

**The Marty Lyons  
Foundation, Inc.**  
*(A Not-For-Profit Corporation)*

**Financial Statements  
December 31, 2011 and 2010**

**The Marty Lyons Foundation, Inc.**  
*(A Not-For-Profit Corporation)*

**Table of Contents**  
**December 31, 2011 and 2010**

---

	<b>Page(s)</b>
<b>Independent Auditors' Report</b> .....	1
<b>Financial Statements</b>	
Statements of Financial Position.....	2
Statements of Activities.....	3
Statements of Functional Expenses .....	4 – 5
Statements of Cash Flows .....	6
Notes to Financial Statements .....	7 – 14
Schedule 1 - Celebrity Golf Classic Revenue and Expenses.....	15

**BASS & LEMER LLP**  
**CERTIFIED PUBLIC ACCOUNTANT**

**836 HEMPSTEAD AVE.**  
**WEST HEMPSTEAD, N.Y. 11552**  
**TEL: (516) 485-9600**  
**FAX: (516) 485-9603**

**1501 BROADWAY**  
**NEW YORK, N.Y. 10036**  
**(212) 944-1500**

**SHELBY S. GOLDGRAB, C.P.A., C.M.A.**  
**GARY S. ADLER, C.P.A.**

To the Board of Directors  
The Marty Lyons Foundation, Inc.  
(A Not-For-Profit Corporation)  
326 West 48th Street  
New York, NY 10036

**Independent Auditors' Report**

We have audited the accompanying statements of financial position of The Marty Lyons Foundation, Inc. (a not-for-profit Corporation), as of December 31, 2011 and 2010, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of The Marty Lyons Foundation, Inc.'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 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 Marty Lyons Foundation, Inc.'s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, 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 Marty Lyons Foundation, Inc. as of December 31, 2011 and 2010 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 of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule 1 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Certified Public Accountants

West Hempstead, New York  
July 3, 2012

**The Marty Lyons Foundation, Inc.**  
*(A Not-For-Profit Corporation)*

**Statements of Financial Position**  
**December 31, 2011 and 2010**

---

	<u>2011</u>	<u>2010</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and Cash Equivalents	\$ 445,075	\$ 368,014
Sundry Receivables	1,200	2,955
Prepaid Expenses	-	10,000
<b>Total Current Assets</b>	<u>446,275</u>	<u>380,969</u>
<b>Furniture, Equipment and Software Development Costs:</b>		
Furniture, Equipment and Software Development Costs (Net of Depreciation)	4,696	7,196
<b>Other Assets:</b>		
Long-Term Investments (at Market Value)	<u>146,307</u>	<u>120,226</u>
<b>Total Assets</b>	<u><u>\$ 597,278</u></u>	<u><u>\$ 508,391</u></u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities:</b>		
Accounts Payable	\$ 21,277	\$ 7,097
Net Assets - Unrestricted	<u>576,001</u>	<u>501,294</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 597,278</u></u>	<u><u>\$ 508,391</u></u>

The accompanying summary of accounting principles, policies and notes  
to financial statements are an integral part of these statements.

# The Marty Lyons Foundation, Inc.

(A Not-For-Profit Corporation)

## Statements of Activities For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<b>Revenues and Other Support</b>		
Fund Raising Events	\$ 271,146	\$ 299,881
Unrestricted Contributions and Grants	300,507	233,071
Celebrity Golf Classic	278,504	215,300
Interest and Dividend Income on Investments	2,461	2,546
Realized and Unrealized Gain on Investments	18	1,602
Total Revenues and Support	<u>852,636</u>	<u>752,400</u>
<b>Expenses</b>		
Fund Raising Events Expenses	267,342	293,944
Specific Assistance to Individuals	201,574	86,262
Payroll and Payroll Taxes	146,319	126,087
Public Relations and Fund Raising	35,522	26,067
Employee Fringe Benefits	27,056	18,921
Supplies	23,549	20,555
Insurance	14,878	12,709
Rent Expense	12,000	12,000
Telephone	10,861	10,190
Professional Fees	7,500	7,500
Computer Costs	6,094	8,066
Chapter and Board Meeting Expenses	3,904	4,599
Bank Charges and Miscellaneous	3,675	3,811
Postage and Delivery	3,500	3,444
Professional Dues, Registrations and Licenses	3,315	3,085
Administrative and Office Expenses	2,961	637
Pension Plan Contribution	2,900	2,934
Depreciation	2,500	2,400
Payroll Processing	2,478	2,350
Total Expenses	<u>777,928</u>	<u>645,561</u>
Increase in Net Assets (Unrestricted)	74,708	106,839
<b>Net Assets (Unrestricted)</b>		
Beginning of Year	<u>501,294</u>	<u>394,455</u>
End of Year	<u>\$ 576,002</u>	<u>\$ 501,294</u>

