

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.

FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED
JUNE 30, 2011 AND 2010
WITH
INDEPENDENT AUDITORS' REPORT

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.
FINANCIAL STATEMENTS
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JUNE 30, 2011 AND 2010

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Koreatown Youth and Community Center, Inc.
Los Angeles, CA

We have audited the accompanying statements of financial position of Koreatown Youth and Community Center, Inc. ("KYCC") as of June 30, 2011 and 2010, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended. These financial statements are the responsibility of KYCC's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from KYCC's financial statements and, in our reports dated October 11, 2010 and October 30, 2009, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we 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. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial positions of KYCC as of June 30, 2011 and 2010 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Statements of Functional Expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Choi, Kim & Park, LLP

Los Angeles, California
November 3, 2011

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2011 AND 2010

<u>ASSETS</u>		
	2011	2010
Current assets:		
Cash and cash equivalents (Notes 2 and 11)	\$ 384,024	\$ 375,566
Accounts receivable, net (Note 2)	652,071	745,634
Other receivable	29,970	-
Prepaid expenses	2,629	2,772
Total current assets	1,068,694	1,123,972
Restricted cash (Notes 3)	192,327	172,169
Property, building and equipment, net (Notes 2 and 4)	2,515,713	2,641,337
Investment in limited partnership (Note 5)	347,926	350,885
Total assets	\$ 4,124,660	\$ 4,288,363
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable	\$ 28,693	\$ 51,114
Accrued expenses	193,831	159,476
Line of credit	175,000	575,000
Deferred revenue (Note 6)	228,145	42,093
Accrued interest	1,251	1,567
Tenant security deposits and other liabilities - Reno	18,086	16,311
Notes payable (Note 7)	10,000	10,000
Note payable - vehicle	-	6,337
Total current liabilities	655,006	861,898
Long term liabilities:		
Notes payable, net of current (Note 7)	1,003,855	1,013,855
Accrued interest	465,239	416,489
Total long term liabilities	1,469,094	1,430,344
Total liabilities	2,124,100	2,292,242
Net assets:		
Unrestricted	2,000,560	1,937,717
Temporarily restricted	-	58,404
Total net assets	2,000,560	1,996,121
Total liabilities and net assets	\$ 4,124,660	\$ 4,288,363

See accompanying notes to financial statements.

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2011

	2011			2010
	Unrestricted	Temporarily Restricted	Total	Summarized Total
Revenue and support				
Government grants and contributions	\$ 1,454,058	\$ -	\$ 1,454,058	\$ 1,452,399
Program service revenue	1,620,122	-	1,620,122	1,055,089
Foundation grants	417,191	-	417,191	556,761
Contributions and donations	106,843	-	106,843	224,275
Fundraising	632,735	-	632,735	284,456
Investment income	10,242	-	10,242	10,630
Rental Revenue – Reno	230,895	-	230,895	217,627
Other income	73,657	-	73,657	178,861
Temporarily restricted net assets released from restriction (Note 2)	58,404	(58,404)	-	-
Total revenue and support	<u>4,604,147</u>	<u>(58,404)</u>	<u>4,545,743</u>	<u>3,980,099</u>
Functional expenses				
Program expenses	3,685,342	-	3,685,342	3,290,587
Support services				
General and administrative	246,284	-	246,284	265,504
Indirect	19,206	-	19,206	145,122
Fundraising	590,472	-	590,472	260,301
Total functional expenses	<u>4,541,304</u>	<u>-</u>	<u>4,541,304</u>	<u>3,961,514</u>
Change in net assets	62,843	(58,404)	4,439	18,585
Net assets, beginning of year	<u>1,937,717</u>	<u>58,404</u>	<u>1,996,121</u>	<u>1,977,536</u>
Net assets, end of year	<u>\$ 2,000,560</u>	<u>\$ -</u>	<u>\$ 2,000,560</u>	<u>\$ 1,996,121</u>

See accompanying notes to financial statements.

