

Research: The Best Hope Against Cancer

CANCER RESEARCH FOUNDATION

Office: 135 S. LaSalle St., Suite 3708 • Correspondence: P.O. Box 0493, Chicago, IL 60690-0493
312.630.0085 • Fax: 312.630.0075 • website: <http://www.cancerresearchfdn.org>



Alexandra Goldblatt Nikitas,
Incoming Executive Director

Welcome Alexandra Goldblatt Nikitas as the new Executive Director

As a member of the Goldblatt Family, Alexandra is particularly suited to assume the role of Executive Director of the Cancer Research Foundation. In addition to the seamless continuity in the operations of our office, Alexandra shares her family's dedication to helping solve the mysteries of cancer.

Newsletter Design and Mail Fulfillment by Executive Services Group (303) 526-1722. Professional Photography by Vanek and Associates (708) 636-9234.

Cancer Research Foundation

BOARD OF TRUSTEES:

Chairman of the Board:

Mrs. Maurice Goldblatt
Chicago

President:

Merle Goldblatt Cohen
Chicago

Vice-President:

Mr. Stanford J. Goldblatt
Attorney, Winston & Strawn
Chicago

Secretary-Treasurer:

Mr. Edward J. McAdams
President, McAdams Associates, Inc.
Chicago

Trustees:

Suzy Braun
Community Volunteer, Chicago
Mr. Michael J. Freed
Attorney, Much Shelist, Chicago
Mr. Jeremy S. Goldblatt
Director of Financial Planning,
John G. Shedd Aquarium
Mr. Rodney L. Goldstein
Managing Partner, Frontenac Company,
Chicago

Mr. John J. Piva, Jr.
Vice President, Duke University, (ret.)
Durham, North Carolina

Lisa Cohen Schenkman
Community Volunteer, Chicago

Mr. Thomas C. Shields
Attorney, Bell, Boyd & Lloyd, Chicago

Medical Consultant Emeritus:

Joseph B. Kirsner, M.D., Ph.D.
Louis Block Distinguished Service Professor
University of Chicago Medical Center
Chicago

Medical Consultant:

Richard L. Schilsky, M.D.
Professor, Hematology/Oncology Section
Department of Medicine
Associate Dean for Clinical Research
Division of Biological Sciences
University of Chicago Medical Center
Chicago

Legal Counsel:

Mr. Clifford Harstad
Attorney, Chicago

STAFF: Executive Director:

Sharon Swanson

As a responsible member of the community, the Cancer Research Foundation believes in accountability. We think the more you know about our trustworthy stewardship of funds, the more willing you will be to invest in the future through the Cancer Research Foundation.

Every year, the Cancer Research Foundation files a report with the Internal Revenue Service, IRS Form 990 (Return of Organizations Exempt from Income Tax). This report is available for public inspection in our office. We also make it available by mail, at a nominal cost.

Cancer Research Foundation financial records are audited annually. This report is reprinted in its entirety and included each year in one of our newsletters.

The Cancer Research Foundation is an Illinois 501 (C) (3) not for profit corporation, operating in Chicago.

Our mission is to help find the cures for cancer through research. We welcome memorial contributions and gifts in honor of special celebrations. Contributions are deductible to the full extent allowed by law.

Sharon Swanson, Editor

CANCER RESEARCH FOUNDATION

Spring 2007

The Mission of The Cancer Research Foundation Is To Help Find The Cures For Cancer Through Funding Laboratory and Clinical Research.

Connections

WITH FRIENDS

University of Chicago's Richard Schilsky elected President of ASCO for 2008-2009 term



Our medical consultant, Richard L. Schilsky, M.D., an internationally recognized expert in gastrointestinal cancers, cancer pharmacology and drug development, has been selected president elect of the American Society of Clinical Oncology (ASCO), the world's leading professional organization representing physicians who care for people with cancer. Schilsky will take office as president-elect during ASCO's 43rd annual meeting in Chicago in June 2007 and will serve as president for a one-year term beginning in June 2008.

