



BAND OF PARENTS, INC.

**Financial Statements for the
Year Ended December 31, 2016
and Independent Auditors' Report**

BAND OF PARENTS, INC.

FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Band of Parents, Inc.

We have audited the accompanying financial statements of Band of Parents, Inc. (the "Organization"), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Band of Parents, Inc. as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Band of Parents, Inc.'s 2015 financial statements, and our report dated September 12, 2016, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Wei Wei & Co. LLP

Flushing, New York

August 11, 2017

BAND OF PARENTS, INC.

STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

ASSETS	2016	2015
Current assets:		
Cash and cash equivalents <i>(Note 2 and 3)</i>	\$ 556,194	\$ 513,859
Prepaid expenses	2,433	2,424
Total current assets	558,627	516,283
Property and equipment, net <i>(Note 2 and 8)</i>	535	-
TOTAL ASSETS	\$ 559,162	\$ 516,283
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ -	\$ 4,500
Total liabilities	-	4,500
Net assets:		
Unrestricted – general	528,829	491,783
Temporarily restricted <i>(Note 2 and 6)</i>	30,333	20,000
Total net assets	559,162	511,783
TOTAL LIABILITIES AND NET ASSETS	\$ 559,162	\$ 516,283

See accompanying notes to financial statements.

BAND OF PARENTS, INC.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

	Unrestricted	Temporarily restricted	2016	2015
SUPPORT AND REVENUES:				
Direct public support <i>(Note 4)</i>	\$ 374,308	\$ -	\$ 374,308	\$ 435,410
Fundraising events <i>(Note 5)</i>	377,133	30,333	407,466	300,473
Donated services <i>(Note 2)</i>	6,000	-	6,000	6,000
Interest income	598	-	598	501
Other income	60	-	60	53
Net assets released from restrictions <i>(Note 6)</i>	20,000	(20,000)	-	-
TOTAL SUPPORT AND REVENUES	778,099	10,333	788,432	742,437
EXPENSES:				
Program services	485,000	-	485,000	505,668
Management and general	51,747	-	51,747	26,436
Fundraising	204,257	-	204,257	132,582
TOTAL EXPENSES	741,004	-	741,004	664,686
CHANGE IN NET ASSETS FROM OPERATIONS	37,095	10,333	47,428	77,751
NONOPERATING (LOSS) AND GAIN:				
Unrealized and realized (losses)	(49)	-	(49)	(17)
CHANGE IN NET ASSETS	37,046	10,333	47,379	77,734
NET ASSETS, BEGINNING OF YEAR	491,783	20,000	511,783	434,049
NET ASSETS, END OF YEAR	\$ 528,829	\$ 30,333	\$ 559,162	\$ 511,783

See accompanying notes to financial statements.

BAND OF PARENTS, INC.

STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

	Program Services	Management and General	Fundraising	2016	2015
Evening of Hope event	\$ -	\$ -	\$ 59,711	\$ 59,711	\$ 40,136
Cocktails for a Cure	-	-	29,258	29,258	19,519
Play it Like a Pro	-	-	56,600	56,600	50,925
Barclays-Benefactor Pavilion	-	-	31,750	31,750	-
Barclays Golf Event	-	-	15,138	15,138	-
Fundraising general expenses	-	-	494	494	34
Grants given	485,000	-	-	465,000	505,668
Salaries and wages	-	6,000	-	6,000	6,000
Bank fees	-	1,836	-	1,836	1,788
Insurance	-	2,424	-	2,424	2,389
Office supplies and printing	-	1,073	-	1,073	768
Postage and mailings	-	-	3,047	3,047	2,997
Professional fees	-	40,015	-	40,015	31,050
Taxes and fees	-	-	125	125	125
Website	-	-	3,941	3,941	196
Advertising	-	-	-	-	100
Travel and meetings	-	-	4,193	4,193	2,641
Miscellaneous	-	285	-	285	350
Total expense before depreciation	485,000	51,633	204,257	740,890	664,686
Depreciation	-	114	-	114	-
TOTAL EXPENSES	\$ 485,000	\$ 51,747	\$ 204,257	\$ 741,004	\$ 664,686

See accompanying notes to financial statements.