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

	2010			2009
	Unrestricted	Temporarily Restricted	Total	Summarized Total
Revenue and support				
Government grants and contributions	\$ 1,452,399	\$ -	\$ 1,452,399	\$ 1,331,642
Program service revenue	1,055,089	-	1,055,089	1,213,898
Foundation grants	175,694	381,067	556,761	712,057
Contributions and donations	224,275	-	224,275	162,440
Fundraising	284,456	-	284,456	275,452
Investment income	10,630	-	10,630	3,136
Rental Revenue – Reno	217,627	-	217,627	215,311
Other income	178,862	-	178,862	64,520
Temporarily restricted net assets released from restriction (Note 2)	440,782	(440,782)	-	-
Total revenue and support	<u>4,039,814</u>	<u>(59,715)</u>	<u>3,980,099</u>	<u>3,978,456</u>
Functional expenses				
Program expenses	3,290,587	-	3,290,587	3,186,834
Support services				
General and administrative	265,504	-	265,504	264,381
Indirect	145,122	-	145,122	127,099
Fundraising	260,301	-	260,301	322,681
Total functional expenses	<u>3,961,514</u>	<u>-</u>	<u>3,961,514</u>	<u>3,900,995</u>
Other expenses				
Impairment loss	-	-	-	7,178
Change in net assets	78,300	(59,715)	18,585	70,283
Net assets, beginning of year	<u>1,859,417</u>	<u>118,119</u>	<u>1,977,536</u>	<u>1,907,253</u>
Net assets, end of year	<u>\$ 1,937,717</u>	<u>\$ 58,404</u>	<u>\$ 1,996,121</u>	<u>\$ 1,977,536</u>

See accompanying notes to financial statements.

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010
Cash flows from operating activities:		
Change in net assets	\$ 4,439	\$ 18,585
Adjustments to reconcile net assets to net cash provided by (used in) operating activities:		
Depreciation	131,034	136,786
Bad debt	10,582	62,800
Gain on sales of property	-	(8,615)
Loss from investment in limited partnership	2,959	2,466
 (Increase) Decrease in:		
Accounts receivable	82,981	(242,229)
Other receivable	(29,970)	-
Prepaid expenses	143	85
 Increase (Decrease) in:		
Accounts payable	(22,421)	(41,066)
Accrued expenses and interest	82,789	71,849
Deferred revenue	186,052	(61,159)
Funded tenant security deposits & other liabilities - Reno	1,775	1,444
Total adjustments	445,924	(77,639)
Net cash provided by (used in) operating activities	450,363	(59,054)
 Cash flows from investing activities:		
Increase in restricted cash	(20,158)	(15,122)
Acquisition of property, plant and equipment	(5,410)	(59,979)
Proceeds from sales of property, plant and equipment	-	9,000
Net cash used in investing activities	(25,568)	(66,101)

(Continued)

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010
Cash flows from financing activities:		
Payments on lines of credit	(400,000)	250,000
Payments on notes payable	(16,337)	(21,759)
Net cash provided by (used in) financing activities	(416,337)	228,241
Net increase in cash	8,458	103,086
Cash, beginning of year	375,566	272,480
Cash, end of year	\$ 384,024	\$ 375,566
Supplemental disclosures:		
Cash paid during the year for:		
Interest	\$ 10,466	\$ 9,395

See accompanying notes to financial statements.

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010

Note 1 - Organization

Koreatown Youth and Community Center, Inc. ("KYCC") is a not-for-profit, California Corporation located in the Koreatown area of Los Angeles. KYCC's programs and services are directed toward recently immigrated, economically disadvantaged youth and families, and promote community socio-economic development. KYCC's services include childcare and early childhood development, after school programs for students in grades 1-12, youth development programs including gang and substance abuse prevention, mental health services for children and their families, community economic development services including small business assistance, financial literacy, affordable housing services and environmental services including conservation programs, graffiti removal and tree planting.

Note 2 - Summary of Significant Accounting Policies

This summary of significant accounting policies of KYCC is presented to assist in understanding KYCC's financial statements. The financial statements and notes are representations of KYCC's management, who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates are primarily used for depreciation and amortization, allowance for doubtful accounts. Actual results could differ from those estimates.

Revenue Recognition

Grants and other contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the nature of the restrictions.

