

Return of Organization Exempt from Income Tax

2002

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2002 calendar year, or tax year beginning 10/01, 2002, and ending 9/30, 2003

- B** Check if applicable:
- Address change
 - Name change
 - Initial return
 - Final return
 - Amended return
 - Application pending

Please use IRS label or print or type. See specific instructions

LOS ANGELES NEIGHBORHOOD INITIATIVE
900 WILSHIRE BLVD #1128
LOS ANGELES, CA 90017

D Employer Identification Number
95-4481955

E Telephone number
(213) 627-1822

F Accounting method: Cash Accrual
 Other (specify) _____

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H and I are not applicable to section 527 organizations
- H (a)** Is this a group return for affiliates? Yes No
- H (b)** If 'Yes,' enter number of affiliates _____
- H (c)** Are all affiliates included? Yes No
(If 'No,' attach a list. See instructions.)
- H (d)** Is this a separate return filed by an organization covered by a group ruling? Yes No
- I** Enter 4-digit GEN _____
- M** Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

G Web site: N/A

J Organization type (check only one) 501(c) 3 (insert no) 4947(a)(1) or 527

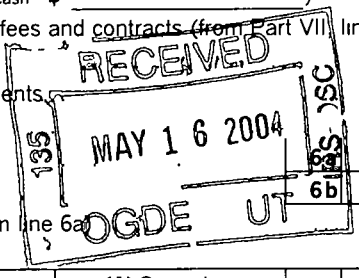
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12. **905,220.**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

SCANNED JUN 10 2004

1 Contributions, gifts, grants, and similar amounts received			
a Direct public support	1a	57,081.	
b Indirect public support	1b		
c Government contributions (grants)	1c	847,643.	
d Total (add lines 1a through 1c) (cash \$ 904,724. noncash \$ _____)	1d		904,724.
2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		
3 Membership dues and assessments	3		
4 Interest on savings and temporary cash investments	4		496.
5 Dividends and interest from securities	5		
6a Gross rents			
b Less rental expenses	6b		
c Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7 Other investment income (describe _____)	7		
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other
b Less cost or other basis and sales expenses	8a		
c Gain or (loss) (attach schedule)	8b		
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8c		
9 Special events and activities (attach schedule)	9d		
a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a		
b Less direct expenses other than fundraising expenses	9b		
c Net income or (loss) from special events (subtract line 9b from line 9a)	9c		
10a Gross sales of inventory, less returns and allowances	10a		
b Less cost of goods sold	10b		
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		
11 Other revenue (from Part VII, line 103)	11		
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		905,220.
13 Program services (from line 44, column (B))	13		489,917.
14 Management and general (from line 44, column (C))	14		306,754.
15 Fundraising (from line 44, column (D))	15		
16 Payments to affiliates (attach schedule)	16		
17 Total expenses (add lines 16 and 44, column (A))	17		796,671.
18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		108,549.
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		224,120.
20 Other changes in net assets or fund balances (attach explanation)	20		
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		332,669.



Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I</i>	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____)	22			
23 Specific assistance to individuals (att sch)	23			
24 Benefits paid to or for members (att sch)	24			
25 Compensation of officers, directors, etc	25 81,332.	16,792.	64,540.	
26 Other salaries and wages	26 224,767.	146,307.	78,460.	
27 Pension plan contributions	27 5,621.	2,737.	2,884.	
28 Other employee benefits	28			
29 Payroll taxes	29 26,103.	12,588.	13,515.	
30 Professional fundraising fees	30			
31 Accounting fees	31 54,000.		54,000.	
32 Legal fees	32			
33 Supplies	33 9,824.	3,515.	6,309.	
34 Telephone	34 5,635.	2,175.	3,460.	
35 Postage and shipping	35 3,059.	1,323.	1,736.	
36 Occupancy	36 30,179.		30,179.	
37 Equipment rental and maintenance	37 4,755.		4,755.	
38 Printing and publications	38 9,730.	5,857.	3,873.	
39 Travel	39 9,440.	4,424.	5,016.	
40 Conferences, conventions, and meetings	40			
41 Interest	41			
42 Depreciation, depletion, etc (attach schedule)	42 7,711.		7,711.	
43 Other expenses not covered above (itemize)				
a See Statement 1	43a 324,515.	294,199.	30,316.	
b _____	43b			
c _____	43c			
d _____	43d			
e _____	43e			
44 Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44 796,671.	489,917.	306,754.	0.

