



***LONG ISLAND 2 DAY WALK TO
FIGHT BREAST CANCER, INC.***

***FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT***

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007



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**FINANCIAL STATEMENTS AND
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FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Long Island 2 Day Walk To Fight Breast Cancer, Inc.
Nesconset, New York 11767

We have audited the accompanying statements of financial position of Long Island 2 Day Walk To Fight Breast Cancer, Inc. (hereinafter "LI2Day") (a not-for-profit corporation) as of December 31, 2008 and 2007, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of LI2Day'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 LI2Day as of December 31, 2008 and 2007 and the changes in its net assets and its cash flows for the years then ended, in conformity with the accounting principles generally accepted in the United States of America.

Cerini & Associates LLP

November 12, 2009
Bohemia, New York

**LONG ISLAND 2 DAY WALK TO
FIGHT BREAST CANCER, INC.**

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31,**

2008

2007

ASSETS		
Current Assets:		
Cash (Note 3).....	\$ 42,374	\$ 83,667
Restricted cash and cash equivalent (Note 4).....	79,314	24,869
Prepaid expenses and other current assets.....	1,580	5,064
TOTAL CURRENT ASSETS	123,268	113,600
Property and equipment, net of accumulated depreciation (Note 2)..	3,431	5,719
TOTAL ASSETS	\$ 126,699	\$ 119,319
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 8,530	\$ 6,530
TOTAL LIABILITIES	8,530	6,530
Commitments and contingencies (Notes 3, 4 and 5)		
Net Assets:		
Unrestricted.....	38,855	87,920
Temporarily restricted (Note 4).....	79,314	24,869
TOTAL NET ASSETS	118,169	112,789
TOTAL LIABILITIES AND NET ASSETS	\$ 126,699	\$ 119,319

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

**LONG ISLAND 2 DAY WALK TO
FIGHT BREAST CANCER, INC.**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE :			
Gross proceeds from 2-day walk event....	\$ 104,833	\$ 523,133	\$ 627,966
Less: direct expenses.....	(63,749)	-	(63,749)
Net proceeds from 2-day walk event.....	41,084	523,133	564,217
Gross proceeds from special events.....	66,838	-	66,838
Less: direct expenses.....	(39,746)	-	(39,746)
Net proceeds from special events.....	27,092	-	27,092
Interest income.....	1,072	-	1,072
Other income.....	8,369	-	8,369
Net assets released from restrictions.....	468,688	(468,688)	-
TOTAL SUPPORT AND REVENUE	546,305	54,445	600,750
 EXPENSES:			
Program services.....	479,202	-	479,202
Management and general.....	44,252	-	44,252
Fundraising.....	71,916	-	71,916
TOTAL EXPENSES	595,370	-	595,370
Change in net assets.....	(49,065)	54,445	5,380
Net assets, beginning of year	87,920	24,869	112,789
Net assets, end of year.....	<u>\$ 38,855</u>	<u>\$ 79,314</u>	<u>\$ 118,169</u>

**LONG ISLAND 2 DAY WALK TO
FIGHT BREAST CANCER, INC.**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
SUPPORT AND REVENUE :			
Gross proceeds from 2-day walk event....	\$ 137,729	\$ 395,184	\$ 532,913
Less: direct expenses.....	(56,706)	-	(56,706)
Net proceeds from 2-day walk event.....	81,023	395,184	476,207
Gross proceeds from special events.....	100,319	-	100,319
Less: direct expenses.....	(46,737)	-	(46,737)
Net proceeds from special events.....	53,582	-	53,582
Interest income.....	4,691	-	4,691
Other income.....	753	-	753
Net assets released from restrictions.....	412,000	(412,000)	-
TOTAL SUPPORT AND REVENUE	552,049	(16,816)	535,233
 EXPENSES:			
Program services.....	419,042	-	419,042
Management and general.....	30,263	-	30,263
Fundraising.....	39,473	-	39,473
TOTAL EXPENSES	488,778	-	488,778
Change in net assets.....	63,271	(16,816)	46,455
Net assets, beginning of year	24,649	41,685	66,334
Net assets, end of year.....	<u>\$ 87,920</u>	<u>\$ 24,869</u>	<u>\$ 112,789</u>