All donor-restricted contributions are reported as an increase in temporarily restricted net assets. 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. However, KYCC has implemented the policy to show restricted contributions whose restrictions are met in the same reporting period as unrestricted contributions.

Contributed Services

KYCC has several individuals who volunteer their time to assist with a variety of tasks throughout the year. However, these services do not meet the criteria for recognition as contributed service. No amount has been recorded in the financial statements.

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010

Note 2 - Summary of Significant Accounting Policies (continued)

Accounts Receivable and Allowance for Doubtful Accounts

KYCC provides various services on behalf of governments and other not-for-profit organizations, and receives program service fees. KYCC considers amounts receivable from grantors including governments and other not-for-profit organizations to be fully collectible; accordingly, no allowance for doubtful accounts has been established.

Cash and Cash Equivalents

KYCC considers all highly liquid investments purchased with an original maturity of three months or less to be categorized as cash and cash equivalents. KYCC maintains its cash in bank accounts which, at times may exceed federally insured limits. KYCC has not experienced any losses in such accounts. Management believes KYCC is not exposed to any significant risk on cash balances.

Property and Equipment

Property and equipment are stated at cost. The building is depreciated on a straight-line basis over its estimated useful life of 30 to 40 years. Improvements are depreciated over the remaining useful life of the building. Furniture and equipment are depreciated on a straight-line basis over 3 to 5 years. Automobiles are depreciated on a straight-line basis over 4 to 6 years. Maintenance and repairs that do not increase the estimated useful life of an asset are expensed as incurred.

Income Taxes

KYCC maintains a tax-exempt status under sections 501(c)(3) of the Internal Revenue Code and 23701(d) of the State of California, Revenue and Taxation Code. KYCC's form 990, Return of Organization Exempt from Income Taxes for the years ended June 30, 2010, 2009 and 2008 are subject to examination by the IRS and FTB, generally for three years after they were filed. As required by the Income Taxes Topic for the FASB ASC, KYCC recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. KYCC does not believe its financial statements include any uncertain tax positions.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Reclassification of Prior Year Financial Statements

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements. This has resulted in no change to KYCC's consolidated balance sheet, net income or retained earnings.

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010

Note 2 - Summary of Significant Accounting Policies (continued)

Fair Value of Financial Instruments

KYCC's financial instruments, including cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities and amounts due to customers are carried at cost, which approximates their fair value because of the short-term maturity of these instruments. The fair value of KYCC's debt approximates book value as of June 30, 2011 and 2010 because the loan from the City of Los Angeles was to help KYCC provide the low-income housing program and it will not be called as long as KYCC maintains the low-income housing program.

Note 3 – Restricted Cash

Cash received as security deposits from tenants at the time apartments are occupied. Such deposits will be returned to tenants, less estimated costs of damages other than normal wear and tear, when tenants relocate from the project. Any funds collected as security deposits are maintained in a trust account separate and apart from all other funds of the Project. It is KYCC's accounting policy that total funds in asset account at all times equal or exceed the corresponding liability account. The surplus in asset account will transfer at the month end. At June 30, 2011 and 2010, tenant security deposits were \$42,499 and \$37,231, respectively.

In accordance with the terms of a note payable to the City of Los Angeles, an interest bearing account designated by the City was established in 1999 as the "Operating Reserve" fund. KYCC is required annually to fund 3% of annual effective gross revenue to the extent that there are sufficient funds available from revenue after the payment of all operating expenses. Therefore, KYCC is under no obligation to fund the Operating Reserve fund if funds are not available after the payment of all operating expenses. At June 30, 2011 and 2010, deposits for Operating Reserve were \$64,148 and \$56,959, respectively.

In accordance with the terms of a note payable to the City of Los Angeles, an interest bearing account designated by the City was established in 1999 as the "Replacement Reserve" Fund. KYCC is required annually to fund 0.6% of the sum of construction plus acquisition costs to the extent that there are sufficient funds available after the payment of all operating expenses. Therefore, KYCC is under no obligation to fund the Replacement Reserve Fund if funds are not available after the payment of all operating expenses. At June 30, 2011 and 2010, deposits for Replacement Reserve were \$85,680 and \$77,979, respectively.