Joint Costs. Check if you are following SOP 98-2
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to program services \$ _____; (iii) the amount allocated to management and general \$ _____; and (iv) the amount allocated to fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) & (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants & allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others.)
a See Statement 2 _____ _____ _____ (Grants and allocations \$ 905,220.)	489,917.
b _____ _____ _____ (Grants and allocations \$ _____)	
c _____ _____ _____ (Grants and allocations \$ _____)	
d _____ _____ _____ (Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), program services)	489,917.

Part IV Balance Sheets (See Instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only

		(A) Beginning of year		(B) End of year
A S S E T S	45 Cash — non-interest-bearing	205,889.	45	322,151.
	46 Savings and temporary cash investments		46	
	47a Accounts receivable			
	b Less allowance for doubtful accounts		47c	
	48a Pledges receivable			
	b Less allowance for doubtful accounts		48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes & loans receivable (attach sch)			
	b Less allowance for doubtful accounts		51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges		53	
	54 Investments — securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54	
	55a Investments — land, buildings, & equipment basis			
	b Less accumulated depreciation (attach schedule)		55c	
56 Investments — other (attach schedule)		56		
57a Land, buildings, and equipment basis	41,269.			
b Less accumulated depreciation (attach schedule)	30,750.			
58 Other assets (describe ▶ See Statement 4)	18,232.	57c	10,519.	
59 Total assets (add lines 45 through 58) (must equal line 74)	292,938.	58	22,252.	
		59	354,922.	
L I A B I L I T I E S	60 Accounts payable and accrued expenses		60	
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe ▶ See Statement 5)	68,818.	65	22,253.
66 Total liabilities (add lines 60 through 65)	68,818.	66	22,253.	
N E T A S S E T S O R F U N D B A L A N C E S	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted		67	
	68 Temporarily restricted	224,120.	68	332,669.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19; column (B) must equal line 21)	224,120.	73	332,669.
	74 Total liabilities and net assets/fund balances (add lines 66 and 73)	292,938.	74	354,922.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

BAA

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions.)

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total revenue, gains, and other support per audited financial statements	a	N/A
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments \$		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify)		
	----- \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	
d	Amounts included on line 12, Form 990 but not on line a :		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify)		
	----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	

a	Total expenses and losses per audited financial statements	a	N/A
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities \$		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify)		
	----- \$		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	
d	Amounts included on line 17, Form 990 but not on line a :		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify)		
	----- \$		
	Add amounts on lines (1) and (2)	d	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
See Statement 6		81,333.	1,685.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No

If 'Yes,' attach schedule - see instructions

Part VII Analysis of Income-Producing Activities (See instructions)

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	496.	
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				496.	
105 Total (add line 104, columns (B), (D), and (E))					496.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See instructions)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
N/A	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions)


(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See instructions)

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions)

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please  Date 5/13/04
ins, Executive Director
 Date _____ Check if _____ Preparer's SSN or PTIN (see General Instruction V)

SCHEDULE A
(Form 990 or 990-EZ)

**Organization Exempt Under
Section 501(c)(3)**

OMB No 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust
Supplementary Information — (See separate instructions.)

2002

Department of the Treasury
Internal Revenue Service

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ.**

Name of the organization

LOS ANGELES NEIGHBORHOOD INITIATIVE

Employer identification number

95-4481955

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions. List each one. If there are none, enter 'None'.)

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				

Total number of other employees paid over \$50,000 ▶	0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions. List each one (whether individuals or firms) If there are none, enter 'None'.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		

Total number of others receiving over \$50,000 for professional services ▶	0	

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2002

Part III Statements About Activities (See instructions)	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>N/A</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes,' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	1	X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of its income or assets?	2e	X
3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below)	3	X
4 Do you have a section 403(b) annuity plan for your employees?	4	X
Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs 'qualify' to receive payments		

Part IV Reason for Non-Private Foundation Status (See instructions)

- The organization is not a private foundation because it is: (Please check only **ONE** applicable box)
- 5** A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
 - 6** A school Section 170(b)(1)(A)(ii) (Also complete Part V)
 - 7** A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
 - 8** A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
 - 9** A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state ▶** _____
 - 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(v). (Also complete the **Support Schedule** in Part IV-A.)
 - 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A)
 - 11b** A community trust Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A)
 - 12** An organization that normally receives **(1) more than 33-1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc, functions – subject to certain exceptions, and **(2) no more than 33-1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A)
 - 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in **(1)** lines 5 through 12 above, or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3).)

