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**GREATER BATON ROUGE LITERACY COALITION,**  
**DBA UP ALLIANCE**

**FINANCIAL REPORT**

**DECEMBER 31, 2017**

**(SEE ACCOUNTANTS' COMPILATION REPORT)**

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**GREATER BATON ROUGE LITERACY COALITION,**  
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*A Professional Accounting Corporation*

## **ACCOUNTANTS' COMPILATION REPORT**

The Board of Directors  
Greater Baton Rouge Literacy Coalition, DBA Up Alliance  
Baton Rouge, Louisiana

Management is responsible for the accompanying financial statements of Greater Baton Rouge Literacy Coalition, DBA Up Alliance (a nonprofit corporation), which comprise the statement of financial position as of December 31, 2017, and the related statements of activities, functional expenses and cash flows for the period from April 1, 2017 to December 31, 2017, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The Greater Baton Rouge Literacy Coalition filed documents for dissolution in January 2018, see Note 1.

We are not independent with respect to Greater Baton Rouge Literacy Coalition, DBA Up Alliance.

A handwritten signature in black ink that reads 'Postlethwaite &amp; Netterville' in a cursive script.

Baton Rouge, Louisiana  
November 7, 2018

**GREATER BATON ROUGE LITERACY COALITION, DBA UP ALLIANCE**  
**BATON ROUGE, LOUISIANA**

**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2017**  
**(SEE ACCOUNTANTS' COMPILATION REPORT)**

**A S S E T S**

**CURRENT ASSETS**

Cash	\$ 8,021
Total current assets	<u>8,021</u>

<b>Total Assets</b>	<b><u><u>\$ 8,021</u></u></b>
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**LIABILITIES AND NET ASSETS**

<b><u>CURRENT LIABILITIES:</u></b>	<b><u>\$ -</u></b>
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**NET ASSETS**

Unrestricted	<u>8,021</u>
Total net assets	<u>8,021</u>

<b>Total Liabilities and Net Assets</b>	<b><u><u>\$ 8,021</u></u></b>
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**GREATER BATON ROUGE LITERACY COALITION, DBA UP ALLIANCE**  
**BATON ROUGE, LOUISIANA**

**STATEMENT OF ACTIVITIES**  
**APRIL 1, 2017 TO DECEMBER 31, 2017**  
**(SEE ACCOUNTANTS' COMPILATION REPORT)**

<b><u>SUPPORT</u></b>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Contributions			
Private grants and other public support	\$ 250	\$ -	\$ 250
In-kind contributions	4,130	-	4,130
State grants	20,299	-	20,299
Federal financial assistance	66,991	-	66,991
	<u>91,670</u>	<u>-</u>	<u>91,670</u>
Other Support			
Miscellaneous income	349	-	349
Net assets released from restrictions	9,796	(9,796)	-
	<u>10,145</u>	<u>(9,796)</u>	<u>349</u>
<b>Total Support</b>	<u>101,815</u>	<u>(9,796)</u>	<u>92,019</u>
 <b><u>EXPENSES</u></b>			
Program	97,867	-	97,867
Administrative	14,083	-	14,083
Fundraising	249	-	249
<b>Total Expenses</b>	<u>112,199</u>	<u>-</u>	<u>112,199</u>
 <b>Change in Net Assets</b>	(10,384)	(9,796)	(20,180)
 <b>Net assets, at beginning of year</b>	<u>18,405</u>	<u>9,796</u>	<u>28,201</u>
 <b>Net assets, at end of year</b>	<u>\$ 8,021</u>	<u>\$ -</u>	<u>\$ 8,021</u>

**GREATER BATON ROUGE LITERACY COALITION, DBA UP ALLIANCE**  
**BATON ROUGE, LOUISIANA**

**STATEMENT OF FUNCTIONAL EXPENSES**  
**APRIL 1, 2017 TO DECEMBER 31, 2017**  
**(SEE ACCOUNTANTS' COMPILATION REPORT)**