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 AND 2010

Note 4 - Property and Equipment

Property and equipment consist of the following as of June 30, 2011 and 2010:

	2011	2010
Automobile	\$ 164,131	\$ 164,131
Office equipment	37,482	37,482
Furniture and fixture	1,179	1,179
Building	3,160,684	3,155,274
	3,363,476	3,358,066
Less: accumulated depreciation	(847,763)	(716,729)
Property and equipment, net	\$ 2,515,713	\$ 2,641,337

Total depreciation expense amounted to \$131,034 and \$136,786 for the year ended June 30, 2011 and 2010, respectively.

Crenshaw Building

During the fiscal year ended June 30, 2003, KYCC acquired real property in the Koreatown area of Los Angeles. KYCC acquired the property to provide early childhood development and care center for children up to five year of age, as well as a facility to provide parental education and family support services to families living or working in the Koreatown community.

Note 5 - Investment in Limited Partnership

In 1992, KYCC assumed a \$200,000 note payable to the City of Los Angeles Community Development Department for the Wilton Building from Korean Youth Center, Limited Partnership in exchange for 1.0% of interest in the limited partnership. This limited partnership interest is reported as an investment by KYCC. As of December 31, 2010 per the federal partnership income tax return, the net equity of KYCC's investment in the limited partnership was \$347,926 decreased by \$2,959 of investment loss for the year ended June 30, 2011. Accrued interest payables were \$1,251 and \$1,567 for June 30, 2011 and 2010, respectively.

Note 6 – Deferred Revenue

KYCC provides various services on behalf of governments and other not-for-profit organizations, and receives program service fees. Program service fees are recognized in the period in which the services are rendered. Revenues should be recorded as deferred revenue to the extent that it has not been earned. Most program service fees are collected after the services are provided and the invoices are billed. Occasionally, grantors distribute the funds for their accounting periods, which does not correspond to KYCC's fiscal year. At June 30, 2011, deferred revenue of \$228,145 is the amounts received but not earned yet.

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 AND 2010

Note 7 - Notes Payable

Wilton Building

The \$200,000 note payable to the City of Los Angeles Community Development Department in exchange for the 1.0% interest in Korean Youth Center, Limited Partnership has a term of twenty years with a 3.5% interest rate and annual principal payments of \$10,000. The balance as of June 30, 2011 and 2010 were \$38,855 and \$48,855, respectively. This note will mature on July 10, 2012.

Reno Building

In August 1999, KYCC became the obligor on a note payable of \$975,000 due as of June 30, 2039 to the City of Los Angeles, which is secured by a first deed of trust and assignment of rents. The interest rate is 5.0% per annum on the principal amount.

Repayment of the loan will commence one year after the date of the loan closing in August 2039. Annual payments are to be calculated based on the "Residual Receipts" of the rental operation, as defined in the loan agreement. The repayment shall be made with the City's share of "Residual Receipts" and shall be applied first to pay current annual interest due, then cumulative interest owed, and then to reduce the principal amount of the loan. Interest payable at June 30, 2011 was \$465,239.

The following is a summary of notes payable on June 30, 2011:

	<u>2011</u>	<u>2010</u>
Note payable, in connection with the Wilton building, due in an annual installment payment of \$10,000 including interest at a fixed rate of 3.5% with maturity in July, 2012, collateralized by all inventory, accounts receivable, and equipment of KYCC and personally guaranteed by the stockholder.	\$ 38,855	\$ 48,855
Note payable, in connection with the Reno building, interest only at a fixed rate of 5.0% with maturity in July, 2039, collateralized by real and personal property of the stockholder. The principal amount is due by the maturity date.	<u>975,000</u>	<u>975,000</u>
Total notes payable	1,013,855	1,023,855
Less: current portion	<u>(10,000)</u>	<u>(10,000)</u>
Notes payable, net of current	<u>\$ 1,003,855</u>	<u>\$ 1,013,855</u>

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011 AND 2010

Note 7 - Notes Payable (continued)

The notes payable will mature as follows:

