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MICHAEL CUCCIONE FOUNDATION

A Private Foundation

FINANCIAL STATEMENTS

December 31, 2006

GALLOWAY
BOTTESELLE
& COMPANY

Associated with

Porter Hétu
International

Professional Services Group

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GALLOWAY
BOTTESELLE
& COMPANY
Associated with
Porter Hétu
International
Professional Services Group

B.M. Galloway *
E.A. Botteselle *
B.R. Blamey *
D.P. Van Gruen *
R.E. Biedka
K. Kleinhempel
* *Professional Corporation*

REVIEW ENGAGEMENT REPORT

To the members of **Michael Cuccione Foundation**

We have reviewed the statement of financial position of Michael Cuccione Foundation as at December 31, 2006 and the statements of operations and changes in net assets and cash flows for the year then ended. Our review was made in accordance with Canadian generally accepted standards for review engagements and accordingly consisted primarily of enquiry, analytical procedures and discussion related to information supplied to us by the Foundation.

A review does not constitute an audit and consequently we do not express an audit opinion on these financial statements.

In common with many non-profit organizations, the Foundation derives most of its revenue from fundraising and donations, the completeness of which is not susceptible to satisfactory review verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to this revenue, excess of revenue over expenses, assets or net assets.

Based on our review, except for the effect of adjustments, if any, we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue referred to in the preceding paragraph, nothing has come to our attention that causes us to believe that these financial statements are not, in all material respects, in accordance with Canadian generally accepted accounting principles.

Galloway Botteselle & Company

Certified General Accountants

Vancouver, BC
June 11, 2007

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MICHAEL CUCCIONE FOUNDATION

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS
For the Year Ended December 31, 2006

Unaudited - See Review Engagement Report

	2006	2005
Revenues		
Fundraising dinners	$ 225,595	183,852
Fundraising events	91,891	130,111
Donations	37,946	32,034
Interest	9,590	7,117
Foreign currency exchange gain (loss)	811	(1,836)
	365,833	351,278
Expenses		
Advertising and promotion	4,604	3,707
Amortization	872	1,162
Bank charges and interest	2,342	1,573
Fundraising dinners	79,913	37,772
Fundraising events	32,330	34,258
Office	6,898	4,344
Professional services	1,766	1,605
Telephone	2,891	4,083
Travel	1,509	1,296
Wages and benefits	30,752	27,530
	163,877	117,330
Excess of Revenues over Expenses	201,956	233,948
Net Assets, Beginning of Year	498,150	503,202
	700,106	737,150
Donations	153,000	239,000
Net Assets, End of Year	$ 547,106	498,150

See Accompanying Notes

MICHAEL CUCCIONE FOUNDATION

STATEMENT OF FINANCIAL POSITION
As at December 31, 2006

Unaudited - See Review Engagement Report

		2006	2005
ASSETS			
Current			
Cash and short-term investments	$	**525,147**	476,071
Accounts receivable (Note 3)		**19,429**	18,085
Prepaid expenses		**1,280**	1,975
		545,856	496,131
Equipment (Note 4)		**2,816**	3,688
	$	**548,672**	499,819
LIABILITIES			
Current			
Accounts payable and accrued liabilities (Note 5)	$	**1,566**	1,669
NET ASSETS		**547,106**	498,150
	$	**548,672**	499,819

See Accompanying Notes

Approved on Behalf of the Board:

Michael Cuccione, Sr., President

John Audia, Vice President

MICHAEL CUCCIONE FOUNDATION

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2006

Unaudited - See Review Engagement Report

	2006	2005
CASH FLOWS FROM:		
Operating Activities		
Excess of revenues over expenses	$ **201,956**	233,948
Amortization	**872**	1,162
Accounts receivable	**(1,184)**	2,178
Prepaid expenses	**695**	(120)
Accounts payable and accrued liabilities	**(263)**	(2,994)
	202,076	234,174
Financing Activities		
Donations	**(153,000)**	(239,000)
	(153,000)	(239,000)
Net Increase/Decrease in Cash	**49,076**	(4,826)
Cash, Beginning of Year	**476,071**	480,897
Cash, End of Year	$ **525,147**	476,071

See Accompanying Notes

Unaudited - See Review Engagement Report

Note 1 Purpose of the Organization

Michael Cuccione Foundation is incorporated under the Societies Act of British Columbia as a not-for-profit organization and is a registered charity under the Income Tax Act.

The Foundation was formed to raise funds through bequests, gifts, donations and various fundraising activities and to expend or administer these funds for cancer research and for the use of children's hospitals located in Canada. In addition, it is also the purpose of the Foundation to raise cancer awareness in the community, to provide emotional support to cancer patients and their families, and to promote the foregoing purposes throughout Canada.

Note 2 Accounting Policies

Revenue Recognition
The Foundation follows the deferral method of accounting for contributions. Investment income is recorded based on the accrual method.

Note 3 Accounts Receivable

		2006	2005
Accrued interest	$	**6,268**	2,660
Fundraising		**13,000**	15,425
Government agencies		**161**	-
	$	**19,429**	18,085

Note 4 Equipment

		2006	2005
Equipment	$	**7,348**	7,348
Accumulated amortization		**4,532**	3,660
Net book value	$	**2,816**	3,688

Amortization
Equipment is recorded at cost. Amortization is provided for using the following annual rates and methods:

Equipment	20%	Declining balance

Unaudited - See Review Engagement Report

Note 5 Accounts Payable and Accrued Liabilities

		2006	2005
Accounts payable	$	-	378
Accrued liabilities		1,000	1,000
Government agencies		566	291
	$	1,566	1,669