

**Band of Parents, Inc.**

**Financial Statements**

**With**

**Independent Auditors' Report**

**For the Year Ended December 31, 2020**

**(With Comparative Totals for the Year ended December 31, 2019)**

**BAND OF PARENTS, INC.**  
**DECEMBER 31, 2020**

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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") (a not-for-profit corporation), which comprise the statement of financial position as of December 31, 2020, 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 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 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.

## INDEPENDENT AUDITORS' REPORT - CONTINUED

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2020, 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 the organization's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 13, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Rotenberg Meril Solomon Bertiger & Guttilla, P.C.*

Rotenberg Meril Solomon Bertiger & Guttilla, P.C.  
Saddle Brook, New Jersey  
June 16, 2021

**BAND OF PARENTS, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2020**  
**(With Comparative Totals for December 31, 2019)**

	<b>2020</b>	<b>2019</b>
<b>ASSETS</b>		
Cash and cash equivalents	<b>\$ 211,702</b>	\$ 404,361
Donation receivable	<b>8,406</b>	-
Investments	<b>584,391</b>	546,270
Prepaid expenses	<b>12,133</b>	9,232
Equipment, net of accumulated depreciation of \$352 and \$141	<b>703</b>	914
<b>TOTAL ASSETS</b>	<b><u>\$ 817,335</u></b>	<b><u>\$ 960,777</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES:</b>		
Accounts payable	<b>\$ 7,600</b>	\$ 7,600
Deferred revenue	<b>-</b>	47,406
<b>TOTAL LIABILITIES</b>	<b><u>7,600</u></b>	<b><u>55,006</u></b>
<b>NET ASSETS:</b>		
Without donor restrictions	<b><u>809,735</u></b>	<b><u>905,771</u></b>
<b>TOTAL NET ASSETS</b>	<b><u>809,735</u></b>	<b><u>905,771</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 817,335</u></b>	<b><u>\$ 960,777</u></b>

See Accompanying Notes to Financial Statements

**BAND OF PARENTS, INC.**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
(With Comparative Totals for the Year Ended December 31, 2019)

	<u>2020</u>	<u>2019</u>
<b>SUPPORT AND REVENUES:</b>		
Direct public support	\$ 547,022	\$ 221,962
Fundraising events	290,473	764,115
Housing COVID-19 campaign	121,606	-
Investment return	51,221	27,465
Contributed services	14,100	6,000
Telemed support	10,200	-
<b>TOTAL SUPPORT AND REVENUES</b>	<u>1,034,622</u>	<u>1,019,542</u>
<b>OPERATING EXPENSES:</b>		
Program services	842,913	788,335
Support services:		
Management and general	206,871	130,172
Fundraising	80,901	130,477
Total support services	<u>287,772</u>	<u>260,649</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>1,130,685</u>	<u>1,048,984</u>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	<u>(96,063)</u>	<u>(29,442)</u>
<b>OTHER INCOME (EXPENSE)</b>		
Other income (expense)	27	(208)
<b>TOTAL OTHER INCOME (EXPENSE)</b>	<u>27</u>	<u>(208)</u>
<b>CHANGE IN NET ASSETS</b>	<u>(96,036)</u>	<u>(29,650)</u>
<b>NET ASSETS, BEGINNING OF THE YEAR</b>	<u>905,771</u>	<u>935,421</u>
<b>NET ASSETS, END OF THE YEAR</b>	<u>\$ 809,735</u>	<u>\$ 905,771</u>

See Accompanying Notes to Financial Statements

**BAND OF PARENTS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
**(With Comparative Totals for the Year Ended December 31, 2019)**

	Program Services	Support Services		Total 2020	Total 2019
		Management and General	Fundraising		
Grants given	\$ 714,390	\$ -	\$ -	\$ 714,390	\$ 788,335
Professional fees	-	183,000	-	183,000	114,473
Housing COVID-19 campaign	128,523	-	-	128,523	-
Play it Like a Pro	-	-	53,326	53,326	28,711
Advertising	-	-	7,425	7,425	2,404
Warrior Sweatshirts	-	-	6,585	6,585	-
Salaries and wages	-	6,000	-	6,000	6,000
Website	-	-	5,391	5,391	3,997
Bank fees	-	4,947	-	4,947	2,190
Registration fees	-	4,308	-	4,308	-
Postage and mailings	-	-	3,572	3,572	3,407
Insurance	-	2,854	-	2,854	2,758
Office supplies and printing	-	2,699	-	2,699	2,262
Fundraising general expenses	-	-	2,590	2,590	-
Medical supplies	-	1,900	-	1,900	-
Travel and meetings	-	-	1,887	1,887	2,533
Miscellaneous	-	802	-	802	394
Depreciation	-	211	-	211	173
Telephone	-	150	-	150	-
Taxes and fees	-	-	125	125	125
Evening of Hope event	-	-	-	-	53,443
Dream for a Cure	-	-	-	-	35,857
Hiring	-	-	-	-	1,922
<b>TOTAL EXPENSES</b>	<b>\$ 842,913</b>	<b>\$ 206,871</b>	<b>\$ 80,901</b>	<b>\$ 1,130,685</b>	<b>\$ 1,048,984</b>

