

AUDITED FINANCIAL STATEMENTS
Prostate Cancer Foundation
Years ended December 31, 2003 and 2002
with Report of Independent Auditors

Prostate Cancer Foundation

Audited Financial Statements

Years ended December 31, 2003 and 2002

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Report of Independent Auditors

Board of Directors
Prostate Cancer Foundation

We have audited the statements of financial position of Prostate Cancer Foundation as of December 31, 2003 and 2002, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Organization'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. 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 Prostate Cancer Foundation at December 31, 2003 and 2002, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

Ernst + Young LLP

April 22, 2004

Prostate Cancer Foundation
Statements of Financial Position

	December 31	
	2003	2002
Assets		
Cash and cash equivalents	\$ 7,793,336	\$ 6,564,644
Pledges receivable	6,203,236	2,619,365
Marketable securities	63,985	3,025,619
Prepaid expenses	54,106	41,667
Other receivables	10,000	10,996
Furniture, equipment and improvements:		
Furniture and fixtures	392,521	392,521
Office equipment	599,789	569,103
Leasehold improvements	346,377	303,725
	1,338,687	1,265,349
Less accumulated depreciation	(1,035,770)	(970,360)
	302,917	294,989
Other assets	189,029	83,980
Total assets	\$ 14,616,609	\$ 12,641,260
 Liabilities and net assets		
Accounts payable	\$ 1,752,477	\$ 448,446
Research awards payable	6,556,433	4,925,000
Unrestricted net assets	6,307,699	7,267,814
Total liabilities and net assets	\$ 14,616,609	\$ 12,641,260

See accompanying notes.

Prostate Cancer Foundation

Statements of Activities

	Year ended December 31	
	2003	2002
Support and revenues:		
Donations	\$ 22,274,309	\$ 18,575,522
Net realized and unrealized loss on investments	(38,313)	(13,516)
Interest and other income	63,231	139,311
Total support and revenues	22,299,227	18,701,317
Program services:		
Research grants, association awards and donations	12,909,402	13,137,521
Scientific conferences	1,685,217	1,634,680
Public awareness and advocacy expense	1,104,146	899,646
Total program services	15,698,765	15,671,847
General and administrative expenses	2,336,591	2,115,329
Fundraising expenses	5,223,986	2,651,826
Total expenditures	23,259,342	20,439,002
Change in net assets	(960,115)	(1,737,685)
Net assets at beginning of year	7,267,814	9,005,499
Net assets at end of year	\$ 6,307,699	\$ 7,267,814

See accompanying notes .