BAND OF PARENTS, INC.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2016 (WITH COMPARATIVE TOTALS FOR 2015)

	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 47,379	\$ 77,734
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	114	-
Changes in operating assets and liabilities:		
(Increase) in prepaid expenses	(9)	(2,424)
(Decrease) in accounts payable and accrued expenses	(4,500)	(2,320)
Net cash provided by operating activities	42,984	72,990
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(649)	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	42,335	72,990
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR	513,859	440,869
CASH AND CASH EQUIVALENTS – END OF YEAR	\$ 556,194	\$ 513,859
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	\$ -	\$ -
Cash paid for taxes	\$ 125	\$ 125

See accompanying notes to financial statements.

BAND OF PARENTS, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

1. ORGANIZATION

Band of Parents, Inc. (the “Organization”) is a non-profit organization established in 2007. The primary goal of the Organization is to fund and support research relating to the study of pediatric cancer cells including, but not limited to, the study of neuroblastoma cells and related structures. The Organization provides contributions and gifts to Memorial Sloan Kettering Cancer Center in New York.

The Organization receives no government assistance and is supported solely through the generosity of individual, corporate, and foundation donors, as well as local and statewide special events. A volunteer and an active Board of Directors guides the Organization in its mission, while a core of volunteers assists with helping families, raising funds and increasing awareness.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

The financial statement presentation follows the recommendation of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958-205, *Presentation of Financial Statements*. Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets: Net assets that are not subject to any donor-imposed stipulations.

Temporarily restricted net assets: Net assets subject to donor-imposed restriction on their use that may be met either by actions of the Organization or the passage of time.

Permanently restricted net assets: Net assets subject to donor-imposed or other legal restrictions that require the principal be maintained permanently by the Organization.

The Organization had temporarily restricted net assets totaling \$30,333 at December 31, 2016.

BAND OF PARENTS, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, specifies a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (observable inputs). In accordance with FASB ASC 820, the following summarizes the fair value hierarchy:

- Level 1 Inputs - Unadjusted quoted market prices for identical assets and liabilities in an active market that the Organization has the ability to access.
- Level 2 Inputs - Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.
- Level 3 Inputs - Inputs based on prices or valuation techniques that are both unobservable and significant to the overall fair value measurements.

FASB ASC 820 requires the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement.

As of December 31, 2016, none of the assets and liabilities was required to be reported at fair value on a recurring basis. Carrying values of non-derivative financial instruments, including cash and cash equivalents, prepaid expenses, accounts payable and accrued expenses, approximated their fair values due to the short term nature of these financial instruments. There were no changes in methods or assumptions during the year ended December 31, 2016.

BAND OF PARENTS, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions

All contributions received and unconditional promises to give are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a temporary restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the accompanying financial statements. The Organization had temporarily restricted net assets totaling \$30,333 at December 31, 2016.

Contributed Services

Contributed professional services are recorded at the fair value of the services provided by professional volunteers if the services create or enhance non-financial assets and/or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The approximate fair value of \$6,000 in contributed services for the year ended December 31, 2016 is recorded as donated services and as expenses in the accompanying statement of activities.

The Organization also receives donated services from unpaid volunteers who perform a variety of tasks that support the Organization's activities. No amounts have been recognized for these services in the statement of activities since the criteria for recognition under FASB ASC 958-605, *Revenue Recognition*, have not been satisfied.

Income Tax Status

The Organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, The Organization has been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions as provided in Section 170(b)(1)(A)(vi). Accordingly, no provision has been made for income taxes in the financial statements. There was no unrelated business income for the year ended December 31, 2016.

BAND OF PARENTS, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status (continued)

The Organization has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Organization has filed Internal Revenue Service Form 990, Return of Organization Exempt from Income Tax, as required. Currently, the 2013, 2014, and 2015 tax years are open and subject to examination by the taxing authorities. However, the Organization is not currently under audit nor has the Organization been contacted by any of the taxing authorities.

The Organization follows the provisions of FASB ASC 740-10-25. The provisions prescribe a recognition threshold and measurement attribute for the recognition and measurement of tax positions taken or expected to be taken in income tax returns and require that uncertain tax positions are evaluated in a two-step process. As of and during the year ended December 31, 2016, the Organization did not have a liability for any unrecognized tax benefits. It is not anticipated that unrecognized tax benefits would significantly increase or decrease within 12 months of the reporting date.

Use of Estimates in Preparation of Financial Statements

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all unrestricted highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Property and Equipment

Property and equipment are recorded at cost, or if donated, at approximate fair value at the date of donation. Property and equipment with an estimated useful life of greater than one year are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

BAND OF PARENTS, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information. With respect to the statement of activities, the prior year information is presented in total, not by net asset class. With respect to the statement of functional expenses, the prior year expenses are presented by expense classification in total rather than by functional category. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Band of Parents, Inc.'s financial statements for the year ended December 31, 2015, from which the summarized information was derived.