	<u>Program</u>	<u>Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Wages	\$ 29,172	\$ 7,755	\$ -	\$ 36,927
Taxes - payroll	2,844	756	-	3,600
Student retention	360	-	-	360
Fund development and expenses	-	-	249	249
Office supplies and expenses	-	404	-	404
Provider outreach	61,963	-	-	61,963
In-kind contributions	-	4,130	-	4,130
Loss from donation of depreciable assets	2,421	1,038	-	3,459
Insurance	1,107	-	-	1,107
	<u>\$ 97,867</u>	<u>\$ 14,083</u>	<u>\$ 249</u>	<u>\$ 112,199</u>

**GREATER BATON ROUGE LITERACY COALITION, DBA UP ALLIANCE**  
**BATON ROUGE, LOUISIANA**

**STATEMENT OF CASH FLOWS**  
**APRIL 1, 2017 TO DECEMBER 31, 2017**  
**(SEE ACCOUNTANTS' COMPILATION REPORT)**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ (20,180)
Adjustments to reconcile change in net assets to cash provided by operating activities:	
Loss and adjustment of depreciable assets	10,607
Decrease in assets	
Grants receivable	21,588
Decrease in liabilities	
Accrued payables	(14,540)
Accrued liabilities	(10,546)
Net cash used in operating activities	<u>(13,071)</u>
Net decrease in cash and cash equivalents	(13,071)
Cash and cash equivalents, beginning of year	<u>21,092</u>
Cash and cash equivalents, end of year	<u><u>\$ 8,021</u></u>

**GREATER BATON LITERACY COALITION, DBA UP ALLIANCE**  
**BATON ROUGE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(SEE ACCOUNTANTS' COMPILATION REPORT)**

**1. Significant Accounting Policies and Presentations**

Organization and Purpose

The Greater Baton Rouge Literacy Coalition (GBRLC), DBA Up Alliance has been a community wide, non-profit agency exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code. Up Alliance has promoted adult literacy by offering a continuum of adult education and literacy services. To ensure that this continuum exists, Up Alliance supported a network of affiliated service providers and their students while also identifying and providing services that were otherwise unavailable. Such services include Accelerated Career Education (ACE) classes provided by Up Alliance on-site at Baton Rouge Community College.

Dissolution

Pursuant to a vote of the Board of Directors on March 9, 2017 and in accordance with GBRLC bylaws and state statutes, GBRLC has filed for dissolution. The Louisiana Secretary of State has approved the Notice of Dissolution. Operations of GBRLC ceased September 2017. Net Assets remaining are to be contributed to another non-profit organization.

Basis of Presentation

The financial statement presentation follows the standards of the Financial Accounting Standards Board. Under these standards, GBRLC 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. GBRLC does not have any permanently restricted net assets.

Contributions

GBRLC accounts for contributions in accordance with the standards of the Financial Accounting Standards Board. In accordance with these standards, contributions received are recorded as increases in unrestricted, temporarily, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**GREATER BATON LITERACY COALITION, DBA UP ALLIANCE**  
**BATON ROUGE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(SEE ACCOUNTANTS' COMPILATION REPORT)**

**1. Significant Accounting Policies and Presentations** (continued)

Equipment

GBRLC's accounting policies included the practice of capitalizing all expenditures for depreciable assets where the equipment costs exceed \$500. Equipment, when purchased, was stated at cost. Donated equipment was valued at its' estimated replacement value at the time of donation. All equipment was depreciated over estimated service lives (3-7 years) computed using the straight-line method.

All equipment was donated to a community college and two adult literacy agencies in accordance with the dissolution.

Compensated Absences

GBRLC had a provision that allowed unused employee annual leave to accrue up to a limited number of hours. Annual leave is considered earned income, and employees leaving GBRLC employment were paid for the remaining balance of unused annual leave.

Cash Equivalents

Cash equivalents (as shown in the statement of cash flows) are all highly liquid debt instruments purchased with a maturity with three months or less.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Income Taxes

GBRLC has been recognized by the Internal Revenue Service as a not-for-profit organization as described in Section 501(c) (3) of the Internal Revenue Code and is exempt from federal income taxes. Accordingly, no provision for income taxes on related income has been included in the financial statements.

