



THE BREAST CANCER RESEARCH FOUNDATION, INC.

FINANCIAL STATEMENTS

JUNE 30, 2010 and 2009

INDEPENDENT AUDITORS' REPORT

Board of Directors
The Breast Cancer Research Foundation, Inc.
New York, New York

We have audited the accompanying statement of financial position of The Breast Cancer Research Foundation, Inc. (the "Foundation") as of June 30, 2010, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Foundation as of and for the year ended June 30, 2009 were audited by other auditors whose report dated November 13, 2009 expressed an unqualified opinion on those statements.

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 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 enumerated above present fairly, in all material respects, the financial position of The Breast Cancer Research Foundation, Inc. as of June 30, 2010, and the changes in its net assets, functional expenses and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

EisnerAmper LLP

New York, New York
February 9, 2011

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Statements of Financial Position

	June 30,	
	<u>2010</u>	<u>2009</u>
ASSETS		
Cash	\$ 18,065,968	\$ 11,369,851
Cash held by a related party	71,671	88,829
Investments	14,527,829	15,029,439
Pledges receivable, net	11,095,985	11,580,675
Prepaid expenses, other receivables and other assets	61,280	76,022
Property and equipment, net	15,810	23,356
Security deposit	<u>40,061</u>	<u>40,061</u>
	<u>\$ 43,878,604</u>	<u>\$ 38,208,233</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 117,164	\$ 175,600
Grants payable	<u>33,497,255</u>	<u>28,659,068</u>
	<u>33,614,419</u>	<u>28,834,668</u>
Commitments (Note H)		
NET ASSETS		
Unrestricted:		
Undesignated	4,677,105	2,603,386
Board-designated	<u>500,000</u>	<u>500,000</u>
Total unrestricted	5,177,105	3,103,386
Temporarily restricted	4,787,080	5,970,179
Permanently restricted	<u>300,000</u>	<u>300,000</u>
	<u>10,264,185</u>	<u>9,373,565</u>
	<u>\$ 43,878,604</u>	<u>\$ 38,208,233</u>

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Statements of Activities

	Year Ended June 30, 2010				Year Ended June 30, 2009			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Public support:								
Contributions	\$ 28,585,913	\$ 245,000		\$ 28,830,913	\$ 27,618,854	\$ 200,000		\$ 27,818,854
Special events, net of direct benefit to contributors of \$1,099,421 and \$899,929, respectively	<u>7,035,653</u>			<u>7,035,653</u>	<u>5,412,048</u>			<u>5,412,048</u>
Total public support	<u>35,621,566</u>	<u>245,000</u>		<u>35,866,566</u>	<u>33,030,902</u>	<u>200,000</u>		<u>33,230,902</u>
Expenses:								
Program services	34,124,200			34,124,200	29,442,444			29,442,444
Management and general	1,136,294			1,136,294	1,091,058			1,091,058
Fund-raising	<u>2,301,866</u>			<u>2,301,866</u>	<u>1,933,123</u>			<u>1,933,123</u>
Total expenses	<u>37,562,360</u>			<u>37,562,360</u>	<u>32,466,625</u>			<u>32,466,625</u>
(Deficit) excess of public support over expenses	(1,940,794)	245,000		(1,695,794)	564,277	200,000		764,277
Nonoperating activities:								
Investment income (loss)	<u>2,586,414</u>			<u>2,586,414</u>	<u>(2,967,895)</u>			<u>(2,967,895)</u>
Excess (deficit) of revenue over expenses before net assets released from restrictions	645,620	245,000		890,620	(2,403,618)	200,000		(2,203,618)
Net assets released from restrictions	<u>1,428,099</u>	<u>(1,428,099)</u>		<u>0</u>	<u>1,087,049</u>	<u>(1,087,049)</u>		<u>0</u>
Change in net assets	2,073,719	(1,183,099)		890,620	(1,316,569)	(887,049)		(2,203,618)
Net assets - July 1	<u>3,103,386</u>	<u>5,970,179</u>	\$ 300,000	<u>9,373,565</u>	<u>4,419,955</u>	<u>6,857,228</u>	\$ 300,000	<u>11,577,183</u>
Net assets - June 30	<u>\$ 5,177,105</u>	<u>\$ 4,787,080</u>	<u>\$ 300,000</u>	<u>\$ 10,264,185</u>	<u>\$ 3,103,386</u>	<u>\$ 5,970,179</u>	<u>\$ 300,000</u>	<u>\$ 9,373,565</u>