The accompanying summary of accounting principles, policies and notes to financial statements are an integral part of these statements.

# The Marty Lyons Foundation, Inc.

*(A Not-For-Profit Corporation)*

## Statements of Functional Expenses For the Years Ended December 31, 2011 and 2010

2011	Program Services	Management and General	Fund Raising	Total
Fund Raising Events Expenses	\$ -	\$ -	\$ 267,342	\$ 267,342
Payroll and Payroll Taxes	146,319	-	-	146,319
Specific Assistance to Individuals	201,574	-	-	201,574
Public Relations and Fund Raising	-	-	35,522	35,522
Supplies	21,194	2,355	-	23,549
Employee Fringe Benefits	27,056	-	-	27,056
Insurance	14,878	-	-	14,878
Rent Expense	9,000	3,000	-	12,000
Telephone	9,775	1,086	-	10,861
Computer Costs	3,047	3,047	-	6,094
Professional Fees	-	7,500	-	7,500
Chapter and Board Meeting Expenses	3,514	390	-	3,904
Bank Charges and Miscellaneous	-	3,675	-	3,675
Postage and Delivery	3,150	350	-	3,500
Professional Dues, Registrations and Licenses	2,983	332	-	3,315
Pension Plan Contribution	2,900	-	-	2,900
Depreciation	-	2,500	-	2,500
Payroll Processing	2,478	-	-	2,478
Administrative and Office Expenses	-	2,961	-	2,961
Total	\$ 447,868	\$ 27,196	\$ 302,864	\$ 777,928

The accompanying summary of accounting principles, policies and notes to financial statements are an integral part of these statements.

# The Marty Lyons Foundation, Inc.

(A Not-For-Profit Corporation)

## Statements of Functional Expenses For the Years Ended December 31, 2011 and 2010

<u>2010</u>	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total</u>
Fund Raising Events Expenses	\$ -	\$ -	\$ 293,944	\$ 293,944
Payroll and Payroll Taxes	126,087	-	-	126,087
Specific Assistance to Individuals	86,262	-	-	86,262
Public Relations and Fund Raising	-	-	26,067	26,067
Supplies	18,499	2,056	-	20,555
Employee Fringe Benefits	18,921	-	-	18,921
Insurance	12,709	-	-	12,709
Rent Expense	9,000	3,000	-	12,000
Telephone	9,171	1,019	-	10,190
Computer Costs	4,033	4,033	-	8,066
Professional Fees	-	7,500	-	7,500
Chapter and Board Meeting Expenses	4,140	459	-	4,599
Bank Charges and Miscellaneous	-	3,811	-	3,811
Postage and Delivery	3,100	344	-	3,444
Professional Dues, Registrations and Licenses	2,777	308	-	3,085
Pension Plan Contribution	2,934	-	-	2,934
Depreciation	-	2,400	-	2,400
Payroll Processing	2,350	-	-	2,350
Administrative and Office Expenses	-	637	-	637
Total	<u>\$ 299,983</u>	<u>\$ 25,567</u>	<u>\$ 320,011</u>	<u>\$ 645,561</u>

The accompanying summary of accounting principles, policies and notes to financial statements are an integral part of these statements.

