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NORTH BATON ROUGE TUTORIAL PROGRAM, INC.
(A NONPROFIT ORGANIZATION)

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 1999 AND 1998

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 1-12-00

R. Brown & Company
Certified Public Accountants
A Professional Corporation

NORTH BATON ROUGE TUTORIAL PROGRAM, INC.
(A NOT FOR PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 1999 AND 1998

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R. BROWN & COMPANY, APC

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

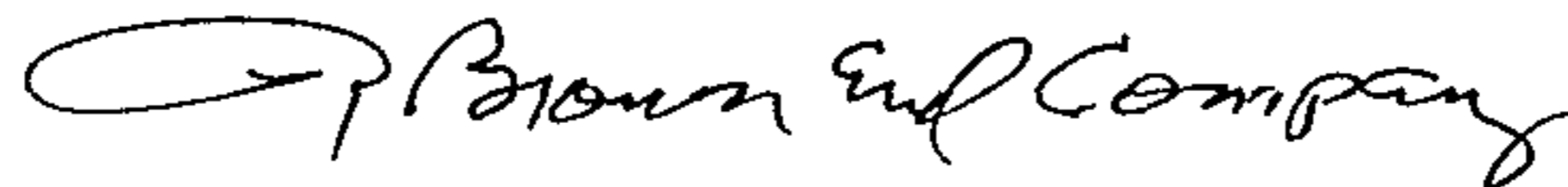
To The Board of Directors
North Baton Rouge Tutorial Program, Inc.
(A Not For Profit Organization)
Baton Rouge, Louisiana

We have audited the accompanying statements of financial position of North Baton Rouge Tutorial Program, Inc. (a not for profit organization) as of June 30, 1999 and 1998, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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 North Baton Rouge Tutorial Program, Inc. as of June 30, 1999 and 1998, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated December 21, 1999, on our consideration of North Baton Rouge Tutorial Program, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.



Baton Rouge, Louisiana
December 21, 1999

NORTH BATON ROUGE TUTORIAL PROGRAM, INC.
(A NONPROFIT ORGANIZATION)
BATON ROUGE, LOUISIANA

STATEMENT OF FINANCIAL POSITION

	JUNE 30	
	1999	1998
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	\$5,208	\$574
Accounts receivable	11,502	21,375
Total current assets	16,710	21,949
PROPERTY AND EQUIPMENT		
Furniture, fixtures and equipment	19,851	15,450
Less accumulated depreciation	9,204	5,496
	10,647	9,954
Total assets	\$ 27,357	\$ 31,903
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$3,041	\$14,496
Salaries payable	16,817	15,937
Total current liabilities	19,858	30,433
NET ASSETS - UNRESTRICTED	7,499	1,470
Total liabilities and net assets	\$ 27,357	\$ 31,903

The accompanying notes are an integral part of this statement.

NORTH BATON ROUGE TUTORIAL PROGRAM, INC.
(A NONPROFIT ORGANIZATION)
BATON ROUGE, LOUISIANA

STATEMENT OF ACTIVITIES

	YEAR ENDED JUNE 30	
	1999	1998
SUPPORT AND REVENUE		
Grant from Governor's Office of Urban Affairs and Development	\$30,355	\$30,355
Grant from Louisiana Department of Health and Hospitals, Office of Alcohol and Drug Abuse	90,494	88,986
Grant from Louisiana Department of Education, Summer Enrichment program	15,325	26,152
Grant from Louisiana Department of Labor	13,376	22,129
Private funds	13,198	13,540
Total support and revenue	162,748	181,162
EXPENSES		
Program services		
Urban Affairs	32,208	36,231
Drug Prevention	91,555	92,913
Summer Enrichment	16,334	26,055
Department of Labor	10,427	22,725
Rhone-Poulenc	6,195	10,843
Total expenses	156,719	188,767
CHANGE IN NET ASSETS	6,029	(7,605)
Net assets - beginning of year	1,470	9,075
Net assets - end of year	\$ 7,499	\$ 1,470

The accompanying notes are an integral part of this statement.

NORTH BATON ROUGE TUTORIAL PROGRAM, INC.
(A NONPROFIT ORGANIZATION)

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 1999

	<u>URBAN AFFAIRS</u>	<u>DRUG PREVENTION</u>	<u>SUMMER ENRICHMENT</u>	<u>DEPT. OF LABOR</u>	<u>RHONE- POULENC</u>	<u>TOTAL EXPENSES</u>
Salaries and wages						
Instructors	15,869	32,641	10,831	6,905	76	66,322
Executive director	2,490	12,286	-	294	1,200	16,270
Program coordinator	2,330	14,079	3,712	-	-	20,121
Secretary	2,228	5,955	-	210	-	8,393
Employee benefits	1,899	5,741	1,213	625	322	9,800
Therapeutic and training						
office supplies	3,562	8,639	578	1,526	2,754	17,059
Mini grants	-	-	-	-	-	-
Bookkeeping/professional services	2,300	4,718	-	250	340	7,608
Field trips	227	1,711	-	-	729	2,667
Telephone	-	2,445	-	302	87	2,834
Depreciation	303	3,090	-	315	-	3,708
Travel	1,000	250	-	-	687	1,937
	<u>1,000</u>	<u>250</u>	<u>-</u>	<u>-</u>	<u>687</u>	<u>1,937</u>
Total expenses	<u>\$32,208</u>	<u>\$91,555</u>	<u>\$16,334</u>	<u>\$10,427</u>	<u>\$6,195</u>	<u>\$156,719</u>

The accompanying notes are an integral part of this statement.

