

D. INCOME TAX STATUS

The NEW WAY CENTER, INCOPORATED is a private, non-profit corporation, recognized under Section 501(c)(3) of the Internal Revenue Code and therefore has no provisions for federal income taxes.

E. TOTAL COLUMNS

Total columns are presented to facilitate financial analysis. Data in these columns does not present financial position, results of operations and changes in fund balances in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

2. PENSION PLAN

No employees of the NEW WAY CENTER, INCORPORATED are members of a pension plan of the ORGANIZATION. The ORGANIZATION did withhold Federal Insurance Contributions Act (FICA) Taxes for the period under audit. The liability for FICA cost at June 30, 1996 was \$3,748.19.

3. DONATED SERVICES

The value of donated services are recorded as in-kind contributions. The ORGANIZATION was not required to match funds in the current year.

4. BUDGET PRACTICES

The ORGANIZATION prepares an annual budget which is approved by the Board of Directors prior to being submitted to the granting authority. As a result, "budgeted and actual" comparative statements are presented as supplemental information.

NEW WAY CENTER, INC. INCORPORATED
 Monroe, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND

For the Year Ended June 30, 1996

REVENUES	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
State Grant	\$ 83,721	\$ 82,657	\$ 1,064
Corporate Grant	2,000	2,000	-
TOTAL REVENUES	\$ 85,721	\$ 84,657	\$ 1,064
EXPENDITURES			
Personal Services	\$ 42,020	\$ 48,996	\$ (6,976)
Related Benefits	5,963	5,548	421
Travel	1,431	886	545
Operating Services	12,657	15,763	(3,106)
Supplies	8,092	6,403	1,689
Professional Services	13,552	7,348	6,204
TOTAL EXPENDITURES	\$ 83,721	\$ 84,944	\$ (1,223)
Excess of Revenues over Expenditures	\$ -	\$ (287)	\$ 287
Fund Balance, Beginning	-	287	(287)
Fund Balance, Ending	\$ -	\$ -	\$ -

The accompanying notes constitute an integral part of this statement.

NEW WAY CENTER, INCORPORATED
Monroe, Louisiana

SUPPLEMENTAL INFORMATION

As of and for the Year Ended June 30, 1996

GENERAL FUND

DRUG AWARENESS/TUTORING

The Drug Awareness-Tutoring Fund (General Fund) accounts for the administration of funds provided by the United States Department of Health and Human Services, from the Louisiana Department of Health and Hospitals, Office of Human Services, Division of Alcohol and Drug Abuse. Revenues are used to provide drug awareness, tutoring, skill development, research, study assistance, creative arts, educational games, cultural activities, recreational games, and direct and constant supervision.

SUPPLEMENTAL INFORMATION SECTION

NEW WAY CENTER, INCORPORATED
Monroe, Louisiana
Compliance with Laws and Regulations
Report
Page 2

Louis R. Bradley
Certified Public Accountant
Incorporated

Monroe, Louisiana
August 7, 1995

- Accounting Services
- Tax Services

LOUIS R. BRADLEY
CERTIFIED PUBLIC ACCOUNTANT
(A Professional Corporation)

- Audit Services
- Computer Consultant

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American Institute of Certified Public Accountants • Society of Louisiana Certified Public Accountants
Society of Arkansas Certified Public Accountants • Monroe Chamber of Commerce

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
LAWS AND REGULATIONS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
"GOVERNMENT AUDITING STANDARDS"

To the Board of Directors of
NEW WAY CENTER, INCORPORATED
Monroe, Louisiana

I have audited the financial statements of NEW WAY CENTER, INCORPORATED, a nonprofit organization, as of and for the year ended June 30, 1995, and have issued my report thereon dated August 7, 1995.

I conducted my audit in accordance with generally accepted auditing standards and GOVERNMENT AUDITING STANDARDS, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to NEW WAY CENTER, INCORPORATED is the responsibility of NEW WAY CENTER, INCORPORATED management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, I performed tests of NEW WAY CENTER, INCORPORATED compliance with certain provisions of laws, regulations, contracts, and grants. However, my objectives was not to provide an opinion on overall compliance with such provisions.

The results of my tests indicate that, with respect to the item tested, NEW WAY CENTER, INCORPORATED complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to my attention that caused me to believe that New Way Center, Incorporated had not complied, in all material respects, with those provisions.