Provide the following information about the supported organizations (See instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14** An organization organized and operated to test for public safety Section 509(a)(4) (See instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) *Use cash method of accounting.*

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)		180,929.	1,525,818.	1,731,218.	3,437,965.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets. See Stmt 7.		360.	725.		1,085.
23 Total of lines 15 through 22		181,289.	1,526,543.	1,731,218.	3,439,050.
24 Line 23 minus line 17		181,289.	1,526,543.	1,731,218.	3,439,050.
25 Enter 1% of line 23		1,813.	15,265.	17,312.	
26 Organizations described on lines 10 or 11:					
a Enter 2% of amount in column (e), line 24					26a 68,781.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b
c Total support for section 509(a)(1) test. Enter line 24, column (e)					26c 3,439,050.
d Add Amounts from column (e) for lines	18	19			
	22	26b			26d 1,085.
e Public support (line 26c minus line 26d total)					26e 3,437,965.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 99.97 %
27 Organizations described on line 12: N/A					
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year (2001) _____ (2000) _____ (1999) _____ (1998) _____					
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year (2001) _____ (2000) _____ (1999) _____ (1998) _____					
c Add Amounts from column (e) for lines:	15	16			
	17	20	21		
d Add Line 27a total _____ and line 27b total _____					27c
e Public support (line 27c total minus line 27d total)					27d
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					27e
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27f _____ %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27g _____ %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

Part V Private School Questionnaire (See instructions)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement) ----- -----		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement) ----- -----		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement		
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If 'No,' attach an explanation.		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check **a** if the organization belongs to an affiliated group Check **b** if you checked 'a' and 'limited control' provisions apply.

Limits on Lobbying Expenditures

(The term 'expenditures' means amounts paid or incurred)

	(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table –		
If the amount on line 40 is –		
Not over \$500,000		
Over \$500,000 but not over \$1,000,000		
Over \$1,000,000 but not over \$1,500,000		
Over \$1,500,000 but not over \$17,000,000		
Over \$17,000,000		
The lobbying nontaxable amount is –		
20% of the amount on line 40		
\$100,000 plus 15% of the excess over \$500,000		
\$175,000 plus 10% of the excess over \$1,000,000	41	
\$225,000 plus 5% of the excess over \$1,500,000		
\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	
Caution: If there is an amount on either line 43 or line 44, you must file Form 4720		

4 -Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
See the instructions for lines 45 through 50)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4 -Year Averaging Period				
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots non-taxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

Yes	No	Amount

- a** Volunteers
- b** Paid staff or management (Include compensation in expenses reported on lines c through h.)
- c** Media advertisements
- d** Mailings to members, legislators, or the public
- e** Publications, or published or broadcast statements
- f** Grants to other organizations for lobbying purposes
- g** Direct contact with legislators, their staffs, government officials, or a legislative body
- h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i** Total lobbying expenditures (add lines c through h.)

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities

LOS ANGELES NEIGHBORHOOD INITIATIVE

95-4481955

Statement 1
Form 990, Part II, Line 43
Other Expenses

	(A) <u>Total</u>	(B) <u>Program Services</u>	(C) <u>Management & General</u>	(D) <u>Fundraising</u>
AUDITING FEES	4,000.		4,000.	
BANK & PAYROLL FEES	1,281.		1,281.	
COMMUNITY IMPROVEMENTS	250,723.	250,723.		
CONSULTANTS	16,300.	13,500.	2,800.	
DUES & SUBSCRIPTIONS	1,538.	12.	1,526.	
INSURANCE - WORKERS' COMP	5,831.		5,831.	
INSURANCE - GENERAL	5,636.		5,636.	
INSURANCE - GROUP MEDICAL	4,489.	1,825.	2,664.	
MEETINGS	2,925.	438.	2,487.	
MISCELLANEOUS	1,126.	54.	1,072.	
PUBLIC RELATIONS	1,906.	1,576.	330.	
TRAINING & SEMINAR	24,917.	23,860.	1,057.	
TRANSPORTATION	3,843.	2,211.	1,632.	
Total	<u>\$ 324,515.</u>	<u>\$ 294,199.</u>	<u>\$ 30,316.</u>	<u>\$ 0.</u>

Statement 2
Form 990, Part III, Line a
Statement of Program Service Accomplishments