**LONG ISLAND 2 DAY WALK TO
FIGHT BREAST CANCER, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	Program Services	Management and General	Fundraising	Total
Salaries.....	\$ 4,269	\$ 11,385	\$ 12,808	\$ 28,462
Payroll taxes and employee benefits.....	228	609	686	1,523
Awards, grants, and scholarships.....	468,688	-	-	468,688
Professional fees.....	-	-	27,440	27,440
Bank fees.....	-	11,772	-	11,772
Equipment rentals.....	-	-	1,609	1,609
Conferences.....	275	-	825	1,100
Miscellaneous.....	411	1,095	1,232	2,738
Telephone.....	1,565	4,174	4,696	10,435
Supplies.....	2,731	7,283	8,193	18,207
Printing and production.....	-	4,660	5,255	9,915
Postage and delivery.....	654	1,744	1,961	4,359
Insurance.....	38	100	112	250
Advertising.....	-	-	5,894	5,894
Depreciation.....	343	915	1,030	2,288
Dues and subscriptions.....	-	515	-	515
Registration fees.....	-	-	175	175
	<u>\$ 479,202</u>	<u>\$ 44,252</u>	<u>\$ 71,916</u>	<u>\$ 595,370</u>

**LONG ISLAND 2 DAY WALK TO
FIGHT BREAST CANCER, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Salaries.....	\$ 3,390	\$ 9,040	\$ 10,170	\$ 22,600
Payroll taxes and employee benefits.....	345	920	1,035	2,300
Awards, grants, and scholarships.....	412,000	-	-	412,000
Professional fees.....	-	7,400	10,750	18,150
Bank fees.....	-	5,368	-	5,368
Equipment rentals.....	-	-	4,300	4,300
Conferences.....	1,033	-	3,100	4,133
Miscellaneous.....	587	1,566	1,762	3,915
Telephone.....	584	1,558	1,752	3,894
Supplies.....	375	1,000	1,125	2,500
Printing and production.....	-	1,055	1,190	2,245
Postage and delivery.....	292	780	878	1,950
Insurance.....	265	707	796	1,768
Advertising.....	-	-	1,700	1,700
Depreciation.....	171	458	515	1,144
Dues and subscriptions.....	-	411	-	411
Registration fees.....	-	-	400	400
	<u>\$ 419,042</u>	<u>\$ 30,263</u>	<u>\$ 39,473</u>	<u>\$ 488,778</u>

**LONG ISLAND 2 DAY WALK TO
FIGHT BREAST CANCER, INC.**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31,**

2008

2007

CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets.....	\$ 5,380	\$ 46,455
<u>Adjustment to reconcile change in net assets to net cash provided by operating activities:</u>		
Depreciation expense.....	2,288	1,144
<u>Changes in operating assets and liabilities:</u>		
Prepaid expenses and other current assets.....	3,484	(5,064)
Accounts payable and accrued expenses.....	2,000	5,609
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>13,152</u>	<u>48,144</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment.....	-	(6,863)
CASH USED IN INVESTING ACTIVITIES	<u>-</u>	<u>(6,863)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	13,152	41,281
Cash and cash equivalents, beginning of year.....	<u>108,536</u>	<u>67,255</u>
Cash and cash equivalents, end of year.....	<u>\$ 121,688</u>	<u>\$ 108,536</u>

**LONG ISLAND 2 DAY WALK TO
FIGHT BREAST CANCER, INC.**

**NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Long Island 2 Day Walk To Fight Breast Cancer, Inc. (hereinafter "LI2Day") is presented to assist in understanding LI2Day's financial statements. The financial statements and notes are representations of LI2Day's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Organization: LI2Day was organized to raise awareness and funding for the fight against breast cancer on Long Island. LI2Day holds a two-day walk event, of which 100% of the proceeds are distributed to grassroots service organizations so the funds reach the members of the Long Island community affected by breast cancer.

Income Tax Status: LI2Day is exempt from federal income tax under Internal Revenue Code Section 501(c)(3), is publicly supported, as described in Section 509(a), and did not conduct unrelated business activities.

Basis of Accounting: The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Revenue Recognition: LI2Day recognizes revenue from foundations and corporate grants in the period these grants are pledged. Revenue received under these foundation and corporate grants is unrestricted as to use. All other contributions are recognized as revenue upon the receipt of cash.

Financial Statement Presentation: Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards ("SFAS") No. 117, "*Financial Statements of Not-for-Profit Organizations.*" Under SFAS No. 117, LI2Day 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, as follows:

Unrestricted - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted - Net assets subject to donor-imposed stipulations that may or will be met, either by action of LI2Day and/or the passage of time.

