

THE CARCINOID CANCER FOUNDATION, INC.
FINANCIAL STATEMENTS
February 29, 2008 and February 28, 2007
With Independent Auditors' Report

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INDEPENDENT AUDITORS' REPORT

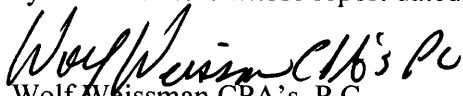
To the Board of Directors
The Carcinoid Cancer Foundation, Inc.
White Plains, New York

We have audited the accompanying statement of financial position of The Carcinoid Cancer Foundation, Inc. as of February 29, 2008 and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of The Carcinoid Cancer Foundation, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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 Carcinoid Cancer Foundation, Inc. as of February 29, 2008 and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The February 28, 2007 financial statements of The Carcinoid Cancer Foundation, Inc. were audited by other auditors whose report dated August 10, 2007 expressed an unqualified opinion.


Wolf Weissman CPA's, P.C.
New York, NY
June 30, 2008

THE CARCINOID CANCER FOUNDATION, INC.
STATEMENTS OF FINANCIAL POSITION
FEBRUARY 29, 2008 AND FEBRUARY 28, 2007

	2008	2007
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 74,559	\$ 221,484
Investment Securities	-	14,909
Accrued Interest Receivable	-	629
Total Current Assets	74,559	237,022
PROPERTY AND EQUIPMENT		
Office Improvements	17,000	17,000
Computers and Peripherals	84,405	78,955
Office Equipment	48,846	48,846
	150,251	144,801
Less: Accumulated Depreciation	(117,790)	(102,940)
Property and Equipment, Net	32,461	41,861
Total Assets	\$ 107,020	\$ 278,883
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accrued Expenses	39,462	-
NET ASSETS		
Unrestricted Fund Balance	67,558	278,883
Total Liabilities and Net Assets	\$ 107,020	\$ 278,883

See Accompanying Notes to Financial Statements

THE CARCINOID CANCER FOUNDATION, INC.
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED FEBRUARY 29, 2008 AND FEBRUARY 28, 2007

	<u>2008</u>	<u>2007</u>
PUBLIC SUPPORT		
Contributions	\$ 98,509	\$ 120,752
Unrestricted Grants	31,050	11,100
Total Public Support	<u>129,559</u>	<u>131,852</u>
REVENUE		
Fundraising	130,529	157,653
Program Service Revenue - Portland Conference	-	198,194
Interest Income	2,595	10,600
Unrealized Gain (Loss) on Securities	-	906
Realized Gain (Loss) on Securities	(2,730)	-
Total Revenue	<u>130,394</u>	<u>367,353</u>
Total Public Support and Revenue	<u>259,953</u>	<u>499,205</u>
EXPENSES		
Program Services - Medical Research	148,663	158,422
Program Services - Health Education	225,803	375,095
General and Administrative	27,918	30,837
Fundraising	68,894	61,734
Total Expenses	<u>471,278</u>	<u>626,088</u>
Increase (Decrease) in Net Assets	(211,325)	(126,883)
Net Assets - Beginning of Year	<u>278,883</u>	<u>405,766</u>
Net Assets - End of Year	<u>\$ 67,558</u>	<u>\$ 278,883</u>

See Accompanying Notes to Financial Statements

THE CARCINOID CANCER FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED FEBRUARY 29, 2008