<u>Description</u>	<u>Grants and Allocations</u>	<u>Program Service Expenses</u>
Los Angeles Neighborhood Initiative (LANI) is a catalytic program designed to jump-start neighborhood revitalization in transit-dependent urban neighborhoods. LANI achieves this by providing designated communities with:		
<ul style="list-style-type: none"> • Seed funding for improvement projects; • Hands-on training in project planning and implementation; • Technical assistance in the development and support of sustainable community organizations. 		
LANI's initial eight project areas have been expanded to twenty. In addition to transportation grants LANI has secured additional funding sources for the increased redevelopment, training, and sustainability for the above mentioned project areas.	905,220.	489,917.
	<u>\$ 905,220.</u>	<u>\$ 489,917.</u>

LOS ANGELES NEIGHBORHOOD INITIATIVE

95-4481955

Statement 3
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value
Machinery and Equipment	\$ 41,269.	\$ 30,750.	\$ 10,519.
Total	<u>\$ 41,269.</u>	<u>\$ 30,750.</u>	<u>\$ 10,519.</u>

Statement 4
Form 990, Part IV, Line 58
Other Assets

INTERFUND RECEIVABLES	Total	\$ 22,252.
		<u>\$ 22,252.</u>

Statement 5
Form 990, Part IV, Line 65
Other Liabilities

INTERFUND PAYABLES		\$ 22,252.
Rounding		1.
Total		<u>\$ 22,253.</u>

Statement 6
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
MARIAN BELL 227 S. Gramercy Place Los Angeles,, CA 90004	Vice President None	\$ 0.	\$ 0.	\$ 0.
JUDITH TEITELMAN 4226 HOLLY KNOLL DRIVE LOS ANGELES, CA 90027	Member None	0.	0.	0.
KAREN MACK 1031 SIERRA BONITA LOS ANGELES, CA 90019	Treasurer None	0.	0.	0.
DEPUTY MAYOR DOANE LIU 200 N. SPRING STREET 3RD FLOOR LOS ANGELES, CA 90012	Ex-OFFICIO None	0.	0.	0.

LOS ANGELES NEIGHBORHOOD INITIATIVE

95-4481955

Statement 6 (continued)
Form 990, Part V
List of Officers, Directors, Trustees, and Key Employees

<u>Name and Address</u>	<u>Title and Average Hours Per Week Devoted</u>	<u>Compen- sation</u>	<u>Contri- bution to EBP & DC</u>	<u>Expense Account/ Other</u>
LISA SUGINO 231 E THIRD ST. SUITE G-106 LOS ANGELES, CA 90013	MEMBER 4	\$ 0.	\$ 0.	\$ 0.
LEONARD MITCHELL, ESQ. VKC 386, UNIVERSITY PARK LOS ANGELES, CA 90089-0041	MEMBER 4	0.	0.	0.
TIMOTHY SALES 100 E CEDAR AVE BLDG. 4 LOS ANGELES, CA 91502	President 4	0.	0.	0.
JOYCE PERKINS 5116 VERONICA ST LOS ANGELES, CA 90008	Executive Direc 40-60	81,333.	1,685.	0.
Total		<u>\$ 81,333.</u>	<u>\$ 1,685.</u>	<u>\$ 0.</u>

Statement 7
Schedule A, Part IV-A, Line 22
Other Income

<u>Description</u>	<u>(a) 2001</u>	<u>(b) 2000</u>	<u>(c) 1999</u>	<u>(d) 1998</u>	<u>(e) Total</u>
INTEREST SAVINGS	\$ 0.	\$ 360.	\$ 725.	\$ 0.	\$ 1,085.
Total	<u>\$ 0.</u>	<u>\$ 360.</u>	<u>\$ 725.</u>	<u>\$ 0.</u>	<u>\$ 1,085.</u>

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Depr. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.				
Form 990/990-PF																				
Machinery and Equipment																				
1	Computer - Equipment	12/26/96		1,640							1,640		S/L HY	5		0				
2	Equipment	6/26/97		1,185							1,185		S/L HY	5		0				
3	Notebook Computer (2)	12/05/97		5,500							5,500		S/L HY	5	.10000	550				
4	Computer - Equipment	10/01/97		1,000							1,000		S/L HY	5	.10000	100				
5	Computer - Equipment	10/01/97		1,000							1,000		S/L HY	5	.10000	100				
6	Printer	10/01/97		150							150		S/L HY	5	10000	15				
7	Computer - Equipment	10/01/97		1,000							1,000		S/L HY	5	.10000	100				
8	Equipment	4/23/98		1,755							1,755		S/L HY	5	.10000	175				
9	Equipment	6/22/00		2,706							2,706		S/L HY	5	.20000	541				
10	4 Computers & Monitors	3/01/00		22,139							22,139		S/L HY	5	.20000	4,428				
11	Computer	7/25/02		2,852							2,852		200DB	3		1,563				
12	Equipment	3/01/02		342							342		200DB	3		139				
Total Machinery and Equipment												0	0	0	0	0	41,269	23,039		7,711
Total Depreciation												0	0	0	0	0	41,269	23,039		7,711
Grand Total Depreciation												0	0	0	0	0	41,269	23,039		7,711