See notes to financial statements

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Statement of Functional Expenses

Year Ended June 30, 2010

(with summarized financial information from 2009)

	June 30,				Direct Benefit to Contributors	2010 Total Expenses	2009 Total Expenses
	Program Services	Supporting Services		Total			
		Management and General	Fund-raising				
Grants awarded	\$ 33,054,993					\$ 33,054,993	\$ 28,410,882
Printing, postage and other costs related to breast cancer awareness	225,106					225,106	243,423
Special events:							
Contracted services					\$ 1,099,421	1,099,421	899,929
Other			\$ 664,481	\$ 664,481		664,481	393,808
Salaries and employee benefits	711,591	\$ 467,595	1,219,443	1,687,038		2,398,629	2,371,908
Contracted services	90,125		208,074	208,074		298,199	287,205
Professional fees		452,354		452,354		452,354	347,730
Rent	40,800	66,058	87,429	153,487		194,287	185,880
Telephone		16,099	16,098	32,197		32,197	35,744
Supplies		16,040		16,040		16,040	16,088
Office expenses		107,025	102,945	209,970		209,970	155,245
Taxes and licenses		8,558		8,558		8,558	7,425
Total expenses before depreciation and amortization	34,122,615	1,133,729	2,298,470	3,432,199	1,099,421	38,654,235	33,355,267
Depreciation and amortization	1,585	2,565	3,396	5,961		7,546	11,287
Total expenses	34,124,200	1,136,294	2,301,866	3,438,160	1,099,421	38,661,781	33,366,554
Less direct benefit to contributors					(1,099,421)	(1,099,421)	(899,929)
Grand total	\$ 34,124,200	\$ 1,136,294	\$ 2,301,866	\$ 3,438,160	\$ 0	\$ 37,562,360	\$ 32,466,625

THE BREAST CANCER RESEARCH FOUNDATION, INC.

**Statement of Functional Expenses
Year Ended June 30, 2009**

	<u>Supporting Services</u>				Direct Benefit to Contributors	Total Expenses
	Program Services	Management and General	Fund-raising	Total		
Grants awarded	\$ 28,410,882					\$ 28,410,882
Printing, postage and other costs related to breast cancer awareness	243,423					243,423
Special events:						
Contracted services					\$ 899,929	899,929
Other			\$ 393,808	\$ 393,808		393,808
Salaries and employee benefits	633,630	\$ 546,000	1,192,278	1,738,278		2,371,908
Contracted services	117,540		169,665	169,665		287,205
Professional fees		347,730		347,730		347,730
Rent	34,853	65,058	85,969	151,027		185,880
Telephone		17,872	17,872	35,744		35,744
Supplies		16,088		16,088		16,088
Office expenses		86,934	68,311	155,245		155,245
Taxes and licenses		7,425		7,425		7,425
Total expenses before depreciation and amortization	29,440,328	1,087,107	1,927,903	3,015,010	899,929	33,355,267
Depreciation and amortization	2,116	3,951	5,220	9,171		11,287
Total expenses	29,442,444	1,091,058	1,933,123	3,024,181	899,929	33,366,554
Less direct benefit to contributors					(899,929)	(899,929)
Grand total	<u>\$ 29,442,444</u>	<u>\$ 1,091,058</u>	<u>\$ 1,933,123</u>	<u>\$ 3,024,181</u>	<u>\$ 0</u>	<u>\$ 32,466,625</u>