See Accompanying Notes to Financial Statements

**BAND OF PARENTS, INC.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**  
**(With Comparative Totals for the Year Ended December 31, 2019)**

	<b>2020</b>	<b>2019</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (96,036)	\$ (29,650)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation and amortization	211	173
Realized gains on investments	(4,353)	-
Unrealized gains on investments	(34,008)	(11,318)
Loss on disposal of asset	-	243
Changes in operating assets and liabilities:		
Increase in prepaid expenses	(2,901)	(15)
Increase in donation receivable	(8,406)	-
Decrease in accounts payable and accrued expense	-	(2,092)
Increase (decrease) in deferred revenue	(47,406)	18,807
Net cash used in operating activities	<b>(192,899)</b>	<b>(23,852)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of investments	(339,792)	(534,952)
Sale of investments	340,032	-
Purchase of equipment	-	(1,055)
Net cash provided by (used in) investing activities	<b>240</b>	<b>(536,007)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(192,659)</b>	<b>(559,859)</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF THE YEAR</b>	<b>404,361</b>	<b>964,220</b>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 211,702</b>	<b>\$ 404,361</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid for taxes	\$ 125	\$ 125

See Accompanying Notes to Financial Statements



**THE BAND OF PARENTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 - ORGANIZATION:**

The 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 innovative research and clinical trials at major pediatric cancer centers throughout the world, relating to the study of pediatric cancer including, but not limited to, neuroblastoma. The Organization is also a support network for the newly diagnosed and their families as they go through treatment. The Organization's goal is to fast-track a cure using less toxic, targeted therapies which can be implemented in a clinical setting immediately.

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. Management 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.

**NOTE 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 statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity. At December 31, 2020, there are no net assets subject to donor restrictions.

**THE BAND OF PARENTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

Use of Estimates

The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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, is defined as observable inputs being quoted prices in active markets for identical assets;
- ❖ Level 2, is defined as observable inputs including quoted prices for similar assets, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset; and
- ❖ Level 3, is defined as unobservable inputs in which little or no market data exists, therefore requiring assumptions based on the best information available.

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.

The Organization's investments at December 31, 2020 are classified within Level 1 of the fair value hierarchy.

Donation Receivable

The Organization anticipates the collection of the outstanding donation receivable in fiscal 2021.

**THE BAND OF PARENTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

Contributions

The Organization records contributions of revenue when they are received. Contributions of noncash assets (including marketable securities) are recorded at fair value on the date received.

Donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. For the year ended December 31, 2020, there are no contributions subject to donor restrictions.

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 \$14,100 in contributed services for the year ended December 31, 2020 is recorded as donated services and as an expense in the accompanying statements of activities.

The Organization also received 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 958-606, "Revenue Recognition," have not been satisfied.

Income Tax Status

The Organization is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. The Organization files federal and New York tax returns subject to varying statutes of limitations. The 2017 through 2020 tax years generally remain subject to examination by federal and New York tax authorities

**THE BAND OF PARENTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

Cash Equivalents

The Organization considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash equivalents at December 31, 2020 consisted primarily of money fund accounts at a broker.

Investments

Investments in equity securities with readily determinable fair values are reported at their fair value based on quoted market prices in the statements of financial position. The Organization follows FASB ASC 958, "Accounting for Certain Investments Held by Not-for-Profit Organizations." In accordance with this standard, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Realized and unrealized gains and losses are included in investment returns including investment fees in the statements of activities.

A decline in the market value of an investment security below its cost that is designated to be other than temporary is recognized through an impairment charge. That impairment charge would be included in the statements of activities and a new cost basis would be established. For the year ended December 31, 2020, the Organization did not record any impairment charges in the statements of activities.