<u>Years ending June 30,</u>	<u>Amount</u>
2012	\$ 10,000
2013	28,855
2014	-
2015	-
2016 and thereafter	<u>975,000</u>
Total	<u>\$ 1,013,855</u>

Note 8 - Commitments and Contingencies

Lease

KYCC leases three office locations and certain equipment under non-cancelable operating lease agreements. Future minimum payments under these lease agreements at June 30, 2011 were as follows:

<u>Years ending June 30,</u>	<u>Equipment lease</u>	<u>Building lease</u>	<u>Total</u>
2012	\$ 8,740	\$ 157,440	\$ 166,180
2013	4,641	157,440	162,081
2014	3,822	131,340	135,162
2015	-	105,240	105,240
2016 and thereafter	<u>-</u>	<u>181,860</u>	<u>181,860</u>
Total	<u>\$ 17,203</u>	<u>\$ 733,320</u>	<u>\$ 750,523</u>

Note 9 - Temporarily Restricted Net Assets

KYCC receives contributions to which donor-imposed purpose restrictions apply. When KYCC incurs expenses for programs established upon receipt of the contributions, net assets are released from restrictions and reclassified from temporarily restricted to unrestricted net assets. The purpose restrictions of the contributions do not specify as to how expenditure amounts should be incurred, but to restrict KYCC to spend funds received for the directly related purposes of the programs. KYCC does not receive the contributions of donor-imposed time restrictions, in which contributions are recorded as revenues in the temporarily restricted net asset class and then transferred to the unrestricted net asset class in the time period specified by donors.

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2011 AND 2010

Note 10 – Retirement Plan

KYCC adopted a retirement plan which is a defined contribution plan that is intended to satisfy the requirement of section 403(b) of the Internal Revenue Code of 1986 (as amended). All employees, who are not students performing services described in Internal Revenue Code section 3121 (b)(10), who normally work more than twenty hours per week and have completed one year of service may participate.

KYCC contributes a discretionary percentage of salaries to the plan for the eligible employees who completed 1,000 hours of service during a plan year to be credited with a year of service. For the years ended June 30, 2011 and 2010, KYCC matched 50% of the employees' contribution, up to top 5% of their salaries. Total Matching contribution amounted to \$38,524 and \$26,759 respectively for the years ended June 30, 2011 and 2010.

Note 11 - Concentration of Credit risk

At June 30, 2011, KYCC had deposits at several banks located in Los Angeles, California. The balances at the banks are fully insured by the Federal Deposit Insurance Corporation.

Note 12 - Subsequent Events

KYCC has evaluated all subsequent events to the balance sheet date of June 30, 2011 through the date that the financial statements were available to be issued, which was November 3, 2011, and has determined that there are no subsequent events that require disclosure under Financial Accounting Standards Board Accounting Standards Codification Topic 855, *Subsequent Event*.