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Statements of Cash Flows

	<u>Year Ended June 30,</u>	
	<u>2010</u>	<u>2009</u>
Cash flows from operating activities:		
Change in net assets	\$ 890,620	\$ (2,203,618)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	7,546	11,287
Unrealized (gains) losses on investments	(1,975,025)	3,673,423
Donated equities	(16,657)	(22,515)
Changes in:		
Pledges receivable, net	484,690	(265,340)
Prepaid expenses, other receivables and other assets	14,742	(19,778)
Accounts payable and accrued expenses	(58,436)	(5,345)
Grants payable	<u>4,838,187</u>	<u>(5,859,577)</u>
Net cash provided by (used in) operating activities	<u>4,185,667</u>	<u>(4,691,463)</u>
Cash flows from investing activities:		
Proceeds from sales of investments	2,512,563	308,523
Purchases of investments	<u>(19,271)</u>	<u>(278,644)</u>
Net cash provided by investing activities	<u>2,493,292</u>	<u>29,879</u>
Net change in cash and cash held by a related party	6,678,959	(4,661,584)
Cash and cash held at related party - July 1	<u>11,458,680</u>	<u>16,120,264</u>
Cash and cash held by a related party - June 30	<u>\$ 18,137,639</u>	<u>\$ 11,458,680</u>

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Notes to Financial Statements June 30, 2010 and 2009

NOTE A - THE FOUNDATION AND ITS SIGNIFICANT ACCOUNTING POLICIES

[1] The Foundation:

The Breast Cancer Research Foundation, Inc. (the "Foundation") is a New York not-for-profit organization, incorporated in 1993, whose mission is to achieve prevention and cure for breast cancer in our lifetime by providing critical funding for innovative clinical and translational research at leading medical centers worldwide, and increasing public awareness about good breast health.

The Foundation makes donations to fund breast cancer research at several nationally recognized, tax-exempt hospitals, medical centers, universities and research organizations. Grant awards are based on proposals made by physicians, researchers and other knowledgeable individuals recommended by the Medical Advisory Board and approved by the Board of Directors.

The Foundation qualifies as a charitable organization as defined by Section 501(c)(3) of the Internal Revenue Code and, accordingly, is exempt from federal income taxes under Section 501(a) of the Code and from state and local income taxes under comparable laws. Additionally, since the Foundation is publicly supported, contributions to the Foundation qualify for the maximum charitable-contribution deduction under the Code.

[2] Financial reporting:

(a) Basis of accounting:

The accompanying financial statements of the Foundation have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit entities.

(b) Functional allocation of expenses:

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities, using reasonable methods determined by management.

(c) Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires the Foundation's management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

(d) Net assets:

The net assets of the Foundation and changes therein are classified and reported as follows:

(i) Unrestricted:

Unrestricted net assets represent those resources that are not subject to donor-imposed restrictions. As reflected in the accompanying statements of financial position, the Foundation's Board of Directors has designated a portion of the Foundation's unrestricted net assets as an endowment. The income generated from this endowment is designated to provide annual grants to promising young researchers in the field of breast cancer.

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Notes to Financial Statements June 30, 2010 and 2009

NOTE A - THE FOUNDATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[2] Financial reporting: (continued)

(ii) Temporarily restricted:

Temporarily restricted net assets represent those resources that have been restricted by donors for specific purposes. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the accompanying statements of activities as net assets released from restrictions. Temporarily restricted contributions received for which restrictions are met in the same fiscal-period, are recorded as unrestricted in the accompanying statement of activities.

(iii) Permanently restricted:

Permanently restricted net assets represent those resources the use of which has been restricted in perpetuity by donors, with the income earned therefrom available for annual research awards.