Client 2628

LOS ANGELES NEIGHBORHOOD INITIATIVE

95-4481955

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Depr.	Prior Dec. Bal. Depr.	Salvage /Basis Reductn.	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
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Form 990/990-PF

Machinery and Equipment

1	Computer - Equipment	12/26/96		1,640							1,640	1,640	S/L HY	5		0			
2	Equipment	6/26/97		1,185							1,185	1,185	S/L HY	5		0			
3	Notebook Computer (2)	12/05/97		5,500							5,500	5,500	S/L HY	5		0			
4	Computer - Equipment	10/01/97		1,000							1,000	1,000	S/L HY	5		0			
5	Computer - Equipment	10/01/97		1,000							1,000	1,000	S/L HY	5		0			
6	Printer	10/01/97		150							150	150	S/L HY	5		0			
7	Computer - Equipment	10/01/97		1,000							1,000	1,000	S/L HY	5		0			
8	Equipment	4/23/98		1,755							1,755	1,755	S/L HY	5		0			
9	Equipment	6/22/00		2,706							2,706	1,894	S/L HY	5	.20000	541			
10	4 Computers & Monitors	3/01/00		22,139							22,139	13,284	S/L HY	5	.20000	4,428			
11	Computer	7/25/02		2,852							2,852	2,070	200DB	3		521			
12	Equipment	3/01/02		342							342	272	200DB	3		47			
Total Machinery and Equipment											41,269	0	0	0	0	41,269	30,750		5,537
Total Depreciation											41,269	0	0	0	0	41,269	30,750		5,537
Grand Total Depreciation											41,269	0	0	0	0	41,269	30,750		5,537

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

Part I Automatic 3-Month Extension of Time — Only submit original (no copies needed)
Note: Form 990-T corporations requesting an automatic 6-month extension — check this box and complete Part I only
 All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization LOS ANGELES NEIGHBORHOOD INITIATIVE	Employer identification number 95-4481955
	Number, street, and room or suite no. If a P.O. box, see instructions. 900 WILSHIRE BLVD. #1128	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. LOS ANGELES, CA 90017	

Check type of return to be filed (file a separate application for each return):

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the **whole group**, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until 05/15/ 20 04 to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ calendar year 20 ____ or

▶ tax year beginning 10/01/ 20 02 , and ending 09/30 20 03 .

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ 0.00

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ 0.00

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ 0.00

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ▶ [Handwritten Signature] Title ▶ CPA Date ▶ 02/09/04

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box...

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time - Must File Original and One Copy.

Name of Exempt Organization: LOS ANGELES NEIGHBORHOOD INITIATIVE
Employer identification number: 95-4481955
Address: 900 WILSHIRE BLVD #1128, LOS ANGELES, CA 90017

Check type of return to be filed (file a separate application for each return):

Form 990 (checked), Form 990-EZ, Form 990-T (Section 401(a) or 408(a) trust), Form 1041-A, Form 5227, Form 8870, Form 990-BL, Form 990-PF, Form 990-T (trust other than above), Form 4720, Form 6069

Stop: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

If the organization does not have an office or place of business in the United States, check this box...
If this is for a Group Return, enter the organizations four digit Group Exemption Number (GEN)...

I request an additional 3-month extension of time until 8/15, 20 04.
For calendar year, or other tax year beginning 10/01, 20 02 and ending 9/30, 20 03.
If this tax year is for less than 12 months, check reason: Initial return, Final return, Change in accounting period
State in detail why you need the extension: Taxpayer respectfully requests additional time to gather information necessary to file a complete and accurate return.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.
8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.
8c Balance due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFIPS (Electronic Federal Tax Payment System). See instructions.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature: [Handwritten Signature] Title: CPA Date: 5/7/04

Notice to Applicant - To be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return.
We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return...
We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
Other:

Director By: Date

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Name: TRUITT & STROWBRIDGE LLP
Address: 301 E Colorado Blvd Suite 711, Pasadena, CA 91101