In Management's judgment, GBRLC does not have any tax positions that would result in a loss contingency considering the facts, circumstances, and information available at the reporting date.

**GREATER BATON LITERACY COALITION, DBA UP ALLIANCE**  
**BATON ROUGE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(SEE ACCOUNTANTS' COMPILATION REPORT)**

**1. Significant Accounting Policies and Presentations** (continued)

Contributed Services

GBRLC recognized in-kind contributions for services received at the estimated fair value of those services, provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased, if not provided by donation.

Functional Allocation of Expenses

The costs of providing the various programs and administrative activities have been summarized on a functional basis in the statements of activities and functional expenses. Accordingly, certain costs have been allocated between program, administrative, and fund raising expense based on management's estimate.

**2. Temporarily Restricted Net Assets Released**

Temporarily restricted net assets at March 31, 2017 were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrences of other events specified by the donors. During the period from April 1, 2017 to December 31, 2017, \$9,796 of restricted net assets were released. There are no restricted net assets at December 31, 2017 which are to be donated to a non-profit organization.

**3. Sub-recipients of Federal and State Grants**

A portion of the funding received from the Louisiana Community and Technical College System Grant was funded to sub-recipients for the period from April 1, 2017 to December 31, 2017 as follows:

<u>Sub-recipient</u>	<u>Federal</u>	<u>State</u>	<u>Total</u> <u>Amount</u>
Adult Literacy Advocates	\$ 12,350	\$ 2,576	\$ 14,926
St. Paul Adult Learning Center	<u>38,752</u>	<u>8,285</u>	<u>47,037</u>
	<u>\$ 51,102</u>	<u>\$ 10,861</u>	<u>\$ 61,963</u>

The sub-recipient awards noted above are included in the caption provider outreach in the Schedule of Functional Expenses.

**4. Contributed Services**

During the period from April 1, 2017 to December 31, 2017 GBRLC received bookkeeping services totaling \$2,700 from a related party and free office space and other office expenses totaling \$1,430. The value of these services is recognized as public support revenue and is included in administrative expenses on the Statements of Activities.

**GREATER BATON LITERACY COALITION, DBA UP ALLIANCE**  
**BATON ROUGE, LOUISIANA**

**NOTES TO THE FINANCIAL STATEMENTS**  
**(SEE ACCOUNTANTS' COMPILATION REPORT)**

**5. Concentration of Credit Risk**

GBRLC's financial instruments that are exposed to concentrations of credit risk consist of cash. GBRLC had cash balances on deposit with one bank at December 31, 2017. The balance at December 31, 2017 did not exceed the FDIC insured limit.

**6. Subsequent Events**

As further described in Note 1, GBRLC's Board of Directors formerly approved plans to discontinue the organizations operating activities and accordingly filed dissolution documents which were acknowledged and approved by the Louisiana Secretary of State.

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 7, 2018, and determined that no other events would require disclosure.

**GREATER BATON ROUGE LITERACY COALITION, DBA UP ALLIANCE**  
**BATON ROUGE, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS**  
**TO EXECUTIVE DIRECTOR**  
**APRIL 1, 2017 TO DECEMBER 31, 2017**  
**(SEE ACCOUNTANTS' COMPILATION REPORT)**

**Executive Director:** Deborah E. O'Connor

<b>Purpose</b>	<b>Amount</b>
Salary	\$ 13,993
Benefits - insurance (Health)	-
Benefits - retirement	-
Deferred compensation	-
Benefits - other (Social/Medicare taxes)	-
Benefits - other (describe) (Life insurance and A/D&D)	-
Benefits - other (describe) (Disability insurance)	-
Car allowance (Gas cards/repairs - company car)	-
adjusted for various fiscal years) - None reported	-
Cell phone	-
Dues	-
Vehicle rental	-
Per diem	-
Reimbursements	-
Travel	-
Registration fees	-
Conference travel	-
Housing	-
Unvouchered expenses (example: travel advances, etc.)	-
Special meals	-
Other (including payments made by other parties on behalf of the Executive Director)	-
<b>Total</b>	<b>\$ 13,993</b>