The Organization records realized gains and losses on the trade date and changes in unrealized gains and losses recognized in the statements of activities as of the statements of financial position date. Other types of income that the Organization will continue to report in its statement of activities will be investment income such as interest and dividends, which are recognized on an accrual basis.

Equipment

Equipment is stated at cost less accumulated depreciation. Depreciation was computed using the straight-line method over the estimated useful lives of the assets (five to seven years). Depreciation expense for the year ended December 31, 2020 was \$211.

Deferred Revenue

Deferred revenue represents net proceeds received in advance for fundraising events that occur in the following year. There is no deferred revenue for the year ended December 31, 2020.

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.

**THE BAND OF PARENTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):**

New Accounting Pronouncement

On January 1, 2019, the Organization adopted Accounting Standards Update ("ASU") 2018-08, "Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made" ("ASU 2018-08"). ASU 2018-08 impacts all organizations that receive or make contributions of cash or other assets and includes specific criteria to consider when determining whether a contract or agreement should be accounted for as a contribution or as an exchange transaction. It also provides a framework for determining whether a contribution is conditional or unconditional, which will impact the timing of revenue recognition. The determining factor for whether an organization will account for a grant/contract/agreement as a contribution or an exchange transaction is whether the asset provider is receiving commensurate value in return for those assets. If commensurate/proportionate value is received, the contribution will be accounted for as an exchange transaction and revenue recognition or other applicable standards will be followed. If commensurate value is not received by the asset provider, the contribution is accounted for as a contribution and will follow contribution standards. If some value but not commensurate value is received, then the contribution will be accounted for as both an exchange transaction and a contribution. The Organization concluded that the adoption of this guidance did not have a material impact on its financial statements.

Reclassifications

Certain amounts in the 2019 statement of activities were reclassified to conform to the current year presentation. There was no effect to the change in net assets for the year ended December 31, 2019.

Subsequent Events

The Organization has evaluated subsequent events through June 16, 2021, which is the date the financial statements were available to be issued.

Subsequent to December 31, 2020, the effects of COVID-19 and the response to the virus have negatively impacted financial markets and overall economic conditions. While these conditions are expected to be temporary, the potential impacts could adversely affect the Organization's ability to collect donations and affect the fair value of the Organization's investments. The Organization continues to monitor developments, assess the implications and take necessary actions to mitigate potential adverse consequences.

**THE BAND OF PARENTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 3 - AVAILABILITY AND LIQUIDITY:**

The following represents the Organization's financial assets at December 31, 2020:

Cash and cash equivalents	\$ 211,702
Investments	584,391
Total financial assets	\$ 796,093
Financial assets to meet general expenditures over the next twelve months	\$ 796,093

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash is invested in investments, including money market accounts and certificates of deposit.

**NOTE 4 - INVESTMENTS, AT FAIR VALUE:**

Investments, at fair value, December 31, 2020 are summarized as follows:

Investment Type	December 31, 2020			Fair Value (Level 1)
	Cost Basis	Unrealized Gains	Unrealized Losses	
Exchange Trade Funds	\$ 233,521	\$ 23,673	\$ -	\$ 257,194
Mutual Funds	82,526	13,696	-	96,222
Bond Funds	223,018	7,957	-	230,975
	\$ 539,065	\$ 45,326	\$ -	\$ 584,391

Investment return consists of the following for the year ended December 31, 2020:

Net unrealized gain on investments	\$ 34,008
Dividend income	12,140
Net realized gain on investments	4,353
Interest income	720
	\$ 51,221

**THE BAND OF PARENTS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 5 - CONCENTRATION OF CREDIT RISK:**

The Organization maintains cash accounts at two financial institutions. At times, such deposits may exceed insured limits. The exposure to the Organization is solely dependent upon daily balances and the respective strength of the financial institutions. The Organization has not experienced any losses in these accounts. At December 31, 2020, there were no amounts in excess of insured limits. The Organization also maintains investments in an uninsured brokerage account which are subject to fluctuations in the securities markets.

**NOTE 6 - DIRECT PUBLIC SUPPORT:**

For the year ended December 31, 2020, the Organization received the following direct public support:

Foundation contributions	\$ 445,000
Individual contributions	97,022
Corporation contributions	<u>5,000</u>
<b>Total</b>	<b><u>\$ 547,022</u></b>

**NOTE 7 - FUNDRAISING EVENTS:**

For the year ended December 31, 2020, the Organization sponsored and received the following from fundraising events:

Play like a Pro	\$ 193,700
Other Local Fundraisers	<u>96,773</u>
<b>Total</b>	<b><u>\$ 290,473</u></b>