[3] Investments:

The Foundation's investment in a private mutual fund is based on fair values provided by the general manager of the mutual fund. Individual investment holdings within the private mutual fund primarily include investments in market-traded securities. Values for nonmarketable securities held by the private mutual fund, where readily available fair values do not exist, may be based on estimates determined by the fund managers based on historical cost, appraisals, or other estimates that require varying degrees of judgment. The Foundation's risk with respect to such investments is limited to its capital balance in the fund. Generally, fair value reflects net contributions to the investee and an ownership share of realized and unrealized investment income and expenses. The financial statements of the private mutual fund are audited annually by independent auditors. There is some uncertainty in the accounting for the private mutual fund arising from factors such as lack of active markets (primary or secondary), lack of transparency into underlying holdings, and time lags associated with reporting by investing companies for the nonmarketable securities within the fund. As a result, there is at least a reasonable possibility that estimates will change by material amounts in the future.

Income earned from investments, including realized and unrealized gains and losses, is recorded in the net-asset class owning the assets, except for permanently restricted net assets. Income earned from permanently restricted net assets, including realized and unrealized gains and losses, is recorded as temporarily restricted until the restrictions for grant expenditures are met.

[4] Contributions, gifts and pledges:

Contributions, including promises to give, are recognized as revenue when received or pledged unconditionally at fair value. Contributions received with donor stipulations that limit the use of the donated assets are reported as temporarily restricted support. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Temporarily restricted contributions received and expended in the same period are reflected as unrestricted contributions in the accompanying financial statements.

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Notes to Financial Statements June 30, 2010 and 2009

NOTE A - THE FOUNDATION AND ITS SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[5] Property and equipment:

Property and equipment are stated at their costs at the dates of acquisition or at their fair values on the dates of the gifts, less accumulated depreciation and amortization. Depreciation of property and equipment is provided over the estimated useful life of five years using the straight-line method. Leasehold improvements are amortized over the remaining lease term or the estimated life of the improvements, whichever is shorter.

[6] Grants:

The Foundation records research grants as a liability and expense in the year in which they are approved by the Board of Directors based upon the availability of funding. Grants are generally payable within one year. Multi-year grants are recorded at the present value of the future grant payments. At June 30, 2010 and 2009, there were no multi-year grants.

[7] Deferred rent payable:

The Foundation expenses rent on a straight-line basis over the lease term. The excess of rent expense over amounts paid or currently payable to the landlord for the lease of approximately \$39,000 and \$42,000 at June 30, 2010 and 2009, respectively, is included in accounts payable and accrued expenses in the accompanying statements of financial position.

[8] Income tax uncertainties:

In fiscal-year 2010, the Foundation adopted the provisions of Accounting Standards Codification ("ASC") 740-10-05 relating to accounting and reporting for uncertainty in income taxes. Due to the Foundation's general tax-exempt status, ASC 740-10-05 has not had, and is not anticipated to have, a material impact on the Foundation's financial statements.

[9] Fair-value of financial instruments:

The Foundation reports all applicable financial assets and liabilities, including investments, pledges and grants payable and short-term payables at amounts the carrying values of which approximate their fair values (see Note B).

[10] Subsequent events:

The Foundation considers the accounting treatments, and the related disclosures in the current fiscal-year's financial statements, that may be required as the result of all events or transactions that occur after the fiscal-year-end through the date of the independent auditors' report.

[11] Reclassifications:

Certain amounts in the prior-year's financial statements have been reclassified to conform to the current fiscal-year's presentation.

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Notes to Financial Statements June 30, 2010 and 2009

NOTE B - INVESTMENTS

The Foundation's investments at June 30, 2010 and 2009, reflected at fair value, consist of approximately \$14,528,000 and \$15,029,000, respectively, invested in a private mutual fund, The Investment Fund for the Foundations ("TIFF"), which is managed by a management investment company. TIFF is a program of commingled funds open to investments exclusively by not-for-profit organizations.