A professor of medicine and associate dean for clinical research at the University of Chicago Medical Center, Schilsky has served as chair, since 1995, of Cancer and Leukemia Group B, a cooperative group sponsored by the National Cancer Institute (NCI) that conducts clinical trials in cancer treatment, biology, prevention and health outcomes. His laboratory and clinical research have been continuously funded by the NCI since 1987.

"This is quite an honor and a considerable responsibility," said Schilsky. "I am deeply committed to ASCO's mission of improving cancer care and prevention and look forward to the

opportunity to serve ASCO in this new capacity, and to work through this great organization to help improve the lives of those living with cancer."

An active ASCO member since 1980, Schilsky has served on the ASCO board of directors, as board liaison to the grants selection committee, as chair of the personnel, public relations and cancer research committees, as the program committee chair and as a member of the steering committee for the 2006 Gastrointestinal Cancers Symposium. From 1990 to 1993, Schilsky served as a member of the editorial board for the *Journal of Clinical Oncology* and has participated in and led many scientific sessions at ASCO annual meetings. Presently, he is a member of the ASCO government relations council.

In addition to his work with ASCO, Schilsky has served as chair of the Oncologic Drugs Advisory Committee of the U.S. Food and Drug Administration. He served on several peer review and advisory committees for the National Cancer Institute and has been a member of NCI's board of scientific advisors since 1999. He was recently appointed to the NCI clinical trials advisory committee.

...continued on page 4

Thank You...Thank You...To Our 2006 Donors

(April 1, 2005 - March 31, 2006)

Because of you, progress is being made. Your donations are used to fund the highest quality cancer research in Chicago. Every contribution is greatly valued and appreciated.

THANK YOU FOR CARING!

