

**CANCER SURVIVORS' SCHOLARSHIP FUND**

**AUDIT REPORT**

**FOR AND AS OF THE YEAR ENDED  
DECEMBER 2002**

**PREPARED BY:**

**JOHN R. LEAVINS, CPA  
MARCH 31, 2003**

**Cancer Survivors' Scholarship Fund**  
**Audit Report**  
**For and As Of the Year Ended**  
**December 31, 2002**

Prepared by:  
John Leavins, CPA

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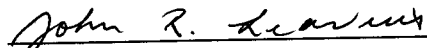
**INDEPENDENT AUDITOR'S REPORT**

Cancer Survivors' Scholarship Fund  
Missouri City, TX

I have audited the accompanying statement of financial position of Cancer Survivors' Scholarship Fund (a nonprofit organization) as of December 31, 2002, and the financial statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Cancer Survivors' Scholarship Fund's management. My responsibility is to express an opinion on these financial statements based on the audit.

I conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cancer Survivors' Scholarship Fund as of December 31, 2002, 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.

  
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John R. Leavins, CPA

March 31, 2003

**Cancer Survivors' Scholarship Fund  
Statement of Financial Position  
December 31, 2002**

**ASSETS**

Cash - Checking	<u>\$2,939</u>
Total Current Assets	<u>\$2,939</u>
Total Assets	<u><u>\$2,939</u></u>

**LIABILITIES & FUND BALANCE**

Liabilities	\$0
Fund Balance	<u>2,939</u>
Total Liabilities & Fund Balance	<u><u>\$2,939</u></u>

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT

**Cancer Survivors' Scholarship Fund  
Statement of Activities  
For the Year Ended December 31, 2002**

Change in Unrestricted Net Assets:

Revenues-Contributions	\$49,126
Expenditures:	
Program Expenses	\$38,590
General Supporting Expenses	<u>9,070</u>
Total Expenses	<u>47,660</u>
Increase in Unrestricted Net Assets	1,466
Net Assets, Beginning of Year	<u>1,473</u>
Net Assets, End of Year	<u><u>\$2,939</u></u>

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT

**Cancer Survivors' Scholarship Fund  
Statement of Functional Expenses  
For the Year Ended December 31, 2002**

	<u>PROGRAM SERVICES</u>	<u>SUPPORTING SERVICES</u>	<u>TOTAL</u>
BANK CHARGES		1,053	1,053
BOOKS & PUBLICATIONS	671		671
DONATIONS	803		803
FUNDRAISING		1,724	1,724
GIFTS FOR PATIENTS	1,550		1,550
GRANTS FOR STUDENTS	5,743		5,743
INFORMATIONS SYSTEMS	1,215		1,215
INSURANCE		800	
MEDICAL ASSISTANCE	12,647		12,647
MEETINGS	282	281	563
MISCELLANEOUS	121	121	242
OCCUPANCY	750	750	1,500
OFFICE EXPENSES		2,340	2,340
PHOTOS	187		187
PROFESSIONAL DUES		1,057	1,057
SUPPLIES		144	144
TELEPHONE	1,867	800	800
TRAVEL	445		445
TUITION FOR STUDENTS	9,963		9,963
VEHICLE EXPENSES	1,510		1,510
WEB HOSTING	836		836
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL EXPENSES	<u><u>\$38,590</u></u>	<u><u>\$9,070</u></u>	<u><u>\$47,660</u></u>

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT

**Cancer Survivors' Scholarship Fund  
Statement of Cash Flows  
For the Year Ended December 31, 2002**

Operating Activities:

Cash Flow From Operating Activities	
Excess Revenues Over Expenditures	<u>\$1,466</u>
Net Cash Provided by Operating Activities	1,466
Beginning Cash Balance	1,473
Ending Cash Balance	<u><u>\$2,939</u></u>

SEE ACCOMPANYING NOTES AND ACCOUNTANT'S REPORT

**Cancer Survivors' Scholarship Fund**  
Notes to Financial Statements  
December 31, 2002

**1. Nature of Activities**

Cancer Survivors' Scholarship Fund is a nonprofit organization that provides scholarships and prosthetic limbs and is supported primarily through the generosity of contributors.

**2. Significant Accounting Policies and Other Information**

*Basis of Accounting* - Basis of accounting refers to the time period when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The basis of accounting used by the entity is the accrual basis. Revenues are recognized when they become measurable and available as current assets. Expenditures are recognized when they are incurred.

The accounting policies of the organization conform to generally accepted accounting principles.

**3. Current Assets**

Current Assets are cash and other assets expected to be converted into cash, sold, or consumed in one year or the operating cycle of the business, whichever is longer. Cash is the only current asset owned by the Organization.

**4. Revenue Recognition**

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. All contributions received during the year were unrestricted.

**7. Income Taxes**

The Organization is exempt from federal income taxes under Internal Revenue Code 501 (c) (3).

**8. Functional Allocation of Expenses**

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