This report is intended for the information of the Board of Directors, Management, and Legislative Body. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

For the purpose of this report, I have classified the significant internal control structure policies and procedures in the following categories:

- Cash Receipts, Receivables, and Revenues
- Purchasing, Payables, and Disbursements
- Payroll
- Fixed Assets

For all of the control categories listed above, I obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and I assessed control risk.

My consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities 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. I noted no matters involving the internal control structure and its operation that I consider to be material weaknesses as defined above.

This report is intended for the information of the Board of Directors, Management, and Legislative Auditor. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Louis R. Bradley
Certified Public Accountant

Monroe, Louisiana
September 24, 1996

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NEW WAY CENTER, INCORPORATED
Monroe, Louisiana

Financial Statements
With Independent Auditor's Reports
As of and for the Year ended June 30, 1996
With Supplemental Information

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 **DEC 18 1996**

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5. CONTRIBUTIONS

Contributions consist of personal donations and small fundraisers. All contributions are considered to be available for unrestricted use unless specifically restricted by the donors. The ORGANIZATION did not receive any donations or contributions during the fiscal year, but they received a grant from Chase Bank.

6. GENERAL FIXED ASSETS

Fixed Assets used in the non-profit organization are accounted for in the General Fixed Asset Account and are stated at cost. Assets acquired by gift or bequest are recorded at their fair market value at the date of transfer. A summary of changes in general fixed assets for the year ended June 30, 1996, follows:

	1996
Equipment	\$ 66,579.00

NEW WAY CENTER, INCORPORATED
Monroe, Louisiana

Notes To The Financial Statement
As of and for the Year Ended June 30, 1996

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The NEW WAY CENTER, INCORPORATED is a community based drop-in and referral Center which offers counseling, educational services and a study program. The objective of the Center is (1) to reduce the annual incidence of drug abuse among 10 thru 18 years of age in the City of Monroe, (2) to enhance the self-image of each enrollee by reproducing experience directly related to academic achievement, (3) to identify drug users and potential users for referral to appropriate agencies, and (4) to provide limited transportation into the ORGANIZATION. The ORGANIZATION is governed by Board of Directors. The Board members receive no compensation.

A. BASIS OF PRESENTATION

Accounting of NEW WAY CENTER, INCORPORATED is the modified accrual basis, whereby revenue is recognized when it is both measurable and available to liabilities of the current period and expenditures are recognized when the liability is incurred.

B. FUND ACCOUNTING

In order to comply contractual reporting requirements placed on grants, the principles of fund accounting are used. Accordingly, all assets, liabilities, and activities are stated on the modified accrual basis and are accounted for in the General Fixed Assets Account Group.

Contributions are considered to be unrestricted funds unless restricted by the donor. All funds over which the Board of Directors has discretionary control have been included in the operating fund. The ORGANIZATION only used one fund (General Fund) for operations.

C. FUNCTIONAL EXPENSES

Expenses are charged to each program based on direct expenditures incurred. Any expenditures not directly chargeable are allocated to a program based on related salary expenses. There were no indirect costs charged during the contract period.

NEW WAY CENTER, INCORPORATED
Monroe, Louisiana

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 1996

	CURRENT OPERATING FUND
EXPENSES	
Salaries	\$ 48,996
Fringe Benefits	5,548
TOTAL	54,544
Related Expenses	
Travel	886
Operating Services	15,763
Supplies	6,403
Professional Services	7,348
Total Expenses before Depreciation	30,400
Depreciation	-
TOTAL EXPENSES	\$ 84,944

The accompanying notes constitute an integral part of this statement.