Ethel and Ralph Blinkwolt • Bliss Speech and Hearing Services • Art and Anita Block • Estelle Bober • Ken and Joyce Bohlin • Germaine Bomchill • Mr. and Mrs. Ronald Boots • Ruth and Richard Boswell • Fran and Herb Braidman • Evelyn Brania • Susan and Robert Brigham • Renee and Arnie Bris • Arnold and Adrienne Brookstone • Norman and Lois Brown • Alisa and Scott Bruns • Florence Burkart • Kevin and Carol Burke • Marvin and Lorraine Burton • Greg and Lynn Busiedlik • Irene Camasta • Cape Fear Area United Way • Wayne and Carolyn Carlson • Joan Ceisel • Central Middle School staff • Lorraine Cerny • Joyce and Joseph Cheek • Chicago Lithuanian Women's Club • Chief City Saddle Club • Anastase Christou • Burt and Evette Chudacoff • Don and Lois Chudacoff • David and Dawn Clayton • CNA Commercial Insurance Company • Seymour A. Cohen Family Foundation • Barbara and Martin Cohen • Esther Cohen • Kim and Lyle Cohen • Phyllis Cohen • Sharon and Julian Cohen • Annette and Burl Cohn • Barbara and Carl Cohn • Barbara K. Cohn • Gerald and Judith Colbert • Jacque and Allan Coleman • Margaret T. Comiskey • Nellie Constantinople • Steven Cooper • F. and J. Corona • Edward and Barbara Cwiak • Merwyn and Dolly Dan • Bruce and Suzi Darin • Elizabeth Davies • Robert Davis • Paula J. DeMent • John and Elizabeth DeMuth • Anne DeSimone • Irene Dierks • Mr. and Mrs. Richard Dina • Richard and Doris Dina • Mike Dix • Esther Dobrofsky • Patricia A. Doherty • Deborah and Ralph Domke • Denny and Ellyn Dorsey • Don and Marie Drew • Michael and Vicki Drumm • Ethel and Mel Drury • Margaret Ducci • Danna and Sol Dudnick • Margaret D. Eberle • Alice and Carl Edwards • Rena Ehrenberg • Sheldon and Renee Engerman • Lois B. English • Bruce and Charlene Entman • Mary Lou Esralew • Estate of Arcella Banks • Estate of Lila Zorante • Estate of Madge Gould • Estelle Ecker Foundation • Donna Fabiszak • Joseph V. Farago • Karla and Bruce Farr • Maureen Farrell • Harry and Eileen Feldman • Morris V. Ferlito • Field Elementary School • Eli and Dina Field • Ann and Marshall Finkelman • Jack and Pat Finlay • Janet and Terry Fiorenzo • First Presbyterian Church • Joan and Edwin Fishman • Margaret Fletcher • Sally Newman Fohrman • Judy and Sanford Foreman • Linda Forman • Susan G. Forrest • Founders Bank • Vicki Fountas • Dolores Zelko Frankovich • Michael J. Freed • Ruth and Gene Freedman • Maury Frez • Mardy and Terry Fried • Alan and Carol Friedlander • Laura Gagliano • Frances and Morton Gainer • Frank A. Garner • Tessie L. Garner • Susan Garon • Irene C. Gebauer • Peter J. Gilbert • Renee Gilbert • Mr. and Mrs. Larry Gilford • Richard and Anita Gilford • David, Marion & Steve Gladskin • Barbara Glick • Robert S. Glick • Beverly Gliberman • Global Impact • Bob and Irma Goldberg • Joan and Marshall Goldberg • Alexandra E. Goldblatt • Stanford J. Goldblatt • Mitchell and Myrna Goldman • Myrna and Jerome Goldstick • Enid Golinkin • Charles H. Goodman • Natalie and Bob Goodman • Ruth and Jordan Goodof • Gladys Gordon • Alan Gordoni • Shirley Gorecki • Kathi Gormley • Paris Gouzoulis, MD • Graff Valve & Fittings Company • Sean and Tammy Graham • Margaret Gray • Mary Greeley • Penny Griffin • Charlotte M. Guidice • Steve, Merle & Nicholas Halan • Dr. Merritt and Ellen Halem • Thomas B. Hammer • Dalia Harami • Al Haring • David and Laura Harris • Robert Harris • Sheldon Harris • Patricia A. Harrison • Eileen Heath • Barbara J. Heim • Hey Machine Tools, Inc. • Lois Hill • Maggie Himmel • Nancy and Allen Hirschfield • Betty Hoehn • Michael and Susan Hoffman • Hollis Family Foundation • Judy Honeywood • Gerald L. Hopkins • HP Charitable Giving Campaign • John and Beverly Huiner • Rick and Janet Hyken • Jerald Hymen • International Brotherhood Electrical Workers • Marjie and Chuck Isroff • IZZYCF INC. • Jean Jajko • Helen Jasinski • Walter Jasinski • Daniel and Pauline Jesser • Florence D. Johnson • Joyce M. Johnson • Joliet High School Band • Jones Lang LaSalle Management • Cathy Jovanovich • Lucille Justinic • Raymond and Judy Justinic • Adeline Kalant • Laura and Peter Kaluzny • Albert Kanefield • Anita Karczmann • Chris P. Karidis • Bertha Kasirsky-Kaplan and Harold Kaplan • Mary and Tom Katsules • Abe and Kate Katz • Bunny and Herb Kaufman • Ruth J. Kellner • Barbara Kerner • Donna and Kerry Kidd • Sheila and Francis Kinsella • Jeanne T. Kisner • Leonard Kochan • Jeffrey D. Kokal • Deborah Kops • Lillian T. Korilko • Richard and Joyce Korst • Pauline Kotowski • Martie and Jerry Krassek • Eva Krieger • Barbara A. Krivich • Cheryl K. Kucer • Andrew Kull • Thomas R. Kully • John and Dina Kwit • Ronald and Arlene Lab • Miriam

Colleen and Jon Abrahamovich • Eunice Addelson • Charlie and Doris Allen • Charlie R. Allen • Phyllis and Richard Amos • Jim and Karen Ander • Luise M. Anderson • Francine and Joseph Anunciacion • Dorothy Arbetman • AT&T AZ • Robin and Linda Atkinson • AxisTangent: JoAnne, Angelo and Michael Kopetas • Laurie Baker • Joseph P. Baldwin • Bank of America United Way Campaign • Sonny and Bernice Barnett • Jennette M. Batura • Mary F. Baumgartner • Sonja Baur • Jackie and Ed Bazelon • Carole and Tom Beck • Mary Becker • Gerda Behrend • David and Faye Berndt • Paulette Berry • Bob and Elyce Biberger •

Lisa and her husband, Gary Schenkman, have two children, and are living in Chicago. In addition to serving as a Cancer Research Foundation trustee, Lisa is active in child abuse prevention programs at the Metropolitan Family Services, and she serves on the alumni board of the Latin School of Chicago. She is working on several interior design projects for a local designer while pursuing her degree at the Harrington College of Design.

