

Return of Organization Exempt from Income Tax

2003

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 2003 calendar year, or tax year beginning 10/01, 2003, and ending 9/30, 2004

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

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: X 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 (a) Is this a group return for affiliates?
H (b) If 'Yes,' enter number of affiliates
H (c) Are all affiliates included?
H (d) Is this a separate return filed by an organization covered by a group ruling?

G Web site: N/A

J Organization type: X 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.

I Group Exemption Number
M Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 821,576.

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

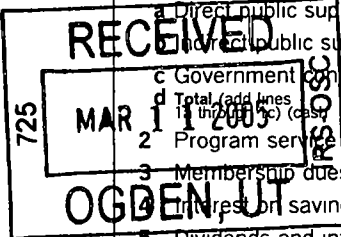


Table with 21 rows and 4 columns: Description, (A) Securities, (B) Other, Total. Includes rows for Contributions (1a, 1b, 1c), Program service revenue (2), Other investment income (7), Special events (9), and Total revenue (12).

SCANNED MAR 23 2005

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part 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	85,354.		85,354.	
26 Other salaries and wages	26	259,935.	199,435.	60,500.	
27 Pension plan contributions	27	7,112.	4,198.	2,914.	
28 Other employee benefits.	28				
29 Payroll taxes	29	28,960.	16,934.	12,026.	
30 Professional fundraising fees	30				
31 Accounting fees	31	54,000.	13,500.	40,500.	
32 Legal fees	32				
33 Supplies	33				
34 Telephone	34	6,753.	2,835.	3,918.	
35 Postage and shipping	35	4,062.	2,506.	1,556.	
36 Occupancy	36	36,927.		36,927.	
37 Equipment rental and maintenance.	37	5,771.	771.	5,000.	
38 Printing and publications	38	14,396.	12,892.	1,504.	
39 Travel	39	10,401.	2,560.	7,841.	
40 Conferences, conventions, and meetings	40				
41 Interest.	41				
42 Depreciation, depletion, etc (attach schedule)	42	7,092.		7,092.	
43 Other expenses not covered above (itemize)					
a See Statement 1	43a	467,147.	408,967.	58,180.	
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	987,910.	664,598.	323,312.	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? <input type="checkbox"/> 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 \$ 821,576.)	664,598.
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)	664,598.

Part IV Balance Sheets (See Instructions)

		(A) Beginning of year		(B) End of year		
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only						
ASSETS	45	Cash – non-interest-bearing	322,151.	45	151,332.	
	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)		54		
		<input type="checkbox"/> Cost <input type="checkbox"/> FMV				
	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	52,844.			
	b Less: accumulated depreciation (attach schedule)					
	Statement 3	37,842.	10,519.	57c	15,002.	
58	Other assets (describe ▶ See Statement 4)		22,252.	58	174,968.	
59	Total assets (add lines 45 through 58) (must equal line 74)		354,922.	59	341,302.	
LIABILITIES	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)		22,253.	65	174,967.
66	Total liabilities (add lines 60 through 65)		22,253.	66	174,967.	
NET ASSETS OR FUND BALANCES	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	332,669.	68	166,335.	
	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)		332,669.	73	166,335.
	74	Total liabilities and net assets/fund balances (add lines 66 and 73)		354,922.	74	341,302.

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 VI Other Information (See instructions.)		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b	If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc, to any other exempt or nonexempt organization?		X
81a	If 'Yes,' enter the name of the organization <u>N/A</u> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct and indirect political expenditures See line 81 instructions	81a	0.
81b	Did the organization file Form 1120-POL for this year?		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
82b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	N/A
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85a	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		N/A
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		N/A
85c	Dues, assessments, and similar amounts from members	85c	N/A
85d	Section 162(e) lobbying and political expenditures	85d	N/A
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		N/A
86a	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86a	N/A
86b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87a	501(c)(12) organizations Enter: a Gross income from members or shareholders	87a	N/A
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX		X
89a	501(c)(3) organizations Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
89b	501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction		X
	c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
	d Enter: Amount of tax on line 89c, above, reimbursed by the organization		0.
90a	List the states with which a copy of this return is filed <u>None</u>		
90b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.)	90b	0
91	The books are in care of <u>TRUITT & STROWBRIDGE, LLP</u> Telephone number <u>(626) 449-6264</u> Located at <u>301 E COLORADO BLVD #711, PASADENA, CA</u> ZIP + 4 <u>91101</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year	92	N/A

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	373.	
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))				373.	
105 Total (add line 104, columns (B), (D), and (E))					373.

