

WON COMMUNITY SERVICE CENTER

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REPORT ON REVIEW  
STATEMENTS OF MODIFIED CASH RECEIPTS,  
CASH DISBURSEMENTS AND CASH BALANCE

FOR THE YEARS ENDED  
DECEMBER 31, 2006 AND 2005

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March 28, 2007

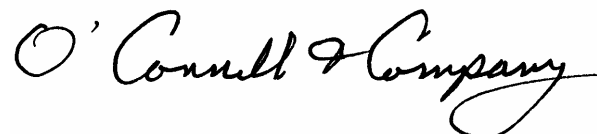
ACCOUNTANT'S REVIEW REPORT

Won Community Service Center  
Glenside, Pennsylvania

We have reviewed the accompanying statements of modified cash receipts, cash disbursements and cash balance of Won Community Service Center (a non-profit organization) for the years ended December 31, 2006 and 2005 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Won Community Service Center.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying statement in order for it to be in conformity with the modified cash basis of accounting, as described in Note 1.



Certified Public Accountants

WON COMMUNITY SERVICE CENTER

STATEMENTS OF MODIFIED CASH RECEIPTS, CASH DISBURSEMENTS  
AND CASH BALANCE

FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

CASH RECEIPTS	<u>2006</u>	<u>2005</u>
Government grants	\$ 34,465	\$ 41,600
Grants and donations	40,221	42,026
Interest income	1,595	409
Contributed services	103,082	116,237
Other	1,144	15
<b>TOTAL CASH RECEIPTS</b>	<u>180,507</u>	<u>200,287</u>
CASH DISBURSEMENTS		
Advertising	639	1,632
Communication	3,189	3,201
Contributions	3,470	4,997
Equipment	217	380
Insurance	1,424	1,078
Scholarship Grant	900	-
Staff Development & Other	1,343	-
Personnel costs	115,596	128,597
Professional fees	25,408	29,462
Supplies	10,777	12,949
Car	3,835	-
Textbooks	1,885	2,326
Travel	1,307	1,158
Utilities	6,657	3,098
<b>TOTAL CASH DISBURSEMENTS</b>	<u>176,647</u>	<u>188,878</u>
<b>NET INCREASE IN CASH</b>	3,860	11,409
CASH - Beginning of Year	<u>31,683</u>	<u>20,274</u>
CASH - End of Year	<u>\$ 35,543</u>	<u>\$ 31,683</u>

See accompanying notes and accountant's review report.

WON COMMUNITY SERVICE CENTER

NOTES TO FINANCIAL STATEMENT

FOR THE YEARS ENDED DECEMBER 31, 2006 AND 2005

The Won Community Service Center is a Pennsylvania not-for-profit organization located in Abington, Pennsylvania, providing after school programs, care and educational activities, adult English language instruction for low income minority immigrants and English language instruction for children of low income minority immigrants. Won Community Service Center qualifies as a tax-exempt organization under Section 501(c)3 of the Internal Revenue Code; accordingly, there is no income tax applicable to its activities.

1 Basis of Accounting

The accompanying financial statements have been prepared on the cash receipts and disbursements basis, modified to include contributed services, revenues and expenses. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All cash transactions are recognized as either cash receipts or cash disbursements. Also contributed services are recognized as receipts and disbursements. The modified cash basis differs from generally accepted accounting principles primarily because the effects of outstanding pledges receivable and obligations for unpaid invoices at the date of the financial statements are not included in the financial statements.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2 Concentration of Risk – Sources of Revenue

For each of the years ended December 31, 2006 and 2005 funding from the Pennsylvania Department of Education made up 45% and 49% of the Center's total cash receipts, respectively.

3 Contributed Services

The Center received contributed services as described below. These items have been recorded at their estimated fair market value. The donated values are summarized as follows:

	<u>2006</u>	<u>2005</u>
Personnel costs	\$ 78,432	\$ 87,337
Professional fees	24,650	28,900
	<u>\$ 103,082</u>	<u>\$ 116,237</u>

4 Functional Expenses

The costs of providing program services and supporting services of the Center have been summarized on a functional basis in the following schedule. Costs for employee benefits have been allocated among the functional categories benefits.

	<u>2006</u>	<u>2005</u>
Program	\$ 152,870	\$ 163,793
Administration	23,777	25,085
	<u>\$ 176,647</u>	<u>\$ 188,878</u>