	Program Services - Medical Research	Program Services - Health Education	General and Administrative	Fundraising Expenses	Total
Accounting Fees	\$ -	\$ -	\$ 4,825	\$ -	\$ 4,825
Advertising	-	2,367	-	-	2,367
Awards and Grants	61,499	71,064	-	-	132,563
Bank Charges	-	-	732	57	789
Bookkeeping	-	-	6,928	-	6,928
Computer Expenses	3,929	1,141	1,142	1,141	7,353
Conferences and Conventions	-	35,983	-	-	35,983
Credit Card Processing Fees	-	-	-	3,519	3,519
Database Development	592	-	-	-	592
Depreciation	7,425	7,425	-	-	14,850
Dues and Licenses	-	5,430	-	-	5,430
Education Materials	-	3,730	-	-	3,730
Education Support Associates	-	19,625	1,622	16,799	38,046
Filing Fees	-	-	150	-	150
Fundraising	-	-	-	5,300	5,300
Honoraria	-	2,500	-	-	2,500
Insurance	-	-	1,565	-	1,565
Interest	-	-	388	-	388
Legal Fees	-	-	5,523	-	5,523
Meals and Entertainment	-	3,000	600	-	3,600
Music	-	-	-	2,350	2,350
Office Expenses	-	1,479	1,291	-	2,770
Photography	-	-	-	500	500
Postage and Delivery	1,533	1,957	-	121	3,611
Printing and Reproduction	-	4,477	-	3,825	8,302
Reference Books and Subscriptions	-	1,022	-	-	1,022
Rental of Facilities	-	-	-	35,282	35,282
Research Associates	70,665	-	-	-	70,665
Research Database Development	3,020	-	-	-	3,020
Storage	-	-	2,976	-	2,976
Support Group Expense	-	1,698	-	-	1,698
Telephone	-	5,364	-	-	5,364
Travel	-	14,216	176	-	14,392
Webcast and Lecture Transcription	-	42,325	-	-	42,325
Website Hosting	-	1,000	-	-	1,000
Total	\$ 148,663	\$ 225,803	\$ 27,918	\$ 68,894	\$ 471,278

See Accompanying Notes to Financial Statements

THE CARCINOID CANCER FOUNDATION, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED FEBRUARY 28, 2007

	Program Services - Medical Research	Program Services - Health Education	General and Administrative	Fundraising Expenses	Total
Accounting Fees	\$ -	\$ -	\$ 4,300	\$ -	\$ 4,300
Awards and Grants	65,779	39,763	-	-	105,542
Bank Charges and Brokerage Fees	-	-	1,108	290	1,398
Bookkeeping	-	-	6,345	-	6,345
Computer Expenses	5,420	5,420	997	-	11,837
Conferences and Conventions	-	17,939	552	-	18,491
Conference Supplies	-	9,848	-	-	9,848
Credit Card Processing Fees	-	933	1,752	-	2,685
Dance and Auction Expenses	-	6,212	-	-	6,212
Depreciation	8,413	8,413	885	-	17,711
Dues and Licenses	-	724	35	-	759
Education Materials	-	20,025	-	-	20,025
Education Support Associates	-	28,495	-	-	28,495
Equipment Rental	-	-	2,109	-	2,109
Fundraising	-	-	-	61,444	61,444
Honoraria	-	70,250	-	-	70,250
Insurance	-	800	-	-	800
Legal Fees	-	-	5,500	-	5,500
Meals and Entertainment	-	137	-	-	137
Rental of Facilities	-	86,442	625	-	87,067
Office Expenses	-	-	5,402	-	5,402
Organization Expense	-	853	-	-	853
Patient Fees	-	2,965	-	-	2,965
Physician Symposium	-	3,420	-	-	3,420
Postage and Delivery	489	5,653	694	-	6,836
Printing and Reproduction	-	5,666	-	-	5,666
Research Database Development	3,811	-	-	-	3,811
Reference Books and Subscriptions	-	618	-	-	618
Research Associates	74,510	-	-	-	74,510
Speaker's Expenses	-	32,876	-	-	32,876
Support Group Expense	-	600	-	-	600
Telephone	-	2,993	533	-	3,526
Travel	-	17,146	-	-	17,146
Webcast and Lecture Transcription	-	6,711	-	-	6,711
Website Hosting	-	193	-	-	193
Total	\$ 158,422	\$ 375,095	\$ 30,837	\$ 61,734	\$ 626,088

See Accompanying Notes to Financial Statements

THE CARCINOID CANCER FOUNDATION, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED FEBRUARY 29, 2008 AND FEBRUARY 28, 2007

