter dated August 31, 2009, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the Academy's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. We also considered internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

As part of obtaining reasonable assurance about whether the Academy's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, 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. Also in accordance with OMB Circular A-133, we examined, on a test basis, evidence about the Academy's compliance with the types of compliance requirements described in the "U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement" applicable to each of its major federal programs for the purpose of expressing an opinion on the Academy's compliance with those requirements. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the Academy's compliance with those requirements.

1. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.
2. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned scope and timing of the audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on June 24, 2009.



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Board of Directors
Fun Time Early Childhood Academy, Inc.
Page 2

Significant audit findings

Attachment 10

Qualitative aspects of accounting practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Academy are described in Note 1 to the financial statements. As described in Note 1, the Academy adopted Statement of Financial Accounting Standards (SFAS) No. 157, *Fair Value Measurements*, and (SFAS) 159, *Option for Financial Assets and Liabilities*, in 2009. Also disclosed in Note 1, the Academy has elected to defer the application of FIN 48, *Accounting for Uncertainties in Income Taxes*. The Academy follows Financial Accounting Standard No. 5, *Accounting for Contingencies* for evaluation of uncertain tax provisions.

We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management uses estimates in the allocation of its functional expenses. We evaluated the key factors related to such estimates and believe they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the remaining useful lives of equipment is determined using prior experience and analysis of disposals of equipment. We evaluated the key factors and assumptions used to develop the estimated useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the fair value of land owned by the Collier County School Board which has been provided to the Academy over a 99 year lease for \$1 per year. The fair value of the land is based upon the Collier County Property Tax Appraiser's January of 2009 valuation. This matter is further disclosed in note 10 to the financial statements.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and uncorrected misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

The attached schedule, *Passed Adjusting Journal Entries Report*, summarizes an uncorrected misstatement of the financial statements. Management has determined its effect is immaterial to the financial statements taken as a whole.

Board of Directors
Fun Time Early Childhood Academy, Inc.
Page 3

Attachment 10

Corrected and uncorrected misstatements (Continued)

The following material misstatements detected as a result of audit procedures were corrected by management.

The use of land provided by the Collier County School Board (CCSB) for the Academy's new facilities was not reflected as a contribution on the Academy's financial statements. We have proposed and management has posted, an adjustment to record the fair market value of the CCSB land, \$517,518, as a temporarily restricted asset, and a temporarily restricted contribution. The land value will be recorded as lease revenue and lease expense evenly over the 99 year lease as required by *Financial Accounting Standards Board Accounting Standards Codification 958-605-55-24*

Disagreements with management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated November 4, 2009.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other audit findings or issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of Fun Time Early Childhood Academy, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Larson Allen LLP
LarsonAllen LLP

Naples, FL
November 4, 2009

From:Fun Time Academy

239 261 4015

Fax.

Mar 28 2011 02:59pm P023/028

03/26/2011 16:34

#781 P.022/027

Board of Directors
Fun Time Early Childhood Academy, Inc
Page 4

Attachment 10

Client: Fun Time Early Childhood Academy, Inc.
Engagement: Fun Time Early Childhood Academy, Inc.
Period Ending: 6/30/2009
Workpaper: PAJE Report

Account	Description	W/P Ref	Debit	Credit
Passed Journal Entries JE # 3		BB.01		*
To adjust accounts payable for expense not yet incurred				
2000	Accounts payable		15,000.00	
6400	Fundraising Expenses - Program			15,000.00
Total			<u>15,000.00</u>	<u>15,000.00</u>
Cumulative Impact				
Liabilities Overstated (Understated)			(15,000)	
Net Assets Overstated (Understated)			15,000	
Expenses (Overstated) Understated			<u>(15,000)</u>	
Changes in Net Assets Overstated (Understated)			<u>(15,000)</u>	

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Attachment 11

To the Board of Directors
Fun Time Early Childhood Academy, Inc

We have audited the financial statements of Fun Time Early Childhood Academy, Inc. ("the Academy") for the year ended June 30, 2010, and have issued our report thereon dated September 17, 2010. Professional standards require that we provide you with the following information related to our audit.

Our responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated June 7, 2010, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

1. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement.
2. As part of our audit, we considered the internal control of Fun Time Early Childhood Academy, Inc. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
3. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

Planned scope and timing of the audit

We performed the audit according to the planned scope and timing previously communicated to you in our meeting about planning matters on July 13, 2010.