# The Marty Lyons Foundation, Inc.

(A Not-For-Profit Corporation)

## Statements of Cash Flows For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<b>Cash Flows from Operating Activities</b>		
Increase in Net Assets	\$ 74,707	\$ 106,839
<i>Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities -</i>		
Depreciation	2,500	2,400
Realized and Unrealized Gain on Investments	(18)	(1,602)
(Increase) Decrease in Sundry Receivables	1,755	(1,700)
(Increase) Decrease in Prepaid Expenses	10,000	(10,000)
Increase (Decrease) in Accounts Payable	14,180	(7,132)
Total Adjustments	<u>28,417</u>	<u>(18,034)</u>
Net Cash Provided by Operating Activities	<u>103,124</u>	<u>88,805</u>
<b>Cash Flows from Investing Activities</b>		
Purchase of Investments	(86,063)	(91,617)
Sales of Investments	60,000	119,823
Software Development Costs	-	(7,500)
Net Cash Provided by/(Used) in Investing Activities	<u>(26,063)</u>	<u>20,706</u>
Net Increase in Cash and Cash Equivalents	77,061	109,511
<b>Cash and Cash Equivalents</b>		
Beginning of Year	<u>368,014</u>	<u>258,503</u>
End of Year	<u>\$ 445,075</u>	<u>\$ 368,014</u>
<b>Supplementary Information</b>		
Interest Paid on a Cash Basis	\$ -	\$ 1,392
Income Taxes Paid on a Cash Basis	\$ -	\$ -

The accompanying summary of accounting principles, policies and notes to financial statements are an integral part of these statements.



# The Marty Lyons Foundation, Inc.

(A Not-For-Profit Corporation)

## Notes to Financial Statements December 31, 2011 and 2010

---

### 1. Operations

The Marty Lyons Foundation, Inc. was incorporated on October 28, 1982 in New York State as a Not-for-Profit corporation. It was formed to raise funds to fulfill special wishes of children between three (3) and seventeen (17) years of age inclusive who have been diagnosed as having a terminal or life threatening illness by providing and arranging a wish such as: a trip, meeting a celebrity, attending a special event, a shopping spree, a specific gift, or any other special wish request the Board of Directors may deem to be within the capabilities of the Corporation. The corporation's support and revenue is generated through contributions, gifts, grants and special fund raising events and activities. The corporation received federal tax exempt 501(c)(3) status from the Internal Revenue Service on April 27, 1984. Donors may deduct contributions to the corporation as provided in Section 170 of the Internal Revenue Code. Bequests, legacies, devises, transfers, or gifts to the corporation can be deductible for federal estate and gift tax purposes.

The Marty Lyons Foundation, Inc. is currently registered to solicit funds in New York, Florida, Georgia, Massachusetts, Maryland, New Jersey, South Carolina, Connecticut, Alabama, North Carolina, Pennsylvania and Texas.

### 2. Summary of Significant Accounting Principles and Policies

This summary of the significant accounting principles and policies of the Marty Lyons Foundation, Inc. is presented to assist in evaluating the corporation's financial statements included in this report. These principles and policies conform to accounting principles generally accepted in the United States of America as applicable to not-for-profit entities. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that management make estimates and assumptions which may impact the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses and disclosures of contingencies during the reporting period. Actual results could differ from those estimates and assumptions. A summary of the accounting principles and policies followed by the Marty Lyons Foundation, Inc. is as follows:

- Assets, liabilities, revenue and expenses are recognized on the accrual basis. Revenues received for future periods are deferred to the applicable period. Expenses are recognized when incurred.
- Property and equipment are stated at cost less accumulated depreciation computed on the straight-line method. Property and equipment are depreciated over their estimated useful lives.
- The corporation has adopted Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 958-605 (formerly, SFAS No. 116, *Accounting for Contributions Received and Made*, and FASB ASC 958-720 (formerly, SFAS No. 117, *Financial Statements of Not-for-Profit Organizations*). ASC 958-720 establishes standards for external financial reporting by not-for-profit organizations and requires that resources be classified for accounting and reporting purposes into three net asset categories according to externally (donor) imposed restrictions.