Jeremy Goldblatt, Stanford Goldblatt's son, grew up in Chicago like his cousin, Lisa. After graduating

from Brown University, Jeremy worked in Chicago for a few years while earning an MBA from the University of Chicago. Jeremy serves as the director of financial planning at the John G. Shedd Aquarium.

Jeremy and his wife, Carey, have two daughters.

During Maurice Goldblatt's lifetime, surgery, chemotherapy and radiation helped to prolong lives and, in some instances, cure cancer patients. During the lifetimes of Merle Goldblatt Cohen and Stanford Goldblatt, all types of treatment have been refined, modified,

and we are seeing the beginning successes of genetic treatments. Cancer doctors talk about this being a golden age for patients, as treatments we could classify as "miracles" are saving lives. For the first time in recorded history, the number of cancer deaths per year is going down. In Lisa and Jeremy's lifetimes there will be prevention and cures for most cancers.....

.....if there is laboratory and clinical cancer research.



Back row - Jeremy and Stanford Goldblatt.
Front row - Lisa Cohen Schenkman, Merle Goldblatt Cohen and Mrs. Maurice (Bernice) Goldblatt.

Continued from page 1...

**University of Chicago's Richard Schilsky elected
President of ASCO for 2008-2009 term**

Schilsky is an associate editor of *Clinical Cancer Research and Cancer* and is a member of the editorial boards of *Seminars in Oncology*, the *Journal of Cancer Research and Clinical Oncology*, *Clinical Advances in Hematology & Oncology*, *The Oncologist*, *CURE* and several other journals. He has published more than 240 articles.

Two other members of the current University of Chicago faculty – gradation oncologist Samuel Hellman, 1986-87, and medical oncologist Harvey Golomb, 1990-91 – have served as presidents of ASCO since it was founded in Chicago in 1964 and the late John Ultmann served as its president in 1981-82.

Dr. Michelle M. Le Beau, Director of the Cancer Research Center at the University of Chicago Medical Center, Dr. Richard L. Schilsky, Associate Dean for Clinical Research at the University of Chicago Medical Center, and Merle Goldblatt Cohen, President of the Cancer Research Foundation.



JOSH

A couple of years ago, a stranger from New York City called and said that he wanted to have a party and raise some money for a charity. The stranger named Josh found The Cancer Research Foundation on the internet, and called our office. IF we were interested, all he wanted from us was a computer link so that he could ask his guests to contribute money.

Josh Michelman persuaded the owner of a local establishment to donate space for one evening. Josh and his friend Alexis Straat lined up food and door prizes for the event. Guests were invited – their only expense was a \$25.00 contribution to the Cancer Research Foundation – made over the internet.

TOMMY

Tommy sends us nickels. Not always the same number. Not always every month. We cannot thank him in person, because we don't know his last name or address. We hope that he is the little boy of a grownup who gets this newsletter so that he'll know how grateful we are.

2007 is the third year that Josh and his buds have partied for charity – these young men and women donated \$2,120 to us this year.

Bequests:

Fiscal Year April 1, 2005-March 31, 2006

The Cancer Research Foundation received bequests from the following individuals during fiscal year 2005-2006. Their generosity will provide much-needed funding for important cancer research projects in Chicago.

♥
2005-2006

Arcella Banks	\$ 1,671
Madge Gould	\$ 42,724
Irene Knutson	\$ 250
Lila Zorante	\$ 20,000

Like these caring people, you have the power to provide for future cancer research in your will. When you consult your attorney, the following is submitted as language which may be used:

I give and bequeath to the Cancer Research Foundation, a not-for-profit corporation located in Chicago, Illinois

a) specific bequest: *the sum of _____ dollars (\$ _____) for uses and purposes of said corporation.*

or

b) remainder: *all the rest, residue and remainder of my estate, for uses and purposes of said corporation.*

**Special Occasion and Memorial
Acknowledgement**

Gifts honoring the memory of someone dear who has died, or gifts in celebration of birthdays, anniversaries, a new home, a new baby or many other special occasions arrive at the Cancer Research Foundation daily.