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

[Signature]
Executive Director

Date 3/8/05

Part III Statements About Activities (See instructions)

	Yes	No
<p>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></p> <p>(Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)</p> <p>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</p>		X
<p>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)</p>		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e Transfer of any part of its income or assets?		X
3a Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments)		X
b Do you have a section 403(b) annuity plan for your employees?		X
4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X

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)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11 a 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)
- 11 b 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) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)			180,929.	1,525,818.	1,706,747.
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.	1,707,832.
24 Line 23 minus line 17			181,289.	1,526,543.	1,707,832.
25 Enter 1% of line 23			1,813.	15,265.	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24

26a	34,157.
26b	
26c	1,707,832.
26d	1,085.
26e	1,706,747.
26f	99.94 %

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 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.

c Total support for section 509(a)(1) test. Enter line 24, column (e)

d Add. Amounts from column (e) for lines: 18 _____ 19 _____
 22 _____ 1,085. 26b _____

e Public support (line 26c minus line 26d total)

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))**

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:
 (2002) _____ (2001) _____ (2000) _____ (1999) _____

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:
 (2002) _____ (2001) _____ (2000) _____ (1999) _____

c Add. Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____	27c
d Add Line 27a total _____ and line 27b total _____	27d
e Public support (line 27c total minus line 27d total)	27e
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)	27f
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	27h %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, 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 – <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">If the amount on line 40 is –</td> <td style="width: 50%;">The lobbying nontaxable amount is –</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>	If the amount on line 40 is –	The lobbying nontaxable amount is –	Not over \$500,000	20% of the amount on line 40	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000	41	
If the amount on line 40 is –	The lobbying nontaxable amount is –														
Not over \$500,000	20% of the amount on line 40														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$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) 2003	(b) 2002	(c) 2001	(d) 2000	(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)	(B)	(C)	(D)
	Total	Program Services	Management & General	Fundraising
AUDITING	8,000.		8,000.	
BANK & PAYROLL FEES	1,480.	84.	1,396.	
COMMUNITY IMPROVEMENT	357,514.	357,514.		
CONSULTANTS	28,820.	23,770.	5,050.	
INSURANCE - GENERAL	6,052.		6,052.	
INSURANCE - GROUP	5,682.	3,882.	1,800.	
INSURANCE WORKERS' COMP	11,884.	2,788.	9,096.	
IT REPAIRS	3,698.	240.	3,458.	
IT SUPPLIES	554.		554.	
LANI MAINTENANCE	8,400.	8,400.		
MEETINGS	3,579.	752.	2,827.	
MISCELLANEOUS	5,286.	316.	4,970.	
OFFICE SUPPLIES	7,671.	1,345.	6,326.	
PUBLIC RELATIONS	4,250.	702.	3,548.	
REPAIRS & MAINTENANCE	301.		301.	
SUBSCRIPTIONS & DUES	2,038.	168.	1,870.	
TAXES	80.		80.	
TRAINING & SEMINARS	7,494.	6,140.	1,354.	
TRANSPORTATION	4,364.	2,866.	1,498.	
Total	\$ 467,147.	\$ 408,967.	\$ 58,180.	\$ 0.

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

Description	Grants and Allocations	Program Service Expenses
Los Angeles Neighborhood Initiative (LANI)'s initial eight project areas have been expanded to nineteen. Phase I of its initial transportation funding has been completed. The organization is currently in process with Phase II and Phase III. In addition to transportation grants LANI has secured additional funding sources for the increased redevelopment of the above mentioned project areas.	821,576.	664,598.
	<u>\$ 821,576.</u>	<u>\$ 664,598.</u>

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

Category	Basis	Accum. Deprec.	Book Value
Machinery and Equipment	\$ 52,844.	\$ 37,842.	\$ 15,002.
Total	\$ 52,844.	\$ 37,842.	\$ 15,002.

LOS ANGELES NEIGHBORHOOD INITIATIVE

95-4481955

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

INTERFUND RECEIVABLES	\$ 174,967.
Rounding	1.
Total	<u>\$ 174,968.</u>

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

INTERFUND PAYABLES	\$ 174,967.
Total	<u>\$ 174,967.</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
TIMOTHY SALES 275 ANITA DRIVE PASADENA, CA 91105	President None	\$ 0.	\$ 0.	\$ 0.
MARIAN BELL 227 SOUTH GRAMERCY PLACE LOS ANGELES, CA 90004	Vice President None	0.	0.	0.
KAREN MACK 1031 SIERRA BONITA LOS ANGELES, CA 90019	Treasurer None	0.	0.	0.
ANASTASIA LOUKAITOU-SIDERIS 3250 PUBLIC POLICY BUILDING LOS ANGELES, CA 90095	MEMBER None	0.	0.	0.
LEONARD MITCHELL, ESQ. VKC 386, UNIVERSITY PARK LOS ANGELES, CA 90089	MEMBER None	0.	0.	0.
JUDITH TEITELMAN 4226 HOLLY KNOLL DRIVE LOS ANGELES, CA 90027	MEMBER None	0.	0.	0.
DEPUTY MAYOR DOANE LIU 200 NORTH SPRING ST. 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>
JOYCE PERKINS 5116 VERONICA STREET LOS ANGELES, CA 90008	Executive Direc 40-60	\$ 85,354.	\$ 1,707.	\$ 0.
Total		<u>\$ 85,354.</u>	<u>\$ 1,707.</u>	<u>\$ 0.</u>