# The Marty Lyons Foundation, Inc.

(A Not-For-Profit Corporation)

## Notes to Financial Statements December 31, 2011 and 2010

---

These classes are defined as follows:

**Permanently Restricted** - Net assets resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the organization.

**Temporarily Restricted** - Net assets resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities.

**Unrestricted** - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations.

- The carrying amounts of cash, receivables, accounts payable and accrued expenses approximate fair value because of the short-term nature of the items. The fair value of long-term debt is based on current interest rates for similar debt instruments.
- The corporation considers all highly liquid investments with maturities of three months or less, when purchased, to be cash equivalents.
- For the purpose of the Statement of Cash Flows, cash and cash equivalents includes cash deposited with banks that include money market funds. These cash and cash equivalents approximate fair value because of the short maturities of these instruments.
- Investments in marketable securities with readily determinable fair values and all investments in certificates of deposit are reported at their fair values in the statement of financial position. Investment income is reported as increases in unrestricted net assets in the reporting period in which the income is received.
- Financial instruments which potentially subject the corporation to concentrations of credit risk include cash and cash equivalent accounts in financial institutions which, from time to time, exceed federal insurance limits, and tuition receivables. The corporation places its temporary cash investments with credit-worthy, high quality financial institutions. By policy, these investments are kept within limits designed to prevent risks caused by concentration. The corporation maintains cash deposits in financial institutions which are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 for interest bearing accounts and unlimited FDIC insurance for non-interest bearing accounts. The unlimited FDIC insurance for non-interest bearing account is set to expire December 31, 2012. At times, such cash deposits may exceed the FDIC coverage.

**The Marty Lyons Foundation, Inc.**  
*(A Not-For-Profit Corporation)*

**Notes to Financial Statements**  
**December 31, 2011 and 2010**

---

**3. Cash and Cash Equivalents**

Cash and cash equivalents consists of the following as of December 31:

	<b>2011</b>	<b>2010</b>
Cash - Money Market	\$ 365,300	\$ 297,630
Cash - Checking	29,900	21,031
Cash - Broker	49,875	49,353
Total	\$ 445,075	\$ 368,014

**4. Investments**

Investments at December 31, 2011 consist of the following:

	<b>Cost</b>	<b>Market Value</b>	<b>Unrealized Gain</b>
Certificates of Deposit	\$ 115,440	\$ 115,440	\$ -
Mutual Fund	30,849	30,867	18
Total	\$ 146,289	\$ 146,307	\$ 18

At December 31, 2011, the aggregate market value of investments was greater than their aggregate carrying value by \$18. The Statement of Activities provides for an increase in 2011 in unrestricted net assets for an unrealized gain on investments of \$18.

The following schedule summarizes the 2011 investment return and its classification in the Statement of Activities:

Interest and Dividend Income	\$ 2,461
Unrealized Gains	18
Total Investment Return	\$ 2,479

**The Marty Lyons Foundation, Inc.**  
(A Not-For-Profit Corporation)

**Notes to Financial Statements**  
**December 31, 2011 and 2010**

---

Investments at December 31, 2010 consist of the following:

	<b>Cost</b>	<b>Market Value</b>	<b>Unrealized Gain</b>
Certificates of Deposit	\$ 90,000	\$ 90,091	\$ 91
Mutual Fund	28,427	30,135	1,708
Total	\$ 118,427	\$ 120,226	\$ 1,799

At December 31, 2010, the aggregate market value of investments was greater than their aggregate carrying value by \$1,799. The Statement of Activities provides for an increase in 2010 in unrestricted net assets for an unrealized gain on investments of \$1,799 and realized losses on investments of (\$197) for a total gain of \$1,602.

The following schedule summarizes the 2010 investment return and its classification in the Statement of Activities:

Interest and Dividend Income	\$ 2,546
Unrealized Gains	1,799
Realized (Losses)	(197)
Total Investment Return	\$ 4,148

**5. Program Services**

During 2011 and 2010, The Marty Lyons Foundation, Inc. fulfilled wishes to approximately 85 and 30 children, respectively, between three (3) and seventeen (17) years of age inclusive who have been diagnosed as having a terminal or life threatening illness. The special wishes included meeting a celebrity, educational and entertainment items, shopping sprees, special gifts and trips to recreational sites and specific points of interests. The child's family is provided with airline tickets, hotel accommodations and a travel expense allowance on trips outside of the area in which they reside. Applications are accepted for any child between the ages of three (3) and seventeen (17) inclusive who has been diagnosed as having a terminal or life threatening illness by their attending physician and confirmed by the Corporation's medical advisors shall be eligible. The child must reside or be receiving medical treatment within the geographic locations of the Corporation's principal office or chapters. The applicant who meets these requirements will be eligible for a special wish from the Corporation. Reports on these wishes are made quarterly to the Board of Directors.