Significant audit findings

Qualitative aspects of accounting practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Fun Time Early Childhood Academy, Inc. are described in Note 1 to the financial statements. In the current year the Academy adopted the standard related to uncertain tax positions which is more fully described in Note 1. The application of existing policies was not changed during 2010.

We noted no transactions entered into by the Academy during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.



Board of Directors
Fun Time Early Childhood Academy, Inc.
Page 2

Attachment 11

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Management uses estimates in the allocation of its functional expenses. We evaluated the key factors related to such estimates and believe they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the remaining useful lives of equipment is determined using prior experience and analysis of disposals of equipment. We evaluated the key factors and assumptions used to develop the estimated useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the fair value of land owned by the Collier County School Board which has been provided to the Academy over a 99 year lease for \$1 per year. The fair value of the land is based upon the Collier County Property Tax Appraiser's January 2009 valuation. This matter is further disclosed in note 10 to the financial statements.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and uncorrected misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

The attached schedule *Passed Adjusting Journal Entries Report*, summarizes the uncorrected misstatements of the financial statements. Management has determined their effect is immaterial to the financial statements taken as a whole.

Disagreements with management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management representations

We have requested certain representations from management that are included in the management representation letter dated September 17, 2010.

Board of Directors
Fun Time Early Childhood Academy, Inc.
Page 3

Attachment 11

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other audit findings or issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of Fun Time Early Childhood Academy, Inc. and is not intended to be and should not be used by anyone other than these specified parties.


LarsonAllen LLP

Naples, FL
September 17, 2010

Board of Directors
Fun Time Early Childhood Academy, Inc.
Page 4

Attachment 11

Client *Fun Time Early Childhood Academy, Inc*
Engagement: *Fun Time Early Childhood Academy, Inc.*
Period Ending *6/30/2010*
Workpaper *Adjusting Journal Entries Report*

Account	Description	N/P Ref	Debit	Credit
Adjusting Journal Entries JE # 2				
To adjust grant received prior to year end that should be included in temp restricted rev at 6/30/10				
2061	Grants Received in Advance	CC.01	26,250.00	
4011	Restricted (Use Classes-Prog)			26,250.00
Total			<u>26,250.00</u>	<u>26,250.00</u>
Adjusting Journal Entries JE # 5				
PBC entry to record prepaid insurance				
1450	Prepaid expenses	L 02	21,468.00	
6450	Insurance			21,468.00
Total			<u>21,468.00</u>	<u>21,468.00</u>
Adjusting Journal Entries JE # 6				
To record donated rent revenue and expense				
6750	Rent	10 01	5,226.00	
1215	Donated Land Receivable			5,226.00
Total			<u>5,226.00</u>	<u>5,226.00</u>
Adjusting Journal Entries JE # 9				
To record depreciation expense as LA maintains fixed asset software				
6060	6150 - Depreciation Expense	U.05	91,371.00	
1700	Accumulated depreciation			91,371.00
Total			<u>91,371.00</u>	<u>91,371.00</u>

Board of Directors
Fun Time Early Childhood Academy, Inc.
Page 5

Attachment 11

Client Fun Time Early Childhood Academy, Inc.
Engagement Fun Time Early Childhood Academy, Inc.
Period Ending 6/30/2010
Workpaper PAJE Report

Account	Description	W/P Ref	Debit	Credit
Passed Journal Entries JE # 3		BB.04		
To record electric expense not recorded during s/d testing				
6811	Electric		446.00	
2000	Accounts payable			446.00
Total			<u>446.00</u>	<u>446.00</u>
Passed Journal Entries JE # 7		L.01		
To record prepaid insurance for YE 09 that was not booked in PY				
6450	Insurance		15,535.00	
3010	Retained Earnings			15,535.00
Total			<u>15,535.00</u>	<u>15,535.00</u>
Passed Journal Entries JE # 10		L.03		
To record investment loss on beneficial assets held by others				
9000	Loss on Investments		3,968.00	
1501	50 More Year's Fund			3,968.00
Total			<u>3,968.00</u>	<u>3,968.00</u>
Passed Journal Entries JE # 11		U.06		
To record amounts improperly capitalized				
6759	Building Repairs		2,398.00	
1606	Building			945.00
1608	Playground			1,453.00
Total			<u>2,398.00</u>	<u>2,398.00</u>

From: Fun Time Academy

239 261 4015

Fax.

