KOREAN CULTURAL CENTER OF CHICAGO  
(AN ILLINOIS NOT-FOR-PROFIT ORGANIZATION)  

FINANCIAL STATEMENTS 

As of December 31, 2006  
With Report of Independent Auditors
KOREAN CULTURAL CENTER OF CHICAGO  
(AN ILLINOIS NOT-FOR-PROFIT ORGANIZATION)

FINANCIAL STATEMENTS

December 31, 2006

TABLE OF CONTENTS

INDEPENDENT AUDITOR’S REPORT 3

FINANCIAL STATEMENTS:

STATEMENT OF FINANCIAL POSITION 4

STATEMENT OF ACTIVITIES 5

STATEMENT OF CASH FLOWS 6

NOTES TO FINANCIAL STATEMENTS 7 - 8
INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
KOREAN CULTURAL CENTER OF CHICAGO

We have audited the accompanying statement of financial position of KOREAN CULTURAL CENTER OF CHICAGO (an Illinois nonprofit organization) as of December 31, 2006, and the related statements of activities and cash flow for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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, except as noted below.

Because the 2005 financial statements were not audited, it was not practicable to extend our auditing procedures to enable us to express, and we do not express an opinion on the results of operations and cash flows for the year ended December 31, 2006 or on the consistency of application of accounting principles with the preceding year.

In our opinion, the accompanying statement of financial position present fairly, in all material respects, the financial position of KOREAN CULTURAL CENTER OF CHICAGO as of December 31, 2006, in conformity with accounting principles generally accepted in the United States of America.

Washington, Pittman & McKeever, LLC
WASHINGTON, PITTMAN & McKEEVER, LLC
Chicago, Illinois
February 2, 2009
KOREAN CULTURAL CENTER OF CHICAGO
(AN ILLINOIS NOT-FOR-PROFIT ORGANIZATION)

STATEMENT OF FINANCIAL POSITION

AS OF DECEMBER 31, 2006

ASSETS

Cash and cash equivalents $ 660,811

TOTAL ASSETS $ 660,811

LIABILITIES AND NET ASSETS

Net Assets
  Unrestricted $ 44,400
  Temporarily restricted 616,411
  Total Net Assets 660,811

TOTAL LIABILITIES AND NET ASSETS $ 660,811

The accompanying Notes are an integral part of these financial statements.
KOREAN CULTURAL CENTER OF CHICAGO  
(AN ILLINOIS NOT-FOR-PROFIT ORGANIZATION)

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2006

<table>
<thead>
<tr>
<th>Revenue and Other Support</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution</td>
<td>$</td>
<td>$ 209,176</td>
<td>$ 209,176</td>
</tr>
<tr>
<td>Earned revenue</td>
<td>90,501</td>
<td>-</td>
<td>90,501</td>
</tr>
<tr>
<td>Interest income</td>
<td>18,763</td>
<td>-</td>
<td>18,763</td>
</tr>
<tr>
<td>Total Revenue and Other Support</td>
<td>109,264</td>
<td>209,176</td>
<td>318,440</td>
</tr>
</tbody>
</table>

EXPENSES:

<table>
<thead>
<tr>
<th>Expense</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative expense</td>
<td>2,164</td>
<td>-</td>
<td>2,164</td>
</tr>
<tr>
<td>Temporary help</td>
<td>1,305</td>
<td>-</td>
<td>1,305</td>
</tr>
<tr>
<td>Conferences and meetings</td>
<td>28,788</td>
<td>-</td>
<td>28,788</td>
</tr>
<tr>
<td>Special event</td>
<td>24,500</td>
<td>-</td>
<td>24,500</td>
</tr>
<tr>
<td>Office supplies</td>
<td>155</td>
<td>-</td>
<td>155</td>
</tr>
<tr>
<td>Postage, shipping and delivery</td>
<td>117</td>
<td>-</td>
<td>117</td>
</tr>
<tr>
<td>Travel expense</td>
<td>3,749</td>
<td>-</td>
<td>3,749</td>
</tr>
<tr>
<td>Bank service charge</td>
<td>251</td>
<td>-</td>
<td>251</td>
</tr>
<tr>
<td>Miscellaneous expenses</td>
<td>3,835</td>
<td>-</td>
<td>3,835</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>64,864</td>
<td>-</td>
<td>64,864</td>
</tr>
</tbody>
</table>