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (Decrease) in Net Assets	(211,325)	(126,883)
Adjustments to Reconcile Decrease in Net Assets to Net Cash Used in Operating Activities:		
Depreciation	14,850	17,711
Unrealized Gain (Loss) on Securities Held	-	(906)
Realized Gain (Loss) on Securities Sold	2,730	-
Net (Increase) Decrease in Accrued Interest Receivable	629	-
Net Increase (Decrease) in Accrued Expenses	39,462	-
Net Cash Used In Operating Activities	(153,654)	(110,078)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net (Increase) Decrease in Investment Activity	-	330
Acquisitions of Property	(5,450)	(6,891)
Sales of Investment Securities	12,179	-
Net Cash Provided by (Used In) Investing Activities	6,729	(6,561)
Net Decrease in Cash and Cash Equivalents	(146,925)	(116,639)
Cash and Cash Equivalents - Beginning of Year	221,484	338,123
Cash and Cash Equivalents - End of Year	\$ 74,559	\$ 221,484

See Accompanying Notes to Financial Statements

THE CARCINOID CANCER FOUNDATION, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES:

Nature of Activities

The Carcinoid Cancer Foundation, Inc. (the Foundation) is a nonprofit organization incorporated under the laws of the State of New York in 1968. The Foundation encourages and supports research and educates general public and healthcare professionals regarding carcinoid cancer and related neuroendocrine tumors, with the ultimate goal of finding a cure. The Foundation is supported primarily through donor contributions and grants.

Promises to Give

The Foundation recognizes contributions when the donor makes a promise to give, that is, in substance, unconditional. There were no promises to give at February 29, 2008 and February 28, 2007.

Contributed Services

During the years ended February 28, 2007 and February 29, 2008, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents.

Investments

All investments held at February 28, 2007 were sold or redeemed before February 29, 2008. All realized losses are reflected in the statement of activities and changes in net assets in accordance with Statement of Financial Accounting Standards (SFAS) No. 124, Accounting for Investments.

Income Taxes

The Foundation is a public charitable, educational, and scientific organization described in Section 501(c) (3) of the Internal Revenue Code and is exempt from federal and state income taxes. The Foundation is not classified as a private foundation.

**NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES:
(Continued)**

Furniture, Equipment, and Leasehold Improvements

Purchased property and equipment are capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Office improvements are being depreciated over thirty nine years using the straight line method of depreciation; furniture and office equipment are being depreciated over an estimated useful life of seven years using double declining balance method of depreciation; purchased software is being depreciated over an estimated useful life of three years using straight-line method; research equipment is being depreciated over an estimated useful life of five years using straight-line method or double-declining balance method of depreciation, depending on when the asset was placed in service.

Financial Statement Presentation

The Foundation follows standards of accounting and financial reporting for not-for-profit organizations. Accordingly, the financial statements are prepared on the accrual basis of accounting. The Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted net assets. The Foundation has not received any temporarily and permanently restricted contributions, therefore all net assets are reported as unrestricted.

NOTE B – INVESTMENT SECURITIES

Investments February 28, 2007 consisted of corporate bonds and notes with a cost of \$15,000 and market value of \$14,909.

NOTE C – RELATED PARTY TRANSACTIONS

The members of the Board of Directors and the officers of The Foundation receive no compensation for their services. These donated services are not reflected as an expense in the financial statements. A member of the Board of Directors, who is also Secretary/Treasurer, is legal counsel to the Foundation and received compensation of \$5,523 and \$5,000 for his legal services during the year ended February 29, 2008 and February 28, 2007, respectively.

NOTE D – CONCENTRATION OF CREDIT RISK

The Foundation maintains cash accounts at two banks. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$100,000. The Foundation also holds cash in two brokerage accounts at Merrill Lynch, which are insured by SIPC up to \$100,000. At February 29, 2008, the cash balances did not exceed the insured limit.