

**COLON CANCER ALLIANCE, INC.**

**FINANCIAL STATEMENTS  
DECEMBER 31, 2003**

COLON CANCER ALLIANCE, INC.

TABLE OF CONTENTS

	<u>Page</u>
Accountant's Review Report .....	1
Statement of Financial Position .....	2
Statement of Activities.....	3
Statement of Cash Flows.....	4
Notes to Financial Statements.....	5-6

**GP  
R**

**GRUBER PALUMBERI RAFFAELE, P.C.**

CERTIFIED PUBLIC ACCOUNTANTS  
SEVEN PENN PLAZA, NEW YORK, NY 10001  
TELEPHONE: (212) 532-8261  
FAX: (212) 532-9707

**ACCOUNTANT'S REVIEW REPORT**

To the Board of Directors of  
Colon Cancer Alliance, Inc.  
New York, NY

We have reviewed the accompanying statement of financial position of Colon Cancer Alliance, Inc. (a non profit organization) as of December 31, 2003, and the related statements of activities and changes in net assets and cash flows for the year then ended, in accordance with Statements for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of Colon Cancer Alliance, Inc.

A review consists principally of inquiries of Organization personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. According, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

*Gabriele Palumbo Raffaele, P.C.*

New York, NY  
March 8, 2006

**COLON CANCER ALLIANCE, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2003**

<b>ASSETS</b>	
<u>Current assets:</u>	
Cash	\$ 101,348
Contribution receivable	<u>1,558</u>
Total current assets:	\$ 102,906
<u>Fixed assets:</u>	
Computer equipment, net (Note 2)	<u>344</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 103,250</u></b>

<b>LIABILITIES AND NET ASSETS</b>	
<u>Current liabilities:</u>	
Accounts payable	\$ 7,865
Accrued expense	<u>4,000</u>
Total current liabilities	\$ 11,865
<u>Net assets:</u>	
Unrestricted	206,157
Temporarily restricted	<u>(114,772)</u>
Total net assets	<u>91,385</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 103,250</u></b>

See accountant's review report and notes to financial statements.

**COLON CANCER ALLIANCE, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

	Unrestricted	Temporarily Restricted Connection	Campaign Fund	TOTAL
	General Fund			
<b>Income</b>				
Grants	\$ 230	\$ 96,003		\$ 96,233
Corporate partnership dues	20,000	-		20,000
Contributions	24,948	53,569		78,517
Merchandise income	6,684	-		6,684
Miscellaneous income	444	-		444
Total income	52,306	149,572		201,878
<b>Program expenses</b>				
Payroll	21,330	72,351		93,881
Connections campaign expense	-	46,916		46,916
Website expenses	-	36,058		36,058
Program expenses	65	27,302		27,367
Consulting fees	832	23,145		23,977
Travel	7,055	19,782		26,837
Postage and delivery	498	11,144		11,642
Payroll taxes	2,082	7,082		9,164
Merchandise expense	3,679	4,539		8,218
Insurance expenses	5,319	2,768		8,087
Printing and reproduction	8	2,465		2,473
Equipment rental	-	1,528		1,528
Teleconferencing	227	53		280
Accounting fees	5,916	-		5,916
Total program expenses	47,011	255,333		302,344
<b>General expenses</b>				
Office supplies	883	5,019		5,902
Telephone expenses	535	4,434		4,969
Dues and subscriptions	74	2,675		2,749
Rent	-	701		701
Miscellaneous expenses	2,129	609		2,738
Media	-	396		396
Bank and credit card charges	1,368	-		1,368
Depreciation expense	344	-		344
Total general expenses	5,333	13,834		19,167
Total program and general expenses	52,344	269,167		321,511
Net income (loss) from operations	\$ (38)	\$ (119,595)		\$ (119,633)
<b>Other income (expenses)</b>				
Interest income	197	-		197
Total other income (expenses)	197	-		197
Change in net assets	159	(119,595)		(119,436)
Net assets as of beginning of period	205,998	4,823		210,821
Net assets as of end of period	\$ 206,157	\$ (114,772)		\$ 91,385

See accountant's review report and notes to financial statements

**COLON CANCER ALLIANCE, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**

Cash flows used by operating activities:	
Decrease in net assets	\$ <u>(119,436)</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	\$ 344
Changes in operating assets and liabilities:	
Decrease in contribution receivable	34,547
Increase in accounts payable & accrued expenses	<u>697</u>
Total adjustments	<u>35,588</u>
Net cash used by operating activities	(83,848)
Cash and cash equivalents, beginning of year	<u>185,196</u>
Cash and cash equivalents, end of year	<u>\$ 101,348</u>

See accountant's review report and notes to financial statements.

COLON CANCER ALLIANCE, INC.  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2003

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES AND POLICIES**

**History and Organization:**

Colon Cancer Alliance, Inc. was incorporated on March 18, 1999. The Corporation is a non-profit entity, whose primary purpose is to provide education materials about colorectal cancer through its website.

**Financial Statement Presentation:**

The financial statements of Colon Cancer Alliance, Inc. have been prepared on the accrual basis of accounting, in accordance with generally accepted accounting principles.

The organization follows SFAS No 117, "Financial Statements of Not-for-Profit Organizations". Under SFAS No. 117, the organization is required to report information regarding its financial position and activities according to three classes of net assets.

The classification of an organization's assets and its support, revenue and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the three classes of net assets - permanently restricted, temporarily restricted and unrestricted - be displayed in the statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a statement of activities.

These classes are defined as follows:

**Permanently Restricted** - Net assets resulting from contributions and other inflows of assets whose use by the organizations is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization.

**Temporarily Restricted** - Net assets resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions in the statements of unrestricted revenue, expenses and other changes in unrestricted net assets.

**Unrestricted** - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

**Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amount of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**COLON CANCER ALLIANCE, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2003**

**Contributions:**

Contributions received in one year for use in the subsequent year, if applicable, are deferred in the year of receipt and reflected in income in the subsequent year to which they have been designated by the respective donors. Non-cash contributions are recorded at their fair market value at the date of donation and are included in offerings.

Contributions are recorded as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Cash and Cash Equivalents:**

All highly liquid investments with a maturity of three months or less at date of purchase are carried at fair value and are considered to be cash equivalents.

**NOTE 2 – EQUIPMENT**

Depreciation is computed on individual assets by the double declining method at rates adequate to amortize the cost of applicable assets over their useful lives. The cost and related accumulated depreciation of assets sold or otherwise disposed of are removed from the related accounts and the resulting gain or losses are reflected in income, except on assets traded. Expenditures for normal maintenance and repairs are expensed, while major renewals are capitalized.

Equipments are summarized as follows:

Office Equipment	\$ 1,720
Less: Accumulated depreciation	<u>(1,376)</u>
Plant and equipment, net	<u>\$ 344</u>

**NOTE 3 - INCOME TAX STATUS**

The organization is a not for profit corporation exempt from taxation under Section 501(c)(3) of the internal revenue code (the code) and has been determined not to be a private foundation under Section 509(a)(1) of the Code. As such, no provision for income taxes has been reflected in the financial statement.

**NOTE 4 – FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.