**6. Unrestricted Contributions**

All contributions received by The Marty Lyons Foundation, Inc. have been recorded as unrestricted contributions. There were no donor stipulations that limit the use of the donated assets.

**The Marty Lyons Foundation, Inc.**  
(A Not-For-Profit Corporation)

**Notes to Financial Statements**  
**December 31, 2011 and 2010**

---

**7. Special Fund Raising Events and Activities**

During 2011 and 2010, The Marty Lyons Foundation, Inc. had various fund raising events. The net proceeds from these events are to be used in achieving The Marty Lyons Foundation, Inc.'s commitment to its present and future recipients.

The major fund raising events in 2011 were as follows:

<u>Fund Raising Event</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Net</u>
Celebrity Golf Classic	\$ 278,504	\$ 118,485	\$ 160,019
John Brogle Golf Outing	36,368	10,129	26,239
Metro Cigar Night	40,475	17,204	23,271
Big Apple Golf Classic	45,375	34,460	10,915
Long Island Golf Outing	50,777	29,024	21,753
Nassau Bowling for Wishes	16,720	6,380	10,340
NJ Cigar Night	19,840	6,196	13,644
Norwalk Golf Classic	44,475	37,304	7,171
Suffolk Bowling for Wishes	11,381	3,440	7,941
New England Bowling for Wishes	5,735	4,720	1,015
Total	<u>\$ 549,650</u>	<u>\$ 267,342</u>	<u>\$ 282,308</u>

The major fund raising events in 2010 were as follows:

<u>Fund Raising Event</u>	<u>Revenue</u>	<u>Expenses</u>	<u>Net</u>
Celebrity Golf Classic	\$ 215,300	\$ 124,672	\$ 90,628
John Brogle Golf Outing	43,450	16,394	27,056
Metro Cigar Night	41,840	16,364	25,476
Big Apple Golf Classic	72,961	50,284	22,677
Long Island Golf Outing	54,225	33,325	20,900
Nassau Bowling for Wishes	19,865	5,478	14,387
NJ Cigar Night	17,715	4,489	13,226
Norwalk Golf Classic	44,425	40,036	4,389
New England Bowling for Wishes	5,400	2,902	2,498
Total	<u>\$ 515,181</u>	<u>\$ 293,944</u>	<u>\$ 221,237</u>

**8. Rent Expense**

The Marty Lyons Foundation, Inc. is currently leasing office space on a month-to-month basis at \$1,000 per month. During the years ended December 31, 2011 and 2010, the Foundation received 12 months free rent from the landlord. Accordingly, \$12,000 of unrestricted donations and \$12,000 of rent expense have been provided for in the accompanying Statements of Activities.

**The Marty Lyons Foundation, Inc.**  
*(A Not-For-Profit Corporation)*

**Notes to Financial Statements**  
**December 31, 2011 and 2010**

---

**9. Non-Cash Contributions**

Included in unrestricted contributions is \$12,000 received in 2011 and \$19,500 received in 2010 of non-cash contributions.

**10. Investment Risk and Uncertainties**

The corporation, at times, had cash deposits with Bank of America in excess of the \$250,000 FDIC insurance coverage.

The Securities Investor Protection Corporation (SIPC) provides up to \$500,000 of insurance coverage for the corporation's securities with Morgan Stanley Smith Barney (\$100,000 cash; \$400,000 securities).

The corporation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the corporation's statement of financial position.

**11. Contributed Services**

No amounts have been reflected in the financial statements for donated services. The corporation generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the corporation. The value of this contributed time and expense is not reflected in the accompanying financial statements because it does not meet the recognition criteria and cannot be objectively measured or valued.

**12. Fair Value of Financial Instruments**

The carrying amounts of cash and cash equivalents approximate fair value because of the short-term maturity of those financial instruments.