SUPPLEMENTARY INFORMATION

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2011

	PROGRAM SERVICES							SUPPORTING SERVICES				2011 Total	2010 Summarized Total
	Environmental Services	Economic Development	Clinical Services	Youth Services	Childcare	Housing	Total Program Services	General and Administrative	Indirect	Total General and Administrative	Fundraising		
Personnel expenses													
Salaries and wages	\$ 512,373	\$ 129,823	\$ 501,946	\$ 261,856	\$ 365,660	\$ -	\$ 1,771,658	\$ 86,424	\$ 373,073	\$ 459,497	\$ 79,801	\$ 2,310,956	\$ 2,051,364
Payroll taxes and benefits	150,518	29,818	92,017	54,701	87,891	-	414,945	10,017	80,944	90,961	19,254	525,160	469,538
Total Personnel expenses	662,891	159,641	593,963	316,557	453,551	-	2,186,603	96,441	454,017	550,458	99,055	2,836,116	2,520,902
Other expenses													
Advertising	-	1,170	414	170	-	-	1,754	5,107	-	5,107	242	7,103	6,787
Automobile	50,790	-	-	-	-	-	50,790	-	-	-	-	50,790	60,965
Bank service fees	126	-	-	-	-	-	126	1,201	-	1,201	-	1,327	7,793
Bad debt	10,540	-	-	1	-	-	10,541	41	-	41	-	10,582	62,800
Depreciation	-	-	-	-	48,911	17,666	66,577	64,457	-	64,457	-	131,034	136,787
Donated supplies & services	-	27,552	-	-	-	-	27,552	-	-	-	141,913	169,465	66,207
Dues and subscriptions	285	-	1,155	-	-	-	1,440	4,030	1,978	6,008	-	7,448	5,819
Employee morale	-	-	-	-	-	-	-	8,819	4,291	13,110	-	13,110	46,146
Equipment rental	1,023	1,887	2,861	2,131	699	-	8,601	185	3,106	3,291	744	12,636	28,125
Indirect cost	164,089	38,918	121,284	74,963	105,430	-	504,684	24,397	(600,120)	(575,723)	71,039	-	-
Insurance	-	-	990	-	-	-	990	-	32,296	32,296	-	33,286	31,240
Interest	-	-	-	-	-	48,750	48,750	10,150	-	10,150	-	58,900	59,071
Loss in partnership	-	-	-	-	-	2,959	2,959	-	-	-	-	2,959	2,466
Meeting & conference	225	1,269	205	-	52	-	1,751	5,473	86	5,559	3,381	10,691	7,947
Miscellaneous	123	-	-	-	-	-	123	1,680	-	1,680	-	1,803	2,953
Occupancy	72,446	19,994	30,481	26,445	35,164	-	184,530	2,121	35,338	37,459	8,514	230,503	218,281
Other expense in rental property	-	-	-	-	-	224,520	224,520	-	-	-	-	224,520	162,789
Payroll services	2,001	387	1,267	935	1,337	-	5,927	42	765	807	167	6,901	6,561
Postage & delivery	1,188	352	587	476	58	-	2,661	18	432	450	165	3,276	2,863
Printing and publication	240	116	174	208	387	-	1,125	4,991	94	5,085	21	6,231	6,038
Program events	440	4,903	-	20,041	2,334	-	27,718	-	-	-	263,482	291,200	128,725
Professional services	11,302	824	37,097	1,530	73,548	-	124,301	2,500	70,676	73,176	-	197,477	65,352
Security expenses	-	-	-	-	-	-	-	-	-	-	-	-	487
Staff training	816	-	2,676	3,355	1,764	-	8,611	2,620	3,128	5,748	-	14,359	8,922
Subcontract & client support	-	6,247	(61)	(40)	34,631	-	40,777	9,036	-	9,036	-	49,813	105,145
Supplies	44,480	4,356	6,148	27,456	9,839	-	92,279	141	6,870	7,011	367	99,657	159,697
Taxes and fees	100	-	-	40	1,386	-	1,526	2,153	528	2,681	-	4,207	2,101
Telephone	6,567	1,859	8,436	4,189	3,907	-	24,958	419	4,997	5,416	918	31,292	28,427
Travel	9,640	2,751	18,060	2,456	261	-	33,168	262	724	986	464	34,618	20,119
Total other expenses	376,421	112,585	231,774	164,356	319,708	293,895	1,498,739	149,843	(434,811)	(284,968)	491,417	1,705,188	1,440,612
Grand Total	\$ 1,039,312	\$ 272,226	\$ 825,737	\$ 480,913	\$ 773,259	\$ 293,895	\$ 3,685,342	\$ 246,284	\$ 19,206	\$ 265,490	\$ 590,472	\$ 4,541,304	\$ 3,961,514

KOREATOWN YOUTH AND COMMUNITY CENTER, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2010

