

THE CHILDREN'S CANCER FUND

FINANCIAL STATEMENTS

DECEMBER 31, 2008 AND 2007

THE CHILDREN'S CANCER FUND

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Independent Auditor's Report

Board of Directors
The Children's Cancer Fund

We have audited the accompanying statements of financial position of The Children's Cancer Fund as of December 31, 2008 and 2007 and the related statements of activities and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Children's Cancer Fund at December 31, 2008 and 2007, and the changes in net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Berson+Corrado

New York, New York
September 24, 2009

THE CHILDREN'S CANCER FUND

STATEMENTS OF FINANCIAL POSITION

	DECEMBER 31,	
	2008	2007
	<u> </u>	<u> </u>
ASSETS		
Cash and cash equivalents	\$ 109,457	\$ 238,295
Cash - restricted	15,679	15,079
Marketable securities, at fair value	198,010	239,312
Fixed assets (net of accumulated depreciation, \$9,843 and \$7,948)	1,194	1,489
	<u> </u>	<u> </u>
Total assets	<u>\$ 324,340</u>	<u>\$ 494,175</u>
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 11,224	\$ 19,509
Research grants payable	101,951	224,645
	<u> </u>	<u> </u>
Total liabilities	<u>113,175</u>	<u>244,154</u>
 Net assets		
Restricted	3,593	3,593
Unrestricted	207,572	246,428
	<u> </u>	<u> </u>
Total net assets	<u>211,165</u>	<u>250,021</u>
	<u> </u>	<u> </u>
Total liabilities and net assets	<u>\$ 324,340</u>	<u>\$ 494,175</u>

See accompanying notes.

THE CHILDREN'S CANCER FUND

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

	<u>YEAR ENDED DECEMBER 31, 2008</u>			2007
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>	<u>Total</u>
Revenue				
Special events (net of expenses \$115,462 and \$106,076 in 2008 and 2007, respectively)	\$ 204,252	\$ --	\$ 204,252	\$ 97,257
Contributions	310,690	--	310,690	388,425
Investment income	15,563	--	15,563	23,660
Total revenue	<u>530,505</u>	<u>--</u>	<u>530,505</u>	<u>509,342</u>
Expenses				
Grants and research	530,868	--	530,868	649,617
Management and general	38,493	--	38,493	40,758
Total expenses	<u>569,361</u>	<u>--</u>	<u>569,361</u>	<u>690,375</u>
Decrease in net assets	<u>(38,856)</u>	<u>--</u>	<u>(38,856)</u>	<u>(181,033)</u>
Net assets - beginning of year	<u>246,428</u>	<u>3,593</u>	<u>250,021</u>	<u>431,054</u>
Net assets - end of year	<u>\$ 207,572</u>	<u>\$ 3,593</u>	<u>\$ 211,165</u>	<u>\$ 250,021</u>

THE CHILDREN'S CANCER FUND

STATEMENTS OF CASH FLOWS

	FOR THE YEAR ENDED DECEMBER 31,	
	2008	2007
	<u>2008</u>	<u>2007</u>
Cash flows from operating activities		
Decrease in net assets	\$ (38,856)	\$ (181,033)
<i>Adjustments to reconcile decrease in net assets to net cash used in operating activities:</i>		
Depreciation	1,895	1,745
Realized gain on investment	--	(971)
Donated computer included in contributions	(1,600)	--
(Increase) decrease in:		
Prepaid expenses and deposits	--	1,336
Restricted cash	(600)	(1,435)
Increase (decrease) in:		
Accounts payable and accrued expenses	(8,285)	19,509
Research grants payable	(122,694)	48,111
Net cash used in operating activities	<u>(170,140)</u>	<u>(112,738)</u>
Cash flows from investing activities		
Purchase of marketable securities	(125,176)	(659,518)
Proceeds from sale of marketable securities	166,478	738,543
Net cash provided by investing activities	<u>41,302</u>	<u>79,025</u>
Net decrease in cash	(128,838)	(33,713)
Cash - beginning of year	<u>238,295</u>	<u>272,008</u>
Cash - end of year	<u>\$ 109,457</u>	<u>\$ 238,295</u>

THE CHILDREN'S CANCER FUND

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2008 AND 2007

Note 1 - Organization and Purpose

The Children's Cancer Fund ("Organization") is a Hudson Valley, New York not-for-profit Corporation that raises, receives and administers funds for the purpose of engaging in and/or funding research and patient services in the area of childhood cancers and improving the quality of life of children diagnosed with cancer. The organization was established as a public charity under Section 509(a)(2) of the Internal Revenue Code.

Revenue is derived mainly from special events and contributions.

Note 2 - Summary of Significant Accounting Policies

Financial Statement Presentation - The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Basis of Accounting - The accounts of the Organization are maintained, and the accompanying financial statements have been prepared, on the accrual basis of accounting. Accordingly, revenue and its related assets are recognized when earned and expenses and their liabilities are recognized when incurred.

Cash and Cash Equivalents - The Organization considers all certificates of deposits, money market accounts and all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Restricted Cash - The Organization uses this account for patients and their families who can not afford transportation back and forth to treatment centers, as well as other related patient assistance.

Investments - Investments in marketable securities with readily determined fair values and all investments in debt securities are reported at their fair value in the statement of financial position. Unrealized holding gains and losses are reported in the period it is recognized.

Property and Equipment - Purchased property and equipment are stated at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Depreciation is being provided by the use of the straight-line method over five years.

Contributions - Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is made. The gifts are reported as either temporarily or permanently restricted support if they are made with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified and unrestricted net assets are reported in the statement of activities as net assets released from restrictions.