During each fiscal-year, investment returns consisted of the following:

	<u>Year Ended June 30,</u>	
	<u>2010</u>	<u>2009</u>
Dividends and interests	\$ 611,389	\$ 705,528
Unrealized gains (losses)	<u>1,975,025</u>	<u>(3,673,423)</u>
Net return on investments	<u>\$ 2,586,414</u>	<u>\$ (2,967,895)</u>

ASC 820-10-05 establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based upon observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair-value hierarchy:

Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for identical assets and liabilities at the reporting date.

Level 2: Valuations are based on (i) quoted prices for similar assets or liabilities in active markets, or (ii) quoted prices for identical or similar assets or liabilities in markets that are not active, or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date.

Level 3: Fair value is determined based on pricing inputs that are unobservable and includes situations where there is little, if any, market activity for the asset or liability.

As described in Note A[3], the Foundation's investment is recorded at fair value, based in turn on fair values provided by the investee mutual fund. When available, the fund uses unadjusted quoted market prices to measure fair value of marketable securities holdings. If quoted market prices are not available, fair value of individual holdings is based upon estimates determined by the fund managers, who use historical cost, appraisals, or other estimates that require varying degrees of judgment. As such, the Foundation's investment for both fiscal years is considered to fall within Level 2.

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Notes to Financial Statements June 30, 2010 and 2009

NOTE C - PLEDGES RECEIVABLE, NET

At each fiscal-year-end, uncollected pledges of contributions made to the Foundation are estimated to be received as follows:

	<u>June 30,</u>	
	<u>2010</u>	<u>2009</u>
Less than one year	\$ 7,373,905	\$ 7,249,354
Two to five years	3,525,417	3,125,000
Six to nine years	<u>1,250,000</u>	<u>2,445,417</u>
	12,149,322	12,819,771
Reduction of pledges due in excess of one year to present value, using discount rates ranging from 0.32% - 5.20%	<u>(1,053,337)</u>	<u>(1,239,096)</u>
	<u>\$ 11,095,985</u>	<u>\$ 11,580,675</u>

The Foundation periodically assesses the collectibility of its contributions and receivables and provides allowances for anticipated losses, if any, when necessary.

NOTE D - PROPERTY AND EQUIPMENT

At each fiscal-year-end, property and equipment consisted of the following:

	<u>June 30,</u>	
	<u>2010</u>	<u>2009</u>
Leasehold improvements	\$ 133,066	\$ 133,066
Furniture and equipment	<u>145,688</u>	<u>145,688</u>
	278,754	278,754
Less accumulated depreciation	<u>(262,944)</u>	<u>(255,398)</u>
	<u>\$ 15,810</u>	<u>\$ 23,356</u>

NOTE E - DONATED GOODS AND SERVICES

[1] Media placement:

The Foundation receives in-kind contributions in the form of contributed public service announcements ("PSAs"). Such PSAs, with an estimated value of approximately \$9,860,000 and \$7,558,000 for fiscal-years 2010 and 2009, respectively, do not meet the criteria for revenue recognition established by ASC 958-605-25-16 and, accordingly, have not been reported in the accompanying financial statements.

[2] Air miles:

The Foundation receives in-kind contributions in the form of contributed airmiles in connection with its SkyWish Charity Program. Donated airmiles are not valued as they do not have a determinable fair value or definite period for usage and, accordingly, have not been reported in the accompanying financial statements.

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Notes to Financial Statements June 30, 2010 and 2009

NOTE E - DONATED GOODS AND SERVICES (CONTINUED)

[3] Contributed services:

Contributed services are valued at their estimated fair values. The accompanying statement of activities include; as both revenue and expense, those contributed legal services of approximately \$276,000 and \$114,000 in fiscal-years 2010 and 2009, respectively.

Additionally, a substantial number of Board members and volunteers have donated significant amounts of their time in support through fund-raising and participation in global events in furtherance of the Foundation's mission. However, the value of this donated volunteer time is not reflected in the accompanying financial statements as it does not meet the criteria for recognition under generally accepted accounting principles.