This represents a current philanthropic trend in gift giving. Caring individuals and companies are making donations to CRF in someone's name, in lieu of client or staff gifts. It's truly a way to demonstrate that it is better to give than to receive.

Now it's even easier to give: In addition to personal checks and cash, **you can charge your gift to VISA, MasterCard or American Express** – by mail, or by phoning our office, or by going to our website **www.cancerresearchfdn.org**. Every contribution will receive a timely, personalized acknowledgement from CRF.

For further information, contact the Cancer Research Foundation at (312) 630-0055.



This Year You Can...

Give To The Cancer Research Foundation
Through Payroll Deductions:

- Combined Federal Campaign (CFC)**
- State of Illinois Campaign**
- Cook County Campaign**
- City Of Chicago Campaign**
- Campaigns Managed By United Way**
- Corporate Campaigns**

The Cancer Research Foundation
Is Listed In The Alphabetical Index
With A Code Number.

If We Are Not Listed,
You Can Write Cancer Research
Foundation In The
"Donor Option" Section.

The Cancer Research Foundation
NOTES TO THE FINANCIAL STATEMENTS
Years Ended March 31, 2006 and 2005

NOTE 1: NATURE OF PROGRAM SERVICES

The purpose of The Cancer Research Foundation (the "Foundation") is to obtain and distribute funds to recognized doctors, hospitals, laboratories, institutes, and centers engaged in cancer research.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Foundation have been prepared on the accrual basis. **Classification of Net Assets**
The Foundation's net assets have been grouped into three classes as defined below:

Unrestricted

Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

Temporarily Restricted

Net assets subject to donor-imposed stipulations that will be met by action of the Foundation and/or the passage of time.

Permanently Restricted

Net assets subject to donor-imposed stipulations requiring the funds be maintained in perpetuity by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on these assets. Permanently restricted assets consist of the Foundation's endowment fund.

Public Support Contributions

Public support contributions are recorded as revenue when received or when an unconditional promise to give is received by the Foundation. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation. Split interest agreements are recorded as revenue at their estimated future value when the Foundation is notified it has an irrevocable beneficial interest in such agreements. Changes in the estimated future value of split interest agreements are recorded annually in the Statement of Activities.

Contributions and Grants Made

Grants, unconditional promises to give, are recorded as expenses when the Board approves the grants. Grants approved by the Board, but not yet paid, are recorded as liabilities in the Statement of Financial Position.

Cash Equivalents

The Foundation considers all liquid investments purchased with a maturity of three months or less and designated to be used to support daily operations to be cash equivalents. These investments are held in general operating bank accounts. The Foundation considers all liquid money market funds held by the custodian and controlled by the investment manager to be investments as described in Note 4 of these financial statements.

Investments

Investments consist of publicly traded securities and are carried at fair market value, based on quoted market prices. Interest and dividends are included in operating revenues as investment income net of custodial and investment advisory fees. Realized and unrealized gains and losses are stated as other gains and losses on the Statement of Activities. Custodial and investment advisory fees amounted to \$61,669 and \$56,626 in the fiscal years ended March 31, 2006 and 2005 respectively.

Equipment

Equipment purchased by the Foundation is stated at cost. Depreciation of assets begins when the assets are placed in service. Depreciation is computed using the straight-line method over the estimated useful life of the equipment.

Use of Estimates

The preparation of the 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 revenues and expenses during the reporting period. Actual results may vary from those estimates.

NOTE 3: BENEFICIAL INTEREST IN CHARITABLE REMAINDER TRUSTS AND ESTATES

The Foundation has been named the remainder beneficiary in a charitable remainder trust. The trust agreement provides that upon the death of the beneficiary, the Foundation will receive a certain defined amount of the trust assets. The Foundation is not the trustee of the agreement. Included in Beneficial Interest in Charitable Remainder Trusts and Estates is \$118,300 representing the present value of the estimated future payments to be received. The Foundation has used a 5% discount factor and the IRS single life annuity table, for determining life expectancy in estimating the future payments to be received under the agreement.