3. CONCENTRATION OF CREDIT RISK

The Organization maintains its cash accounts at a commercial bank and a financial institution located in New York State. The cash account at each bank is insured by the Federal Deposit Insurance Corporation up to a balance of \$250,000. At December 31, 2016, the Organization had cash balances in excess of Federally insured limits of approximately \$200,000. The Organization performs ongoing evaluations of its commercial banks to limit its concentration of risk exposure.

4. DIRECT PUBLIC SUPPORT

For the year ended December 31, 2016, the Organization received the following direct public support:

Corporation contributions	\$ 4,927
Individual contributions	369,381
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Total	\$ 374,308

BAND OF PARENTS, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

5. FUNDRAISING EVENT

For the year ended December 31, 2016, the Organization sponsored and received the following from fundraising events:

	Unrestricted	Temporarily restricted	Total
Evening of Hope	\$ 179,663	\$ -	\$ 179,663
Play like a Pro	61,386	30,333	91,719
Cocktails for a Cure	42,934	-	42,934
Other Local Fundraisers	93,150	-	93,150
Total	\$ 377,133	\$ 30,333	\$ 407,466

6. TEMPORARILY RESTRICTED NET ASSETS

Changes in temporarily restricted net assets are as follows:

	Beginning Balance	Additions	Releases	Ending Balance
Foundation contributions	\$ 20,000	\$ -	\$ (20,000)	\$ -
Fundraising events	-	30,333	-	30,333
Total temporarily restricted net assets	\$ 20,000	\$ 30,333	\$ (20,000)	\$ 30,333

For the year ended December 31, 2016, the Organization released \$20,000 received in the prior year from temporarily restricted net assets as such amount was used, as required for programs in 2016, and received donor restricted contributions totaling \$30,333. As of December 31, 2016, those restrictions have not been met. Nevertheless, donors agreed to the Organization's fulfillment of the requirements during next fiscal year.

BAND OF PARENTS, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

7. GRANTS PAYABLE/COMMITMENTS

In August 2015, the Organization along with no less than three organizations entered into an agreement with Memorial Sloan-Kettering Cancer Center committing \$250,000 to the Bivalent Vaccine Plus Beta-Glucan for High-Risk Neuroblastoma in First Remission. The intent is to fund this commitment as a group with the Organization guaranteeing all of the payments. As of December 2016, Band of Parents, Inc. has contributed \$200,000. The remaining commitment to be paid by Organization is \$50,000, which should be paid by August 31, 2017.

In September 2014, the Organization along with no less than four organizations entered into an agreement with Memorial Sloan-Kettering Cancer Center committing \$500,000 to the Band of Parents' Neuroblastoma Initiatives Fund for the restricted purpose of funding the Combination of Cell-Mediated and Antibody-Mediated Immunotherapy for High-Risk Neuroblastoma: Phase I Study of Haploidentical Natural Killer Cells plus Humanized 3F8. The intent is to fund this commitment as a group with the Organization guaranteeing all of the payments. As of December 2016, Band of Parents, Inc. has contributed \$425,000 and the other Foundation among groups paid \$50,000. The remaining commitment to be paid by the Organization is \$25,000, which should be paid by December 31, 2017.

In September 2014, the Organization along with no less than one organization entered into an agreement with The Children's Hospital of Philadelphia ("CHOP") committing \$400,000 to the CHOP Neuroblastoma team. The intent is to fund this commitment as a group with the Organization guaranteeing all of the payments. During the year of 2016, Band of Parents, Inc. has contributed \$100,000. As of December, 2016, no remaining commitment should be paid by the Organization due to the discontinuation of the study.

8. PROPERTY AND EQUIPMENT

Property and equipment, at cost, consist of the following as of December 31, 2016:

Computer equipment	\$ 649
Less: accumulated depreciation	(114)
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Property and equipment, net	<u>\$ 535</u>

Depreciation expense of the year ended December 31, 2016 was \$ 114.

BAND OF PARENTS, INC.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

9. SUBSEQUENT EVENTS

The Organization's management has performed subsequent events procedures through August 11, 2017, which is the date the financial statements were available to be issued. There were no subsequent events requiring adjustment to the financial statements or disclosures as stated herein.