[4] Donated Goods:

Donated goods consist of items received by the Foundation and given during fundraising events. These amounts are recorded as both revenue and expense at their estimated fair value at the dates of receipts.

NOTE F - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets of \$4,787,080 and \$5,970,179 were restricted for research grants at June 30, 2010 and 2009, respectively. During fiscal-years 2010 and 2009, net assets of approximately \$1,428,000 and \$1,087,000, respectively, were released from donor restrictions for that purpose.

NOTE G - THE ENDOWMENT

[1] The endowment:

The Foundation's endowment consists of both donor-restricted and Board-designated funds, established to support research grants. At June 30, 2010 and 2009, the endowment net assets of \$300,000, respectively, are entirely donor-restricted.

[2] Interpretation of relevant law:

The Foundation has interpreted the endowment to be held under the New York State Uniform Management of Institutional Funds Act ("UMIFA") as requiring the preservation of the historic dollar value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets:

- the original value of gifts donated to the permanent endowment;
- the original value of subsequent gifts to the permanent endowment; and
- accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Notes to Financial Statements June 30, 2010 and 2009

NOTE H - COMMITMENTS

[1] Lease obligations:

The Foundation leases office space under a noncancelable operating lease agreement that terminates in fiscal-year 2015. Future minimum lease payments relating to this operating lease are approximately as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2011	\$ 168,000
2012	171,000
2013	173,000
2014	173,000
2015	<u>87,000</u>
	<u>\$ 772,000</u>

Rent expense was approximately \$194,000 and \$186,000 in fiscal-years 2010 and 2009, respectively.

[2] Employment agreement:

The Foundation is obligated under an employment agreement with its President. The agreement is automatically extended on an annual basis unless, either party provides 90 days of prior written notice of the intention not to do so.

NOTE I - EMPLOYMENT BENEFIT PLAN

The Foundation participates in a multiple-employer retirement plan, formed under Section 413(c) of the Internal Revenue Code, which covers all eligible employees. The Foundation's contribution to the plan for fiscal-years 2010 and 2009 was approximately \$111,000 and \$108,000, respectively.

NOTE J - RELATED-PARTY TRANSACTIONS

Several directors of the Foundation are executives of a corporation that donated a portion of its sales revenue and held various fund-raising events for the benefit of the Foundation. For fiscal-years 2010 and 2009, the Foundation recognized contribution revenue from the corporation of approximately \$3,252,000 and \$3,745,000, respectively. During fiscal-years 2010 and 2009, certain executives of this corporation made personal contributions to the Foundation of approximately \$662,000 and \$688,000, respectively.

The Foundation reimburses this corporation to cover certain operating expenses paid on its behalf. These reimbursements to the corporation are for payroll and benefits for the Foundation's staff who exclusively conduct the Foundation's activities, as well as reimbursement for information services and other administrative services provided at cost during the fiscal-year. For fiscal-years 2010 and 2009, these reimbursements approximated \$2,469,000 and \$2,455,000, respectively, of which approximately \$2,399,000 and \$2,372,000, respectively, was for payroll and benefit reimbursement. At June 30, 2010 and 2009, the total amount advanced to the corporation was approximately \$72,000 and \$89,000, respectively, and is reported as cash held by a related party in the accompanying statements of financial position.

THE BREAST CANCER RESEARCH FOUNDATION, INC.

Notes to Financial Statements June 30, 2010 and 2009

NOTE K - MAJOR CONTRIBUTORS

Other than the contributions received from related parties, as discussed in Note J, the Foundation received approximately \$7,700,000 and \$5,600,000 from five organizations during fiscal-years 2010 and 2009, respectively.

NOTE L - CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash in bank deposit accounts in amounts which, at times, may exceed federally insured limits with two U.S. financial institutions. The Foundation has not experienced any losses in such accounts, and management believes it is not exposed to any significant risk of loss due to the failure of the financial institutions.