During fiscal year 2002, the Foundation was notified that it will receive monthly payments of \$3,560 over five years from life insurance annuities from its share of the assets of an estate. To date, the Foundation has received 46 payments. The Foundation has estimated that its share of the remaining assets of this estate as of the year-end to be \$48,300 representing the present value of the estimated future payments to be received.

NOTE 4: INVESTMENTS

Investments consist of the following at March 31, 2006 and 2005:

	2006	2005
Money Market Fund	\$ 43,965	\$ 403,745
U.S. Government Bonds	991,453	610,688
Corporate Bonds and Warrants	692,053	878,145
Convertible Bonds	33,644	33,819
Stocks and Securities	5,533,411	5,334,050
Total	\$ 7,294,526	\$ 7,260,447

NOTE 5: UNCONDITIONAL GRANTS PAYABLE

Unconditional grants payable are grants approved by the Board of Trustees and are payable over the next four years as follows:

March 31, 2007	\$ 733,494
March 31, 2008	\$ 608,500
March 31, 2009	\$ 3,500
Total	\$ 1,345,494

NOTE 6: PERMANENTLY RESTRICTED NET ASSETS

The Foundation received endowments totaling \$710,265 from the Eugene and Dorothy S. Fletcher Trust. The terms of the endowments permit the use of investment earnings for laboratory research.

NOTE 7: TEMPORARILY RESTRICTED NET ASSETS

During the year ended March 31, 2006, the Foundation received a contribution of \$20,000. \$10,000 of this contribution was restricted for use in breast cancer research. The Foundation appropriately paid this amount to Dr. Gini F. Fleming of the University of Chicago. The remaining \$10,000 of this contribution was restricted for use in colon cancer research. The Foundation appropriately incorporated this amount in its' commitment to fund a new program in Gastrointestinal Cancer Prevention and Control at the University of Chicago.

NOTE 8: GRANTS MADE TO THE UNIVERSITY OF CHICAGO

Grants made to the University of Chicago were directed to the following researchers:

Name	2006	2005
Dr. Lengyel	\$ 50,000	\$ 50,000
Dr. Nishi	50,000	50,000
Dr. Onel	50,000	50,000
Dr. Peterson	50,000	100,000
Dr. Kron	100,000	10,000
Dr. Conzen	10,000	100,000
Dr. Schilsly	100,000	
Gastrointestinal Cancer Prevention and Control at the University of Chicago	1,500,000	
Dr. Al-Hallaq	49,994	
Dr. Chen	50,000	
Dr. Chmura	50,000	
Dr. Innocenti	50,000	
Dr. Lang	50,000	
Dr. Suzuki	50,000	
Dr. Fleming	10,000	
Total	\$ 1,809,994	\$ 410,000

NOTE 9: EMPLOYEE BENEFIT PLAN

The Foundation maintains a 403(b) retirement plan for its employee. Under the terms of the Plan, employees are entitled to contribute a portion of their total compensation up to maximum limits established by the Internal Revenue Code. The Plan provides for discretionary employer matching contributions. Retirement expense amounted to \$3,000 in the fiscal years ended March 31, 2006 and 2005.

NOTE 10: ADVERTISING COSTS

It is the Foundation's policy to expense advertising costs as incurred.

NOTE 11: FUND RAISING EXPENSE

Total Fund Raising expense for the years ended March 31, 2006 and 2005 amounted to \$78,593 and 74,233, respectively. Fund-raising expenses are computed using actual expenses and an allocation of expenses based on management's estimate.

NOTE 12: LEASE AGREEMENT

The Foundation is obligated for future minimum rental commitments totaling \$73,915 under a non-cancelable operating lease for office space expiring in August 2010. The agreement provides for annual base rents plus additional rents relating to future increases in the building's operating expenses and real estate taxes. Rent expense during the years ended March 31, 2006 and 2005, totaled \$14,255 and \$12,225 respectively.