Change in Net Assets                    | 44,400       | 209,176                | 253,576 |

Net Assets - Beginning of Year          | -            | 407,235                | 407,235 |

**NET ASSETS - END OF YEAR**             | $ 44,400     | $ 616,411              | $ 660,811 |

The accompanying Notes are an integral part of these financial statements.
KOREAN CULTURAL CENTER OF CHICAGO  
(AN ILLINOIS NOT-FOR-PROFIT ORGANIZATION)  

STATEMENT OF CASH FLOWS  

FOR THE YEAR ENDED DECEMBER 31, 2006  

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH FLOWS FROM OPERATING ACTIVITIES:</td>
<td></td>
</tr>
<tr>
<td>Increase in net assets</td>
<td>$253,576</td>
</tr>
<tr>
<td>Net Cash Provided By Operating Activities</td>
<td>253,576</td>
</tr>
<tr>
<td>Net Increase in Cash</td>
<td>253,576</td>
</tr>
<tr>
<td>Cash, Beginning of Year</td>
<td>407,235</td>
</tr>
<tr>
<td><strong>CASH, END OF YEAR</strong></td>
<td><strong>$660,811</strong></td>
</tr>
</tbody>
</table>

The accompanying Notes are an integral part of these financial statements.
KOREAN CULTURAL CENTER OF CHICAGO
(AN ILLINOIS NOT-FOR-PROFIT ORGANIZATION)

NOTES TO FINANCIAL STATEMENTS

December 31, 2006

NOTE 1 – NATURE OF ACTIVITIES

Korean Cultural Center of Chicago (KCCOC) is an Illinois not-for-profit organization established in 2005. KCCOC's missions are to: (i) discover, preserve and develop Korean immigrant's history and Korean Cultural legacies in the United States, (ii) enhance the understanding of the Korean culture’s uniqueness by propagating and education of Korean culture to Korean descendants and other peoples, (iii) serve as the center for cooperation among all Korean-Americans and their organizations, and (iv) support the cultural exchange and networking between Korea and the United States and conduct other cultural activities.

Significant revenue of KCCOC is derived from individual and business donations. Other sources of revenue include funds from special events and concerts.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of KCCOC have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. The significant policies followed are described below.

Financial Statement Presentation

The financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) in its Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations".

Under SFAS 117, net assets are classified based on the absence or existence and nature of donor-imposed restrictions as follows:

Unrestricted net assets: Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets: Net assets subject to donor-imposed stipulations that are met, either by actions of KCCOC and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Permanently restricted net assets: Net assets subject to donor-imposed stipulations that they be maintained permanently by KCCOC. Generally, the donors of these assets permit KCCOC to use all or part of the income earned on any related investments for general or specific purposes. There are no permanently restricted net assets as of December 31, 2006.
KOREAN CULTURAL CENTER OF CHICAGO  
(AN ILLINOIS NOT-FOR-PROFIT ORGANIZATION)  

NOTES TO FINANCIAL STATEMENTS  

December 31, 2006  

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)  

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 and disclosures. Accordingly, actual results could differ from those estimates.  

Cash and Cash Equivalents  

KCCOC considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.  

Contributions  

Contributions received are recorded as unrestricted or temporarily restricted support, depending on the existence and nature of any donor-imposed restrictions on the use of the funds. Contributions reported as temporarily restricted support are released to unrestricted net assets when the donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, and are reported in the statements of activities as net assets released from restrictions. Unconditional promises to give are recorded as received.  

Income Taxes  

KCCOC is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, there is no provision for income taxes recorded in the accompanying financial statements.  

NOTE 3 – TEMPORARILY RESTRICTED NET ASSETS  

Temporarily restricted net assets are contributions from individuals and businesses to support the developments of KCCOC and the purchase of a facility in the future. There is no current amount released from restriction.  

NOTE 4 – CONCENTRATION OF CREDIT RISK  

KCCOC maintains several bank accounts, which are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The amount in excess of the FDIC limit totaled $158,362 as of December 31, 2006.