

HORAN, GOLDEN & COMPANY, LTD.

CERTIFIED PUBLIC ACCOUNTANTS
AND BUSINESS CONSULTANTS

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March 11, 2008

Ms. Leah Rush Cann
President
Hope Funds for Cancer Research
226 Bellevue Avenue, Suite 11
Newport, RI 02840

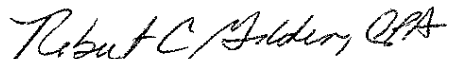
Dear Leah:

Per your request, I have reviewed the Hope Funds for Cancer research activities and procedures for proposing and receiving grants, donations and other forms of support. It is my opinion that the Hope Funds is successfully carrying out such activities as described in the entities original Form 1023, Application for Recognition of Exemption, that had been reviewed and accepted by the Internal Revenue Service. Additionally, I find that there have been no material changes to the Hope Funds initial activities that would jeopardize its ability to accept public donations.

Also, in regards to our discussion concerning the treatment of future Fellowship recipients, it is my opinion that there is no effect to the Hope Funds whether the fellowships are paid directly to recipients and reported to them on Forms 1099 or if payments are made directly to sponsoring entities and treated as employees of the sponsoring entity.

If you have any questions regarding the above, please feel free to contact me.

Very truly yours,



Robert C. Golden, CPA

Enclosures

RCG/r b-t:data/letters/hopefunds031108

HOPE FUNDS FOR CANCER RESEARCH
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
DECEMBER 31, 2007

HOPE FUNDS FOR CANCER RESEARCH

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To the Board of Trustees
Hope Funds for Cancer Research
Newport, Rhode Island

We have audited the accompanying statement of financial position of Hope Funds for Cancer Research (the Hope Funds) as of December 31, 2007, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Hope Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. 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 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 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 Hope Funds for Cancer Research as of December 31, 2007, and the changes in its net assets and its cash flows for the year then ended, in conformity with generally accepted accounting principles.

March 4, 2008


Horan, Golden & Company, Ltd.

HOPE FUNDS FOR CANCER RESEARCH
STATEMENT OF FINANCIAL POSITION

--A S S E T S--

	DECEMBER 31, 2007
CURRENT ASSETS:	
Cash - Note 2	\$ 174,632
Contribution Receivable - Note 3	1,800
Asset Held for Sale - Note 4	3,000
Prepaid Expense - Note 5	375
TOTAL CURRENT ASSETS	\$ 179,807

--L I A B I L I T I E S A N D N E T A S S E T S--

	DECEMBER 31, 2007
CURRENT LIABILITIES:	
Accrued Expenses	\$ 2,000
NET ASSETS:	
Unrestricted - Note 6	
Designated for Fellowships	174,000
Undesignated	3,807
Total Net Assets	177,807
TOTAL LIABILITIES AND NET ASSETS	\$ 179,807

The accompanying notes are an integral part of these financial statements

HOPE FUNDS FOR CANCER RESEARCH
STATEMENT OF ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Unrestricted</u>
REVENUE:	
Special Events, Net	\$ 136,328
Contributions - Designated	41,902
Contributions - Undesignated	11,497
Contributions - In Kind	3,000
Contributions - Pro-bono Services	8,398
Total Revenue	201,125
EXPENSES:	
Program Services - Grant Solicitations	10,712
Program Services - Awards to Honorees	7,828
Program Services - Public Communication	1,084
Fundraising Expenses	3,393
Legal and Professional	2,271
Printing and Stationery	1,022
Office Expense	2,598
Insurance	375
Collection Processing Fees	726
Miscellaneous	23
Total Expenses	30,032
INCOME FROM OPERATIONS	171,093
OTHER INCOME (EXPENSE):	
Interest Income	3,030
CHANGE IN NET ASSETS	174,123
NET ASSETS - BEGINNING OF YEAR	3,684
NET ASSETS - END OF YEAR	\$ 177,807

The accompanying notes are an integral part of these financial statements

HOPE FUNDS FOR CANCER RESEARCH
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2007

CASH FLOWS FROM OPERATING ACTIVITIES:	
Change in Net Assets	\$ 174,123
Changes in Operating Assets and Liabilities:	
Contribution Receivable	(1,800)
Asset for Sale	(3,000)
Prepaid Expenses	3
Accrued Expenses	2,000
Net Cash Provided From Operating Activities	171,326
CASH - BEGINNING OF YEAR	<u>3,306</u>
CASH - END OF YEAR	<u><u>\$ 174,632</u></u>

The accompanying notes are an integral part of these financial statements.