Minimum payments scheduled under these leases for the next five years are:

March 31, 2007	\$ 16,178
March 31, 2008	16,510
March 31, 2009	16,841
March 31, 2010	17,173
March 31, 2011	7,213
Total	\$ 73,915

NOTE 13: TAX STATUS

The United States Treasury Department has advised that the Foundation is a not-for-profit corporation organized and operated exclusively for charitable and scientific purposes, is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, and is not a private foundation as defined in Section 509(a), of the Internal Revenue Code.

NOTE 14: CONCENTRATIONS OF CREDIT RISK

At times during the year, the Foundation may maintain certain bank account balances in excess of the FDIC's insured limits.

The Foundation is a member of the Combined Federal Campaign and Local Independent Charities of America whereby government employees make donations to selected charities through payroll withholdings. Contributions from these organizations amounted to 81% and 73% of total public support for the years ended March 31, 2006 and 2005, respectively.



GOETTSCHKE, TRAMER, WINTER & RUSSO

Report of Independent Certified Public Accountants

Board of Trustees
The Cancer Research Foundation

We have audited the accompanying statements of financial position of **The Cancer Research Foundation** as of March 31, 2006 and 2005, and the related statements of activities and changes in net assets and cash flows for the years 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.

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 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 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 The Cancer Research Foundation as of March 31, 2006 and 2005, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Lincolnwood, Illinois
June 2, 2006

7383 N. Lincoln Ave.
Lincolnwood, IL 60712
Tel: (847) 679-8500
Fax: (847) 673-0347

ASSETS

	2006	2005
Cash and Equivalents	\$ 298,079	\$ 359,585
Investments	7,294,526	7,260,447
Accrued Interest Receivable	19,590	17,685
Prepaid Expenses	9,414	11,862
Beneficial Interest in Charitable Reminder Trusts and Estates	166,600	189,250
Equipment - Net	834	1,054
TOTAL ASSETS	\$ 7,789,043	\$ 7,839,883

LIABILITIES AND NET ASSETS

LIABILITIES		
Unconditional Grants Payable	\$ 1,345,494	\$ 565,000
Accrued Liabilities	2,791	2,055
Total Liabilities	\$ 1,348,285	\$ 567,055
NET ASSETS		
Unrestricted Fund Balance	\$ 5,563,893	\$ 6,373,313
Temporarily Restricted Fund Balance	166,600	189,250
Restricted Fund Balance	710,265	710,265
Total Net Assets	\$ 6,440,758	\$ 7,272,828
TOTAL LIABILITIES AND NET ASSETS	\$ 7,789,043	\$ 7,839,883

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

Goettschke Tramer Winter & Russo

The Cancer Research Foundation
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
Years Ended March 31, 2006 and 2005

	2006				2005			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Operating Revenues								
Public Support Contributions	\$ 629,866	\$	\$	\$ 629,866	\$ 1,183,938	\$	\$	\$ 1,183,938
Investment Income	173,884			173,884	112,737			112,737
Change in Value of Charitable Remainder Trusts and Estates		(22,650)		(22,650)		(125,250)		(125,250)
Total Operating Revenues	\$ 803,750	\$ (22,650)	\$	\$ 781,100	\$ 1,296,675	\$ (125,250)	\$	\$ 1,171,425
EXPENSES								
Program Services								
Contributions and Grants Made to:								
The University of Chicago	\$ 1,809,994	\$	\$	\$ 1,809,994	\$ 410,000	\$	\$	\$ 410,000
Northwestern University	15,000			15,000	5,000			5,000
Miscellaneous Gifts	3,000			3,000	8,500			8,500
Other Program Service Costs	78,379			78,379	67,243			67,243
Total Program Services	\$ 1,906,373	\$	\$	\$ 1,906,373	\$ 490,743	\$	\$	\$ 490,743
Supporting Services								
Management and General Fund Raising	\$ 40,375	\$	\$	\$ 40,375	\$ 40,108	\$	\$	\$ 40,108
	78,593			78,593	74,233			74,233
Total Supporting Services	\$ 118,968	\$	\$	\$ 118,968	\$ 114,341	\$	\$	\$ 114,341
Total Expenses	\$ 2,025,341	\$	\$	\$ 2,025,341	\$ 605,084	\$	\$	\$ 605,084
NET OPERATING REVENUES	\$(1,221,591)	\$ (22,650)	\$	\$(1,244,241)	\$ 691,591	\$ (125,250)	\$	\$ 566,341
Other Gains (Losses)								
Realized and Unrealized Gains on Investments	\$ 412,171			\$ 412,171	388,141			388,141
CHANGE IN NET ASSETS	\$ (809,420)	\$ (22,650)	\$	\$ (832,070)	\$ 1,079,732	\$ (125,250)	\$	\$ 954,482
Net Assets, Beginning of Year	6,373,313	189,250	710,265	7,272,828	5,293,581	312,500	710,265	6,318,346
NET ASSETS, END OF YEAR	\$ 5,563,893	\$ 166,600	\$ 710,265	\$ 6,440,758	\$ 6,373,313	\$ 189,250	\$ 710,265	\$ 7,272,828

