

Financial Statements

THE KOREA SOCIETY STATEMENT OF FINANCIAL POSITION

	DECEMBER 31	
	2002	2001
ASSETS		
Cash	\$ 178,814	\$ 829,007
Money Market Fund	249,950	80,771
Accounts Receivable	21,932	13,625
Prepaid Expenses	1,936	4,004
Contributions Receivable - Temporarily Restricted	380,979	190,476
Furniture, Fixtures and Equipment (net of \$118,913 and \$104,315 accumulated depreciation in 2002 and 2001, respectively)	\$ 48,863	\$ 63,461
Assets Restricted for Long-Term Purposes	6,401,302	6,317,888
Cash Restricted for Lease Agreement	50,000	50,000
Total Assets	<u>\$ 7,333,876</u>	<u>\$ 7,549,232</u>
LIABILITIES AND NET ASSETS		
Accounts Payable	\$ 26,504	\$ 19,193
Unearned Revenue	5,790	38,720
Total Liabilities	<u>\$ 32,294</u>	<u>\$ 57,913</u>
NET ASSETS		
Unrestricted		
Operating	\$ 59,060	\$ 355,238
Board Designated Endowment	625,717	625,717
Total Unrestricted	684,777	980,955
Temporarily Restricted	215,503	192,476
Permanently Restricted	6,401,302	6,317,888
Total Net Assets	<u>7,301,582</u>	<u>7,491,319</u>
Total Liabilities and Net Assets	<u>\$ 7,333,876</u>	<u>\$ 7,549,232</u>

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2002

	2002					2001	
	UNRESTRICTED						
	BOARD						
	OPERATING	DESIGNATED ENDOWMENT	TOTAL UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	Total	Total
SUPPORT AND REVENUE							
Contributions	\$ 1,146,323	\$ —	\$ 1,146,323	\$ 240,503	\$ 83,414	\$ 1,470,240	\$ 471,966
Program Revenue	273,945	—	273,945	—	—	273,945	124,285
Special Events	518,265	—	518,265	—	—	518,265	509,696
Interest, Dividends and Capital Gains on Mutual Funds	141,710	—	141,710	—	—	141,710	195,110
Other	4,193	—	4,193	—	—	4,193	6,695
Net Assets Released from Restrictions	217,476	—	217,476	(217,476)	—	—	—
Total Support and Revenue	2,301,912	—	2,301,912	23,027	83,414	2,408,353	1,307,752
EXPENSES							
<i>Program services</i>							
Contemporary Issues and Corporate Affairs	353,112	—	353,112	—	—	353,112	287,809
Intercultural Outreach Program	201,549	—	201,549	—	—	201,549	161,520
Korean Studies Program	345,149	—	345,149	—	—	345,149	332,722
Arts	296,528	—	296,528	—	—	296,528	257,032
Publications	263,080	—	263,080	—	—	263,080	295,179
Membership	44,389	—	44,389	—	—	44,389	46,547
Development	49,204	—	49,204	—	—	49,204	50,860
Total Program Services	1,553,011	—	1,553,011	—	—	1,553,011	1,431,579
Direct Costs of Special Events	138,243	—	138,243	—	—	138,243	150,405
<i>Supporting services</i>							
Management and General	109,420	—	109,420	—	—	109,420	113,113
Fundraising	52,960	—	52,960	—	—	52,960	59,972
Total Supporting Services	162,380	—	162,380	—	—	162,380	173,085
Total Expenses	1,853,634	—	1,853,634	—	—	1,853,634	1,755,069
Increase (decrease) in Net Assets Before other Additions (deductions)	448,278	—	448,278	23,027	83,414	554,719	(447,317)
OTHER ADDITIONS (deductions)							
Realized Gain (loss) on Sale of Investments	(6,999)	—	(6,999)	—	—	(6,999)	(23,667)
Unrealized (loss) on Investments	(737,457)	—	(737,457)	—	—	(737,457)	(471,869)
Increase (decrease) in Net Assets	(296,178)	—	(296,178)	23,027	83,414	(189,737)	(895,519)
Net Assets, Beginning of Year	355,238	625,717	980,955	192,476	6,317,888	7,491,319	8,386,838
Net Assets, End of Year	\$ 59,060	\$ 625,717	\$ 684,777	\$ 215,503	\$ 6,401,302	\$ 7,301,582	\$ 7,491,319

STATEMENT OF CASH FLOWS

	YEAR ENDED DECEMBER 31, 2002	
	2002	2001
CASH FLOWS FROM OPERATING ACTIVITIES		
(Decrease) in Net Assets		
Adjustments to Reconcile (decrease) in Net Assets to Net Cash Provided by (used in) Operating Activities	\$ (189,737)	\$ (895,519)
Depreciation	14,598	14,598
Contribution Revenue Restricted for Korea Foundation Endowment	(83,414)	(57,985)
Donated Securities	(115,490)	(99,816)
Unrealized and Realized Loss on Investments	744,456	448,202
(Increase) in Accounts Receivable	(8,307)	(6,576)
Decrease in Prepaid Expenses	2,068	23,795
(Increase) Decrease in Contributions Receivable –Temporarily Restricted	(190,503)	276,539
Increase in Accounts Payable	7,311	12,195
Increase (decrease) in Unearned Revenue	(32,930)	32,020
Net Cash Provided by (used in) Operating Activities	<u>148,052</u>	<u>(252,547)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(1,333,714)	(179,776)
Proceeds from Sale of Investments	108,491	520,166
Expenditures for Furniture, Fixtures and Equipment	—	(17,538)
Net Cash Provided by (used in) Investing Activities	<u>(1,225,223)</u>	<u>322,852</u>
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Contributions Restricted for Korea Foundation Endowment	<u>600,000</u>	<u>601,000</u>
Net Increase (Decrease) in Cash and Money Market Fund	(477,171)	671,305
Cash and Money Market Funds, Beginning of Year	<u>1,116,546</u>	<u>445,241</u>
Cash and Money Market Funds, End of Year	<u>\$ 639,375</u>	<u>\$ 1,116,546</u>
CONSISTS OF:		
Cash		
Unrestricted	\$ 178,914	\$ 829,007
Restricted for Lease Agreement	50,000	50,000
Money Market Funds		
Unrestricted	249,950	80,771
Restricted for Long-Term Purpose	<u>160,511</u>	<u>156,768</u>
Total	<u>\$ 639,375</u>	<u>\$ 1,116,546</u>