

WON COMMUNITY SERVICE CENTER

REPORT ON REVIEW
OF FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 31, 2009 AND 2008

CONTENTS

	<u>PAGE</u>
ACCOUNTANT'S REVIEW REPORT	1
FINANCIAL STATEMENTS	
STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - CASH BASIS	2
STATEMENTS OF REVENUES AND EXPENSES - CASH BASIS	3
STATEMENTS OF CASH FLOWS - CASH BASIS	4
NOTES TO FINANCIAL STATEMENTS	5 - 8

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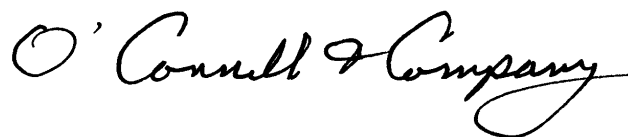
ACCOUNTANT'S REPORT

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, 2009 and 2008 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 Center 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, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
ASSETS		
Cash and cash equivalents	\$ 5,439	\$ 23,235
Investments	<u>13,821</u>	<u>11,172</u>
TOTAL ASSETS	<u>\$ 19,260</u>	<u>\$ 34,407</u>
 LIABILITIES AND NET ASSETS		
LIABILITIES		
	\$ -	\$ -
 NET ASSETS		
Unrestricted	<u>19,260</u>	<u>34,407</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 19,260</u>	<u>\$ 34,407</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, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
SUPPORT AND REVENUE		
Government grants	\$ 29,825	\$ 32,408
Grants and donations	29,912	63,541
Contributed services	99,662	110,720
Investment income (loss)	2,732	(4,194)
Other income	<u>2,308</u>	<u>136</u>
TOTAL SUPPORT AND REVENUE	<u>164,439</u>	<u>202,611</u>
EXPENSES		
Advertising	1,312	1,402
Communication	3,952	3,754
Contributions	400	766
Insurance	3,216	1,912
Scholarship grant	1,000	1,000
Staff development	4,697	2,998
Personnel costs	106,162	121,999
Professional fees	27,507	28,518
Supplies	15,937	15,626
Car	5,090	5,201
Textbooks	1,089	2,612
Travel	1,834	2,055
Utilities	<u>7,390</u>	<u>8,321</u>
TOTAL EXPENSES	<u>179,586</u>	<u>196,164</u>
CHANGE IN NET ASSETS	(15,147)	6,447
NET ASSETS - Beginning of Year	<u>34,407</u>	<u>27,960</u>
NET ASSETS - End of Year	<u>\$ 19,260</u>	<u>\$ 34,407</u>

See accompanying notes and accountant's report.

WON COMMUNITY SERVICE CENTER

STATEMENTS OF CASH FLOWS - MODIFIED CASH BASIS

YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (15,147)	\$ 6,447
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
(Gain) loss on investments	<u>(2,649)</u>	<u>4,299</u>
NET CASH (USED) PROVIDED BY OPERATING ACTIVITIES	<u>(17,796)</u>	<u>10,746</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(17,796)	10,746
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>23,235</u>	<u>12,489</u>
CASH AND CASH EQUIVALENTS - End of Year	<u>\$ 5,439</u>	<u>\$ 23,235</u>

The accompanying notes and accountant's report.

WON COMMUNITY SERVICE CENTER

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

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.

Fair Value Measurements -- Fair Value Measurements establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements).

WON COMMUNITY SERVICE CENTER

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(Continued)

1 Summary of Significant Accounting Policies (continued)

Fair Value Measurements (Continued)

The three levels of the fair value hierarchy in accordance with generally accepted accounting principles are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Center has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlations or other means.

If the asset or liability has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The fair values of investments in marketable securities, including equity and debt securities, mutual funds and exchange traded funds, are based on quoted market prices for those investments on the last day of the fiscal year. The fair value of the Center's investment in alternative investment funds, which are not traded on an exchange, is based upon the Center's share of the reported net asset values of these funds. The investments held by these alternative investment funds that are not based on quoted market prices are valued by a third-party. The Center's investment in alternative investment funds involves a significant degree of risk and there are substantial restrictions on the transferability of these shares.

The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Center believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

WON COMMUNITY SERVICE CENTER

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(Continued)

1 Summary of Significant Accounting Policies (continued)

Income Taxes - ASC 740, "Accounting for Uncertainty for Income Taxes," requires the tax effects of certain tax positions to be recognized. These tax positions must meet a "more likely than not" standard that based on their technical merit have more than 50% likelihood of being sustained upon IRS examination. Management estimates that there are no uncertain tax positions as of December 31, 2009.

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.

3 Investments

Investments consist of the following:

	<u>2009</u>	<u>2008</u>
Mutual Funds	<u>\$ 13,821</u>	<u>\$ 11,172</u>

Investment income (loss) consists of the following:

	<u>2009</u>	<u>2008</u>
Interest	\$ 83	\$ 105
Gain (loss) on investments	<u>2,649</u>	<u>(4,299)</u>
	<u>\$ 2,732</u>	<u>\$ (4,194)</u>

4 Fair Value Measurements

The following table sets forth by level, within the fair value hierarchy, the Center's assets at fair value as of December 31, 2009 and 2008:

	<u>Assets at Fair Values as of December 31, 2009</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,821</u>	<u>\$ 13,821</u>
Total assets at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,821</u>	<u>\$ 13,821</u>

WON COMMUNITY SERVICE CENTER

NOTES TO FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

(Continued)

4 Fair Value Measurements (Continued)

	<u>Assets at Fair Values as of December 31, 2008</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ -	\$ -	\$ 11,172	\$ 11,172
Total assets at fair value	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,172</u>	<u>\$ 11,172</u>

Level 3 securities activity is summarized below:

	<u>Mutual Funds</u>
Balance January 1, 2009	\$ 11,172
Gain on investments	<u>2,649</u>
Balance December 31, 2009	<u>\$ 13,821</u>

5 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>2009</u>	<u>2008</u>
Personnel costs	\$ 72,662	\$ 82,370
Professional fees	<u>27,000</u>	<u>28,350</u>
	<u>\$ 99,662</u>	<u>\$ 110,720</u>

6 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>2009</u>	<u>2008</u>
Program	\$ 157,999	\$ 171,726
Administration	<u>21,587</u>	<u>24,438</u>
	<u>\$ 179,586</u>	<u>\$ 196,164</u>

7 Subsequent Event

The Center has evaluated all subsequent events through March 16, 2010, the date the financial statements were available to be issued.