

WON COMMUNITY SERVICE CENTER

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REPORT ON REVIEW  
OF FINANCIAL STATEMENTS

FOR THE YEARS ENDED  
DECEMBER 31, 2008 AND 2007

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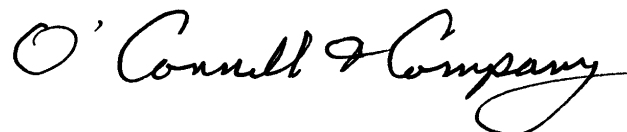
ACCOUNTANT'S REPORT

Won Community Service Center  
Glenside, Pennsylvania

We have reviewed the accompanying statements of assets, liabilities and net assets - modified cash basis of Won Community Service Center (a non-profit organization) (the Center) as of December 31, 2008 and 2007 and the related statements of support, revenues and expenses - modified cash basis and cash flows - modified cash basis for the years then ended 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 statements in order for them 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 ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS

DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 23,235	\$ 12,489
Investments	<u>11,172</u>	<u>15,471</u>
<b>TOTAL ASSETS</b>	<u>\$ 34,407</u>	<u>\$ 27,960</u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
	\$ -	\$ -
 <b>NET ASSETS</b>		
Unrestricted	<u>34,407</u>	<u>27,960</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 34,407</u>	<u>\$ 27,960</u>

See accompanying notes and accountant's report.

WON COMMUNITY SERVICE CENTER

STATEMENTS OF SUPPORT, REVENUE, AND EXPENSES - MODIFIED CASH BASIS

YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<b>SUPPORT AND REVENUE</b>		
Government grants	\$ 32,408	\$ 34,640
Grants and donations	63,541	29,755
Contributed services	110,720	96,228
Investment (loss) income	(4,194)	1,605
Other income	136	-
<b>TOTAL REVENUE</b>	<u>202,611</u>	<u>162,228</u>
 <b>EXPENSES</b>		
Advertising	1,402	950
Communication	3,754	3,890
Contributions	766	-
Equipment	-	4,965
Insurance	1,912	2,566
Scholarship grant	1,000	1,000
Staff development	2,998	-
Personnel costs	121,999	108,031
Professional fees	28,518	23,520
Supplies	15,626	8,661
Car	5,201	5,102
Textbooks	2,612	2,385
Travel	2,055	1,825
Miscellaneous	-	389
Utilities	8,321	6,527
<b>TOTAL EXPENSES</b>	<u>196,164</u>	<u>169,811</u>
 <b>CHANGE IN NET ASSETS</b>	 6,447	 (7,583)
 <b>NET ASSETS - Beginning of Year</b>	 <u>27,960</u>	 <u>35,543</u>
 <b>NET ASSETS - End of Year</b>	 <u>\$ 34,407</u>	 <u>\$ 27,960</u>

See accompanying notes and accountant's report.

WON COMMUNITY SERVICE CENTER

STATEMENTS OF CASH FLOWS - MODIFIED CASH BASIS

YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 6,447	\$ (7,583)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Loss (gain) on investments	<u>4,299</u>	<u>(1,484)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>10,746</u>	<u>(9,067)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	10,746	(9,067)
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>12,489</u>	<u>21,556</u>
CASH AND CASH EQUIVALENTS - End of Year	<u>\$ 23,235</u>	<u>\$ 12,489</u>

The accompanying notes and accountant's report.

## WON COMMUNITY SERVICE CENTER

### NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

The Won Community Service Center is a Pennsylvania not-for-profit organization located in Abington, Pennsylvania, providing social services, 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 Summary of Significant Accounting Policies

The significant accounting policies followed by the Center are described below to enhance the usefulness of the financial statements to the reader.

**Modified Cash Basis** - The accompanying financial statements have been prepared on the cash basis, modified to report investments at market value and contributed services. Under that basis, the only assets recognized are cash and investments, and no liabilities are recognized. 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.

**Cash and Cash Equivalents** - For the statement of cash flows, the Center includes cash on deposit, cash on hand, and money market funds to be cash.

**Investments** - Investments are reported in the financial statements at market value.

**Contributions** - The Center records contributions of cash and other assets when an unconditional promise to give such assets is received from a donor. Contributions are recorded at the fair market value of the assets received and are classified as either permanently restricted, temporarily restricted or unrestricted, depending on whether the donor has imposed a restriction on the use of such assets. However, support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is received.

**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

The Center maintains its cash and cash equivalents in bank deposit accounts, which, at times, may exceed federally insured limits. The Center has not experienced any losses in such accounts. Management believes the Center is not exposed to any significant credit risk related to cash and cash equivalents.

WON COMMUNITY SERVICE CENTER

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

(Continued)

3 Investments

Investments consist of the following:

	<u>2008</u>	<u>2007</u>
Mutual Funds	\$ 11,172	\$ 15,471

Investment (loss) income consists of the following:

	<u>2008</u>	<u>2007</u>
Interest	\$ 105	\$ 121
(Loss) gain on investments	(4,299)	1,484
	<u>\$ (4,194)</u>	<u>\$ 1,605</u>

4 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>2008</u>	<u>2007</u>
Personnel costs	\$ 82,370	\$ 73,428
Professional fees	28,350	22,800
	<u>\$ 110,720</u>	<u>\$ 96,228</u>

5 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>2008</u>	<u>2007</u>
Program	\$ 171,726	\$ 147,440
Administration	24,438	22,371
	<u>\$ 196,164</u>	<u>\$ 169,811</u>