Feb 24 2011

02/23/2011 09 47

FILED

Department of Business and Professional Regulation

Deputy Agency Clerk

CLERK Brandon Nichols

Date 2/23/2011

File #

February 22, 2011

Petition for Variance from Rule 61H1-27.0041(2)

Petitioner Information:

Craig Harrington
547 97th Avenue N
Naples FL 34108
Tel: 239 450 2747
Fax 239 261 4015

VW 2011-064

Attorney Information

Not Applicable

Applicable portion of the rule:

61H1-27.0041(2)

(2) One year of work experience shall be held and understood to mean the rendition of services such as are customarily performed by full-time, regularly employed staff employees of a certified public accountant during the normal workweek as required by the employing certified public accountant, commencing after the completion of the educational requirements set forth in subsection 61H1-27.002(3), FAC. The experience must either average at least twenty (20) hours a week over no more than one hundred and four (104) weeks or average no more than forty (40) hours a week over no more than fifty-two (52) weeks. Reasonable vacation time and sick leave or other required absences may be permitted. The supervisor, in her or his report to the Department, shall certify that the applicant rendered such services as are customarily performed by full-time, regularly employed staff employees for a minimum of 2000 hours gained over a period of not less than fifty-two (52) or more than one hundred and four (104) weeks. The sequence of the experience is considered immaterial, that is, whether the experience was secured before or after taking the examination, or partly before the examination and partly after the examination, provided the two periods combined equal at least one year.

The citation to the statute that the rule is implementing:

473.308 Licensure

The type of action requested:

The petitioner requests that the Board of Accountancy grant a variance from 61H1-27.0041(2) stated above based on the following circumstances:

Specific facts that demonstrate a violation of principles of fairness that would justify a variance for the petitioner:

I qualified as a Chartered Accountant (South Africa) by passing Part 1 and Part 11 of the Qualifying Exams in March 1994. I was admitted to the South African Institute of Chartered Accountants on July 28, 1994 after passing the Qualifying Examination and completing the required training.

The required training was completed under the auspices of the Independent Regulatory Board of Auditors (IRBA). The Training Contract Number is 388564 and the contract was registered on April 1, 1989 and was completed on November 4, 1992.

I completed the Training Contract while employed by Deloitte & Touche. I was employed by Deloitte & Touche from April 1, 1989 until March 30, 1994. My employment level was Senior Accountant Level 2 at the date of resignation.

I started my employment at Deloitte & Touche as a Trainee Accountant and performed audits as a member of the audit team. As I gained more experience I was the supervisor/manager of the audit team on a number of audits. In addition to the attest function I provided accounting services and performed reviews and compilations. All of my work was supervised and verified by a Chartered Accountant who was licensed in accordance with the South African Institute of Chartered Accountants.

After leaving Deloitte and Touche I was employed from April 1994 to March 1996 by Constantia Greetings as a Financial Manager before being promoted to Financial Director. I was promoted within the group to Project Accountant and worked in that position from April 1996 to December 1997.

Since arriving in the United States I have worked as a Financial Manager for Designers' Rug Center, Inc (9.75 years) and for Fun Time Early Childhood Academy Inc (2.25 years). At both corporations I worked closely with the Certified Public Accountants who reviewed the financial activities and prepared the corporations' tax returns.

My total work experience in the financial sector is twenty-one years of which seventeen have been obtained after qualifying as a Chartered Accountant (South Africa).

When I arrived in the United States I wanted to sit the Uniform CPA Examination so that I could convert my Chartered Accountant (SA) credential to the Certified Public Accountant credential. I applied to sit the exam but was ruled deficient. I satisfied the deficiency and was granted permission to write the Uniform CPA Examination in April 2010. I passed the Uniform CPA Examination in November 2010. To complete the licensure process I am petitioning for the variance to the work experience requirement.

The reason why the variance requested would serve the purposes of the underlying statute:

The underlying statute requires one year of work experience. This work experience is understood to mean the rendition of services such as are customarily performed by full-time regularly employed staff employees of a certified public accountant during the normal workweek as required by the employing certified public accountant, commencing after the completion of the educational requirements set forth in subsection 61H1-27 002(3).

My work experience described above exceeds the one year work experience described in the preceding paragraph and serves the purpose of satisfying the underlying statute.

Petitioner Statement:

The petitioner requests a permanent variance from 61H1-27 0041(2).