NEW WAY CENTER, INCORPORATED
Monroe, Louisiana

BALANCE SHEET

For the Year Ended June 30, 1996

	CURRENT OPERATING FUND

ASSETS	

Cash	\$ 4,804
Property, Plant, and Equipment	66,579
Accounts Receivable	15,700

TOTAL ASSETS	\$ 87,083
	=====
LIABILITIES AND EQUITY	

Liabilities:	
Accounts Payable	\$ 19,607
Payroll Taxable Payable	897

Total Liabilities	20,504

EQUITY:	
Fund Balance	66,579

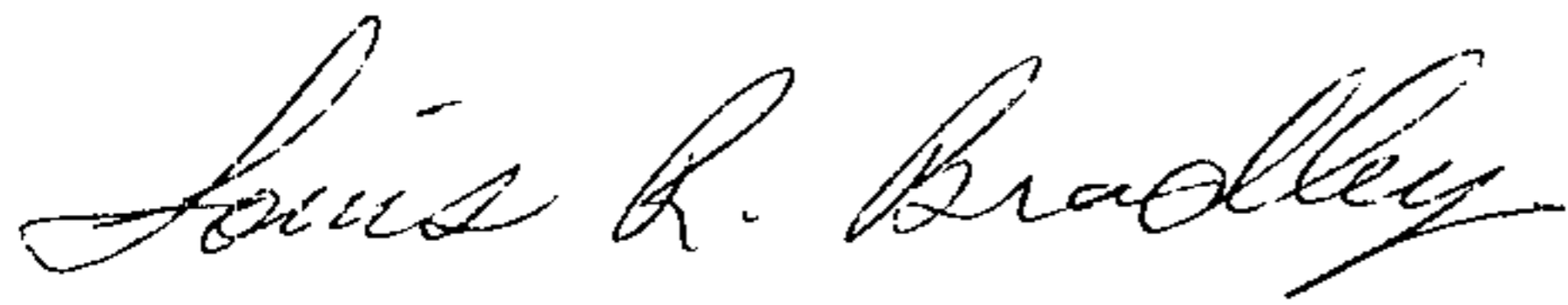
Total Equity	66,579

TOTAL LIABILITIES AND EQUITY	\$ 87,083
	=====

The accompanying notes constitute an integral part of this statement.

FINANCIAL STATEMENTS

NEW WAY CENTER, INCORPORATED
Monroe, Louisiana
Independent Auditor's Report
Page 2

A handwritten signature in cursive script that reads "Louis R. Bradley". The signature is written in dark ink and is positioned above the printed name and title.

LOUIS R. BRADLEY
CERTIFIED PUBLIC ACCOUNTANT
INCORPORATED

Monroe, Louisiana
September 24, 1996

• Accounting Services
• Tax Services

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
NEW WAY CENTER, INCORPORATED
Monroe, Louisiana

I have audited the financial statements of **NEW WAY CENTER, INCORPORATED** as of June 30, 1995, and the related Statements of Support, Revenue, Expenses, and Changes in Fund Balance and Statement of Functional Activities for the year then ended. These financial statements are the responsibility of the Program's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **NEW WAY CENTER, INCORPORATED** as of June 30, 1995, and the results of its operations and changes in fund balance for the year then ended in conformity with generally accepted accounting principles.

The accompanying financial information listed as supplementary schedules in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of the **NEW WAY CENTER, INCORPORATED**. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in my opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

FINANCIAL SECTION

NEW WAY CENTER, INCORPORATED
Monroe, Louisiana

Financial Statements
and Independent Auditor's Report
As of and for the Year Ended June 30, 1996
With Supplemental Information

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NEW WAY CENTER, INCORPORATED
Monroe, Louisiana

STATEMENT OF SUPPORT, REVENUE, EXPENSES,
AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 1996

	CURRENT OPERATING FUND

REVENUES:	

State Grant	\$ 82,657
Corporate Grant	2,000

TOTAL REVENUES	\$ 84,657

EXPENSES:	

Program Services:	
Counseling, Educational Services and Study Program	\$ 77,596

Supporting Services:	
Management and General	7,348

TOTAL EXPENSES	\$ 84,944

REVENUES OVER (UNDER) EXPENSES	\$ (287)
FUND BALANCES, AT BEGINNING OF YEAR	287

FUND BALANCES, AT END OF YEAR	\$ -
	=====

The accompanying notes constitute an integral part of this statement.

- Accounting Services
- Tax Services

LOUIS R. BRADLEY

CERTIFIED PUBLIC ACCOUNTANT

(A Professional Corporation)

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL STRUCTURE IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
NEW WAY CENTER, INCORPORATED
Monroe, Louisiana

I have audited the financial statements of NEW WAY CENTER, INCORPORATED, a nonprofit organization, for the year ended June 30, 1996, and have issued my report thereon dated September 24, 1996.

I conducted my audit in accordance with generally accepted auditing standards and GOVERNMENT AUDITING STANDARDS, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In planning and performing my audit of the financial statements of NEW WAY CENTER, INCORPORATED for the year ended June 30, 1996, I considered its internal control structure in order to determine my auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control structure.

The management of NEW WAY CENTER, INCORPORATED is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

NONPROFIT ORGANIZATION AUDIT SECTION