The estimated fair values of the corporation's financial instruments at December 31, 2011 are as follows:

	<b>Carrying Value</b>	<b>Fair Value</b>
<b>Financial Assets</b>		
Cash and Cash Equivalents	\$ 445,075	\$ 445,075
Certificates of Deposit	115,440	115,440
Mutual Fund	30,867	30,867

**The Marty Lyons Foundation, Inc.**  
(A Not-For-Profit Corporation)

**Notes to Financial Statements**  
**December 31, 2011 and 2010**

---

The estimated fair values of the corporation's financial instruments at December 31, 2010 are as follows:

	<u>Carrying Value</u>	<u>Fair Value</u>
<b>Financial Assets</b>		
Cash and Cash Equivalents	\$ 368,014	\$ 368,014
Certificates of Deposit	90,091	90,091
Mutual Fund	30,135	30,135

Investments measured and reported at fair value are classified and disclosed in one of the following categories based on inputs:

**Level I** - Pricing inputs are quoted prices available in active markets for identical investments as of the reporting date. The types of investments which would generally be included in Level I include listed equity securities. The corporation, to the extent that it holds such investments, adjusts the quoted price for these investments.

**Level II** - Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level I. Fair value is determined through the use of models or other valuation methodologies. The types of investments which would generally be included in this category include publicly traded securities with restrictions on disposition.

**Level III** - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant judgment or estimation. The types of investments which would generally be included in this category include debt and equity securities issued by private entities.

The following table summarizes the levels in the ASC 820 fair value hierarchy into which the corporation's investments fall as of December 31, 2011:

	<u>Total</u>	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>
Certificates of Deposit	\$ 115,440	\$ 115,440	\$ -	\$ -
Mutual Fund	30,867	30,867	-	-
Total Investments	<u>\$ 146,307</u>	<u>\$ 146,307</u>	<u>\$ -</u>	<u>\$ -</u>

**The Marty Lyons Foundation, Inc.**  
(A Not-For-Profit Corporation)

**Notes to Financial Statements**  
**December 31, 2011 and 2010**

---

The following table summarizes the levels in the ASC 820 fair value hierarchy into which the corporation's investments fall as of December 31, 2010:

	<b>Total</b>	<b>Level I</b>	<b>Level II</b>	<b>Level III</b>
Certificates of Deposit	\$ 90,091	\$ 90,091	\$ -	\$ -
Mutual Fund	30,135	30,135	-	-
Total Investments	<u>\$ 120,226</u>	<u>\$ 120,226</u>	<u>\$ -</u>	<u>\$ -</u>

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2011 and 2010.

*Certificates of Deposit:* Valued at cash value which approximates fair value.

*Mutual Fund:* Valued at the closing price reported in the active market in which the mutual funds are traded.

**13. Subsequent Events**

The corporation evaluates events and transactions that occur subsequent to the balance sheet date but prior to the issuance date of the financial statements to determine the necessity for recognitions and/or reporting of any of these events and transactions in the financial statements. As of July 3, 2012, there are no subsequent events to be recognized or reported that are not already previously disclosed.

**14. Tax Status**

The corporation is a qualified not-for-profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state and local taxes under comparable laws. Accordingly, it is not subject to income taxes except to the extent it has taxable income from activities that are not related to its exempt purpose. The corporation recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. No provision for income taxes was required for the years 2011 and 2010.



**The Marty Lyons Foundation, Inc.**  
*(A Not-For-Profit Corporation)*

**Schedule I**  
**Celebrity Golf Classic**  
**Revenue and Expenses**

**For the Years Ended December 31, 2011 and 2010**

---

	<u>2011</u>	<u>2010</u>
Total Revenue	<u>\$ 278,504</u>	<u>\$ 215,300</u>
<b>Expenses</b>		
Golf Course Fee and Food	98,051	89,195
Golf Windbreakers, Bags and Favors	13,177	30,030
Raffle Items	5,040	5,447
Printing and Supplies	<u>2,217</u>	<u>-</u>
Total Expenses	<u>118,485</u>	<u>124,672</u>
Excess of Revenue over Expenses	<u><u>\$ 160,019</u></u>	<u><u>\$ 90,628</u></u>