NORTH BATON ROUGE TUTORIAL PROGRAM, INC.
(A NONPROFIT ORGANIZATION)

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 1998

	<u>URBAN AFFAIRS</u>	<u>DRUG PREVENTION</u>	<u>SUMMER ENRICHMENT</u>	<u>DEPT. OF LABOR</u>	<u>RHONE- POULENC</u>	<u>TOTAL EXPENSES</u>
Salaries and wages						
Instructors	\$18,552	\$40,950	\$21,783	\$6,599	\$ -	\$87,884
Executive director	4,547	11,577	-	882	10,073	27,079
Program coordinator	2,450	14,088	1,446	858	-	18,842
Secretary	1,788	4,396	855	630	-	7,669
Employee benefits	1,577	5,123	1,876	687	770	10,033
Therapeutic and training						
office supplies	3,595	4,468	95	11,130	-	19,288
Mini grants	2,060	-	-	-	-	2,060
Bookkeeping/professional services	-	6,000	-	-	-	6,000
Field trips	876	415	-	768	-	2,059
Telephone	-	2,503	-	295	-	2,798
Depreciation	-	2,921	-	-	-	2,921
Travel	786	472	-	876	-	2,134
	<u>36,231</u>	<u>92,913</u>	<u>26,055</u>	<u>22,725</u>	<u>10,843</u>	<u>188,767</u>
Total expenses	<u>\$36,231</u>	<u>\$ 92,913</u>	<u>\$ 26,055</u>	<u>\$22,725</u>	<u>\$10,843</u>	<u>\$188,767</u>

The accompanying notes are an integral part of this statement.

NORTH BATON ROUGE TUTORIAL PROGRAM, INC.
(A NONPROFIT ORGANIZATION)
BATON ROUGE, LOUISIANA

STATEMENT OF CASH FLOWS

	YEAR ENDED JUNE 30	
	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from government grants and private sources	\$172,620	\$187,921
Cash paid to suppliers and employees	(163,585)	(185,744)
Net cash provided by operating activities	9,035	2,177
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of equipment	(4,401)	(2,360)
Net cash used in investing activities	(4,401)	(2,360)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	4,634	(183)
CASH AND CASH EQUIVALENTS - beginning of year	574	757
CASH AND CASH EQUIVALENTS - end of year	\$ 5,208	\$ 574

Schedule reconciling changes in net assets to net cash provided by operating activities:

Changes in net assets	\$6,029	(\$7,605)
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	3,708	2,921
Decrease (increase) in accounts receivable	9,873	6,759
(Decrease) increase in accounts payable and accrued expenses	(11,455)	(8,988)
Increase in salaries payable	880	9,090
Net cash provided by operating activities	\$ 9,035	\$ 2,177

The accompanying notes are an integral part of this statement.

NORTH BATON ROUGE TUTORIAL PROGRAM, INC.
(A NOT FOR PROFIT ORGANIZATION)
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999 AND 1998

1. Summary of Significant Accounting Policies

a. Operations

The North Baton Rouge Tutorial Program, Inc. provides tutorial instruction, computer literacy courses, health education services, and drug prevention information for local youths and their families. Tutoring of students is performed by certified teachers and teacher aides. Teachers also train students in computer terminology, operations and software applications. Services are provided to meet the needs of "at risk" youths who are performing below grade level or who are failing in traditional settings.

b. Revenue and Cost Recognition

Revenue is recognized when services are provided. Expenses are recognized as incurred.

c. Property and Equipment

Property and equipment are recorded at cost. Expenditures for maintenance, repairs and minor renewals are charged against earnings as incurred. Major expenditures for renewals and betterments are capitalized. When items are retired or otherwise disposed of, the cost of the asset and the related accumulated depreciation are removed from the books. Any resulting gain or loss is credited to or charged against income.

Depreciation is provided in amounts sufficient to relate the cost of depreciable assets to operations over their estimated service lives (5 to 7 years for furniture and equipment), using the straight-line method.

d. Income Taxes

The Organization is a nonprofit organization that is exempt from Federal income taxation under Section 501 (c) (3) of the Internal Revenue Code.

e. Allowance for Uncollectible Accounts

The allowance for uncollectible accounts is based on prior experience and management's assessment of the collectibility of accounts receivable. Due to the nature of the receivables, all amounts are considered to be collectible and, therefore, an allowance for uncollectible accounts has not been established.

NORTH BATON ROUGE TUTORIAL PROGRAM, INC.
(A NOT FOR PROFIT ORGANIZATION)
BATON ROUGE, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1999 AND 1998

1. Summary of Significant Accounting Policies (continued)

f. Cash and Cash Equivalents

Cash and cash equivalents consist of items having maturities of three months or less from the date of acquisition.

g. Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of trade accounts receivable. As of June 30, 1999, substantially all of the Organization's trade receivables are due from governmental agencies of the State of Louisiana.

The Organization maintains its cash balances in a financial institution located in Baton Rouge, Louisiana. The balances are insured by the Federal Deposit Insurance Corporation up to \$100,000.

h. Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

i. Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Organization 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.

R. BROWN & COMPANY, APC

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
North Baton Rouge Tutorial Program, Inc.

We have audited the financial statements of North Baton Rouge Tutorial Program, Inc. (a nonprofit organization) as of and for the year ended June 30, 1999, and have issued our report thereon dated December 21, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether North Baton Rouge Tutorial Program, Inc.'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 the 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 that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered North Baton Rouge Tutorial Program, Inc.'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. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected.

within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management, and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Ernst & Young

Baton Rouge, Louisiana
December 21, 1999