	PROGRAM SERVICES							SUPPORTING SERVICES				2010 Total	2009 Summarized Total
	Environmental Services	Economic Development	Clinical Services	Youth Services	Childcare	Housing	Total Program Services	General and Administrative	Indirect	Total General and Administrative	Fundraising		
Personnel expenses													
Salaries and wages	\$ 423,857	\$ 109,544	\$ 435,634	\$ 289,319	\$ 339,868	\$ -	\$ 1,598,222	\$ 56,507	\$ 341,015	\$ 397,522	\$ 55,620	\$ 2,051,364	\$ 2,004,527
Payroll taxes and benefits	131,554	28,332	75,617	58,259	82,574	-	376,336	10,002	70,655	80,657	12,545	469,538	407,428
Total Personnel expenses	555,411	137,876	511,251	347,578	422,442	-	1,974,558	66,509	411,670	478,179	68,165	2,520,902	2,411,955
Other expenses													
Advertising	-	589	463	341	559	-	1,952	4,750	43	4,793	42	6,787	8,024
Automobile	60,965	-	-	-	-	-	60,965	-	-	-	-	60,965	49,358
Bank service fees	103	-	-	-	-	-	103	7,690	-	7,690	-	7,793	752
Bad debt	57,566	-	5,232	2	-	-	62,800	-	-	-	-	62,800	6,778
Depreciation	-	-	-	-	48,911	17,466	66,377	70,409	-	70,409	-	136,786	120,105
Donated supplies and materials	211	-	-	-	22,298	-	22,509	-	-	-	43,698	66,207	98,265
Dues and subscriptions	160	-	1,162	-	40	-	1,362	3,297	1,160	4,457	-	5,819	5,684
Employee morale	-	-	-	-	90	-	90	41,425	4,631	46,056	-	46,146	10,712
Equipment rental	2,483	2,853	7,011	5,687	1,509	-	19,543	414	7,315	7,729	853	28,125	35,735
Indirect cost	124,384	26,581	97,115	62,579	76,809	-	387,468	25,276	(441,405)	(416,129)	28,661	-	-
Insurance	-	-	980	-	-	-	980	-	30,260	30,260	-	31,240	35,409
Interest	-	-	-	-	-	48,750	48,750	10,321	-	10,321	-	59,071	57,209
Loss in partnership	-	-	-	-	-	2,466	2,466	-	-	-	-	2,466	2,409
Meeting and conference	-	292	169	193	13	-	667	3,954	141	4,095	3,185	7,947	13,113
Miscellaneous	-	-	-	-	-	-	-	2,953	-	2,953	-	2,953	3,881
Occupancy	68,590	19,643	27,728	24,311	30,118	-	170,390	3,640	37,828	41,468	6,423	218,281	211,343
Other expense in rental property	-	-	-	-	-	162,789	162,789	-	-	-	-	162,789	201,612
Payroll services	1,691	371	1,198	1,019	1,309	-	5,588	59	791	850	123	6,561	6,201
Postage and delivery	1,168	133	439	392	270	-	2,402	21	333	354	107	2,863	9,018
Printing and publication	1,760	569	1,094	940	887	-	5,250	36	589	625	163	6,038	8,696
Program events	1,188	4,796	-	15,976	1,261	-	23,221	-	-	-	105,504	128,725	138,070
Professional services	-	625	33,041	-	16,838	-	50,504	3,429	10,000	13,429	1,419	65,352	104,405
Security expense	-	134	60	58	186	-	438	3	41	44	5	487	-
Staff training	1,411	675	786	384	583	-	3,839	2,379	2,664	5,043	40	8,922	7,131
Subcontract & client support	12,300	-	15,219	260	25	-	27,804	17,147	60,194	77,341	-	105,145	206,299
Supplies	60,646	2,214	5,816	49,454	26,957	-	145,087	626	13,399	14,025	585	159,697	93,228
Taxes and fees	-	-	-	-	1,561	-	1,561	-	540	540	-	2,101	3,346
Telephone	6,600	1,539	7,088	4,136	3,536	-	22,899	522	4,265	4,787	741	28,427	33,361
Travel	337	1,208	13,835	2,704	141	-	18,225	644	663	1,307	587	20,119	18,896
Total other expenses	401,563	62,222	218,436	168,436	233,901	231,471	1,316,029	198,995	(266,548)	(67,553)	192,136	1,440,612	1,489,040
Grand Total	\$ 956,974	\$ 200,098	\$ 729,687	\$ 516,014	\$ 656,343	\$ 231,471	\$ 3,290,587	\$ 265,504	\$ 145,122	\$ 410,626	\$ 260,301	\$ 3,961,514	\$ 3,900,995