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

The Cancer Research Foundation
STATEMENTS OF CASH FLOWS
Years Ended March 31, 2006 and 2005

	2006	2005
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (832,070)	\$ 954,482
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities		
Depreciation Expense	220	526
Net Realized and Unrealized Loss (Gain) on Investments	(412,171)	(388,141)
(Increase) Decrease in Assets:		
Accrued Interest Receivable	(1,905)	(2,821)
Prepaid Expenses	2,448	(3,570)
Beneficial Interest in Charitable Remainder Trusts and Estates	22,650	125,250
Increase (Decrease) in Liabilities:		
Accrued Liabilities	735	1,741
Grants Payable	780,494	(64,941)
Net Cash Provided by (Used in) Operating Activities	\$ (439,599)	\$ 622,525
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	\$ (2,526,427)	\$(1,808,557)
Proceeds from the Sale of Investments	2,904,520	1,473,641
Purchase of Equipment		(1,100)
Net Cash Provided(Used) in Investing Activities	\$ 378,093	\$ (336,016)
NET INCREASE PROVIDED BY (USED IN) CASH AND EQUIVALENTS	\$ (61,506)	\$ 286,510
Cash and Cash Equivalents, Beginning of Year	359,585	73,075
CASH AND EQUIVALENTS, END OF YEAR	\$ 298,079	\$ 359,585

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

*NET INCREASE (DECREASE)

The Cancer Research Foundation
STATEMENTS OF
FUNCTIONAL EXPENSES
Years Ended March 31, 2006 and 2005

	2006				2005			
	Program Services	Management and General	Fund Raising	Total	Program Services	Management and General	Fund Raising	Total
Grants	\$ 1,827,994	\$	\$	\$ 1,827,994	\$ 423,500	\$	\$	\$ 423,500
Payroll and Taxes	25,567	20,454	5,113	51,134	25,577	20,462	5,115	51,154
Legal and Professional	3,320	3,320	1,660	8,300	3,702	3,702	1,851	9,255
Telephone	1,535	1,535	767	3,837	1,730	1,730	865	4,325
Postage and Office Supplies	1,929	1,929	965	4,823	1,784	1,784	892	4,460
Advertising			56,230	56,230			55,777	55,777
Rent	5,702	5,702	2,851	14,255	4,890	4,890	2,445	12,225
Meeting Expense	2,012			2,012	3,032			3,032
Liability/Worker's Compensation	504	403	100	1,007	802	642	160	1,604
Newsletter	27,398		6,849	34,247	16,209		4,052	20,261
Internet	1,629		1,629	3,258	632		631	1,263
Employee Benefits	7,652	6,121	1,530	15,303	7,306	5,845	1,461	14,612
Dues and Subscriptions	888	888	887	2,663	915	951	951	2,745
Depreciation	220			220	526			526
Miscellaneous	23	23	12	58	138	138	68	344
TOTAL FUNCTIONAL EXPENSES	\$ 1,906,373	\$ 40,375	\$ 78,593	\$ 2,025,341	\$ 490,743	\$ 40,108	\$ 74,233	\$ 605,084

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