HOPE FUNDS FOR CANCER RESEARCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

Hope Funds for Cancer Research (the Hope Funds), a non-profit corporation, was organized under the General Laws of the State of Rhode Island on October 5, 2006 for the purpose of encouraging investigation of innovative cancer treatment, prevention and detection and to increase knowledge relating to cancer care, especially for the most difficult-to-treat cancers, through philanthropic support of scientific and medical research.

BASIS OF ACCOUNTING

The accompanying financial statements have been prepared on the accrual basis of accounting, which recognizes revenue when earned and expenses when incurred.

INCOME TAXES

The Hope Funds qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

FINANCIAL STATEMENT PRESENTATION

The Hope Funds has adopted Statement of Financial Accounting Standard (SFAS) No. 117, "Financial Statements of Not-for-Profit Organization". Under SFAS No. 117, The Hope Funds 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. In addition, the Hope Funds is required to present a statement of cash flows.

CONTRIBUTIONS

The Hope Funds has also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made, "whereby contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Restricted net assets are reclassified to unrestricted net assets upon satisfaction of the time or purpose restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the organization reports the support as unrestricted.

HOPE FUNDS FOR CANCER RESEARCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTD)

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

DONATED SERVICES

The Hope Funds recognizes revenues for certain professional services at the fair value of those services. The total amount recognized is listed under Contribution – Pro-bono Services. Additionally, many individuals volunteer their time and perform a variety of tasks that greatly assist the Hope Funds perform its daily activities, special events and fundraising. No amounts have been reflected in the financial statements since these donated services do not meet the criteria for recognition under SFAS No. 116.

NOTE 2 – CASH AND CASH EQUIVALENTS

The Hope Funds considers all liquid debt instruments with original maturities of three months or less, as well as short-term certificate of deposits maturing in under twelve months, to be cash equivalents. Funds are kept in area institutions in regular checking and money market accounts as well as a short-term investment account.

NOTE 3 – CONTRIBUTION RECEIVABLE

Contribution Receivable represents 2007 donations pledged but not received by December 31, 2007. The Hope Funds believes the amount to be fully collectible in 2008.

NOTE 4 – ASSET HELD FOR SALE

In 2007 The Hope Funds accepted the donation of a piece of artwork to be sold by the Organization to support its Annual Fund. The Hope Funds has established its estimated fair market value at \$3,000 as of December 31, 2007. As of the date of the financial statement, the artwork remains unsold.

HOPE FUNDS FOR CANCER RESEARCH
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2007

NOTE 5 – PREPAID EXPENSE

Prepaid expense represents the Hope Funds prepaid policy premium for its property and liability policy. The current policy was entered into beginning June 28, 2007 for a one-year term at a total cost of \$750.

NOTE 6 – NET ASSETS – UNRESTRICTED

Unrestricted Net Assets for the Hope Funds is currently separated into two categories:

Undesignated – Net assets set aside by the Board of Trustees that represent support raised to fund general operating expenses.

Designated for Fellowships – Net assets set aside by the Board of Trustees that represent support raised to fund future two-year fellowships to post-doctoral scientists who propose to work on highly innovative research projects that challenge the traditional paradigms of understanding the causes, mechanisms, progression, disease markers or risk factors of the most difficult to treat cancers.

NOTE 7 – REVENUE AND SUPPORT

The Hope Funds major forms of support include direct contributions by individuals and business entities towards its Annual Fund, In-kind and Pro-bono services and hosting special events to raise funds for Fellowships as well as serving to honor luminaries in the field of cancer research, treatment and philanthropy.

NOTE 8 – SPECIAL EVENT

On August 25, 2007, the Hope Funds held its Inaugural Awards Gala. The event will be held annually to celebrate the Hope Funds' commitment to encourage innovative cancer treatment and early-stage detection for the most understudied and difficult to treat cancers and to raise funds for future Fellowships. This year's event brought together nearly 200 trustees, advisors, scientists, physicians and friends of the Hope Funds for Cancer Research. Four distinguished individuals and one organization were honored for their collective achievements and commitments. Gross proceeds from the event from sources such as ticket prices, silent auctions and donations totaled \$198,970. Total costs for hosting the event totaled \$62,642.