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

<u>Description</u>	<u>(a) 2002</u>	<u>(b) 2001</u>	<u>(c) 2000</u>	<u>(d) 1999</u>	<u>(e) Total</u>
INTEREST SAVINGS	\$ 0.	\$ 0.	\$ 360.	\$ 725.	\$ 1,085.
Total	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 360.</u>	<u>\$ 725.</u>	<u>\$ 1,085.</u>

No.	Description	Date Acquired	Date Sold	Cost/ Basis	Bus. Pct.	Cur 179 Bonus	Special Dep. Allow.	Prior 179/ Bonus/ Sp. Dep.	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	0
4	Computer - Equipment	10/01/97		1,000							1,000		S/L	HY	5	0
5	Computer - Equipment	10/01/97		1,000							1,000		S/L	HY	5	0
6	Printer	10/01/97		150							150		S/L	HY	5	0
7	Computer - Equipment	10/01/97		1,000							1,000		S/L	HY	5	0
8	Equipment	4/23/98		1,755							1,755		S/L	HY	5	0
9	Equipment	6/22/00		2,706							2,706		S/L	HY	5	541
10	4 Computers & Monitors	3/01/00		22,139							22,139		S/L	HY	5	4,428
11	Computer	7/25/02		2,852							2,852		200DB	3		521
12	Equipment	3/01/02		342							342		200DB	3		47
13	Faxphone	8/13/04		328							328		200DB	3		36
14	Equipment	5/01/04		1,500							1,500		200DB	3		417
15	Monitor	2/04/04		900							900		S/L	HY	5	90
16	Equipment	5/01/04		250							250		200DB	3		69
17	Monitor	7/20/04		447							447		S/L	HY	5	45
18	Equipment	5/01/04		250							250		200DB	3		69
19	Computer Equipment	5/01/04		350							350		S/L	HY	5	35
20	Equipment	5/01/04		250							250		200DB	3		69
21	Computer Equipment	5/01/04		500							500		S/L	HY	5	50
22	Computer Equipment	5/01/04		300							300		S/L	HY	5	30
23	Laptop Computer	11/01/03		3,500							3,500		S/L	HY	5	350

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 Reduction	Depr. Basis	Prior Depr.	Method	Life	Rate	Current Depr.
24	Projection Equipment	11/01/03		3,000							3,000		S/L	HY	5 .10000	300
	Total Machinery and Equipment			52,844		0	0	0	0	0	52,844	30,750				7,097
	Total Depreciation			52,844		0	0	0	0	0	52,844	30,750				7,097
	Grand Total Depreciation			52,844		0	0	0	0	0	52,844	30,750				7,097

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		0
4	Computer - Equipment	10/01/97		1,000							1,000		S/L HY	5		0
5	Computer - Equipment	10/01/97		1,000							1,000		S/L HY	5		0
6	Printer	10/01/97		150							150		S/L HY	5		0
7	Computer - Equipment	10/01/97		1,000							1,000		S/L HY	5		0
8	Equipment	4/23/98		1,755							1,755		S/L HY	5		0
9	Equipment	6/22/00		2,706							2,706		S/L HY	5	.10000	271
10	4 Computers & Monitors	3/01/00		22,139							22,139		S/L HY	5	10000	2,214
11	Computer	7/25/02		2,852							2,852		200DB	3		145
12	Equipment	3/01/02		342							342		200DB	3		6
13	Faxphone	8/13/04		328							328		200DB	3		195
14	Equipment	5/01/04		1,500							1,500		200DB	3		722
15	Monitor	2/04/04		900							900		S/L HY	5	20000	180
16	Equipment	5/01/04		250							250		200DB	3		121
17	Monitor	7/20/04		447							447		S/L HY	5	20000	89
18	Equipment	5/01/04		250							250		200DB	3		121
19	Computer Equipment	5/01/04		350							350		S/L HY	5	20000	70
20	Equipment	5/01/04		250							250		200DB	3		121
21	Computer Equipment	5/01/04		500							500		S/L HY	5	20000	100
22	Computer Equipment	5/01/04		300							300		S/L HY	5	20000	60
23	Laptop Computer	11/01/03		3,500							3,500		S/L HY	5	20000	700

Client 2628

LOS ANGELES NEIGHBORHOOD INITIATIVE

95-4481955

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.
24	Projection Equipment	11/01/03		3,000							3,000	300	S/L	HY 5	.20000	600
	Total Machinery and Equipment			52,844		0	0	0	0	0	52,844	37,847				5,715
	Total Depreciation			52,844		0	0	0	0	0	52,844	37,847				5,715
	Grand Total Depreciation			52,844		0	0	0	0	0	52,844	37,847				5,715

Application for Extension of Time to File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ 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 number. If a P.O. box, see instructions 900 WILSHIRE BLVD #1128	
	City, town or post office. For a foreign address, see instructions. LOS ANGELES, CA 90017	state ZIP code

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 (Section 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 5/15, 20 05, 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 03, and ending 9/30, 20 04.

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.

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.

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.

Signature and Verification

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, and that I am authorized to prepare this form.

Signature ▶ Title ▶ CPA Date ▶ 1/31/05

BAA For Paperwork Reduction Act Notice, see instructions.