Permanently Restricted - Net assets subject to donor-imposed stipulations that are to be maintained permanently by LI2Day. Generally, the donors of these assets would permit LI2Day to use all or part of the income earned on any related investments for general purposes.

**LONG ISLAND 2 DAY WALK TO
FIGHT BREAST CANCER, INC.**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted Cash and Cash Equivalents: LI2Day considers all temporarily restricted cash held for scholarships, golfing outings, and/or walk funds as restricted cash and cash equivalents.

Contributions: Contributions are recognized when the donor makes a promise to give to LI2Day that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in restricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

2-Day Walk Event: LI2Day holds an annual two day walk event to provide revenue to be distributed to Long Island-based organizations to benefit individuals affected by breast cancer. Revenue raised by the participants from this event is recorded as temporarily restricted at the time each event takes place. All of the walker-raised donations are distributed to annually designated beneficiary organizations and the LI2Day Scholarship fund. All other revenue is considered as unrestricted revenue, unless restricted by the donor. Costs incurred for which a donor receives a direct benefit have been offset against the revenue earned. Other costs related to the event for which the donor does not receive a direct benefit are included within fundraising costs. For the year ended December 31, 2008, LI2Day earned revenue of \$627,966 and incurred direct costs of \$63,749. For the year ended December 31, 2007, LI2Day earned revenue of \$532,913 and incurred direct costs of \$56,706.

Special Events: LI2Day holds fundraising events to provide support for its operations. Revenue from these events is recorded at the time each event takes place. Costs incurred for which a donor receives a direct benefit have been offset against the revenue earned. Other costs related to the event for which the donor does not receive a direct benefit are included within fundraising costs. For the year ended December 31, 2008, LI2Day earned revenue of \$66,838 and incurred direct costs of \$39,746. For the year ended December 31, 2007, LI2Day earned revenue of \$100,319 and incurred direct costs of \$46,737.

Advertising: LI2Day uses advertising to promote its programs and events. The production costs of advertising are expensed as funds are disbursed.

Use of Estimates: The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America 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 revenue and expenses during the reporting period. Actual results could differ from these estimates.

**LONG ISLAND 2 DAY WALK TO
FIGHT BREAST CANCER, INC.**

NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment: Property and equipment are stated at cost. Those assets acquired by gift are carried at fair market value established at the date of acquisition.

Depreciation expense is computed using the straight-line method over the equipment's estimated useful life of three years. A half-year of depreciation is generally provided in the years of acquisition and disposal.

Functional Allocation of Expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses and activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Events Occurring After Report Date:

The School has evaluated events and transactions that occurred between July 1, 2009 and November 12, 2009, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

NOTE 2 -- PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31,:

	<u>2008</u>	<u>2007</u>
Equipment.....	\$ 6,863	\$ 6,863
Less: accumulated depreciation.....	(3,432)	(1,144)
Net property and equipment.....	<u>\$ 3,431</u>	<u>\$ 5,719</u>

NOTE 3 -- CONCENTRATIONS OF CREDIT RISK

LI2Day generated approximately 94% of its revenue for the year ended December 31, 2008 from its annual two day walk event held on Long Island.

NOTE 4 -- RESTRICTED NET ASSETS

Net assets were temporarily restricted for the following purposes at December 31,:

	<u>2008</u>	<u>2007</u>
Scholarships.....	\$ 15,000	\$ 15,000
Revenue to be distributed to Long Island-based organizations.....	64,314	9,869
Total temporarily restricted net assets.....	<u>\$ 79,314</u>	<u>\$ 24,869</u>

**LONG ISLAND 2 DAY WALK TO
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NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

NOTE 4 -- RESTRICTED NET ASSETS (continued)

Funds for the scholarship program and golf outing have been included within restricted cash and cash equivalents on the accompanying statement of financial position as they are expected to be utilized for short-term purposes.

NOTE 5 -- LITIGATION

From time to time, LI2Day is subject to certain claims or litigation in the normal course of its operations. Management of LI2Day is of the opinion that any claims are either without merit or that the present insurance coverage is sufficient to meet the financial obligations, if any, arising out of such claims or proceedings, and that the outcome of any such claims or lawsuits will not have a material impact on LI2Day's financial condition.