EISNERAMPER

NO MORE KIDS WITH CANCER

FINANCIAL STATEMENTS

DECEMBER 31, 2018

NO MORE KIDS WITH CANCER

Contents

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors of
No More Kids with Cancer

We have reviewed the accompanying financial statements of No More Kids with Cancer, which comprise the statement of financial position as of December 31, 2018, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

EisnerAmper LLP

EISNERAMPER LLP
Philadelphia, Pennsylvania
November 1, 2019

NO MORE KIDS WITH CANCER

Statement of Financial Position
(See Independent Accountants' Review Report and Notes to Financial Statements)
December 31, 2018

ASSETS	
Cash	$ 364,409
Pledges receivable	5,000
Investments	595,285
Total assets	$ 964,694
LIABILITIES	
Grants payable	$ 59,817
Accounts payable and accrued expenses	4,113
Total liabilities	63,930
NET ASSETS	
Net assets without donor restrictions	900,764
Total liabilities and net assets	$ 964,694

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Statement of Activities and Changes in Net Assets
(See Independent Accountants' Review Report and Notes to Financial Statements)
Year Ended December 31, 2018

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Support and revenue:			
Special event:			
Revenue from gala	$ 349,524	$ -	$ 349,524
Less cost of direct benefit to donors	(79,670)	-	(79,670)
Net special event revenue	269,854	-	269,854
Contributions	201,788	-	201,788
In-kind donations	31,721	-	31,721
Investment income, net	7,951	-	7,951
Net assets released from restriction	27,350	(27,350)	-
	538,664	(27,350)	511,314
Functional expenses:			
Program services:			
Research grants	321,965	-	321,965
Supporting services:			
General and administrative	87,946	-	87,946
Fundraising	11,449	-	11,449
Total functional expenses	421,360	-	421,360
Change in net assets	117,304	(27,350)	89,954
Net assets at beginning of year	783,460	27,350	810,810
Net assets at end of year	$ 900,764	$ -	$ 900,764

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Statement of Functional Expenses
(See Independent Accountants' Review Report and Notes to Financial Statements)
Year Ended December 31, 2018

	Program Services	Supporting Services			
	Research Grants	General and Administrative	Fundraising	Total Supporting Services	Total
Grants to others	$ 320,850	$ -	$ -	$ -	$ 320,850
Consulting and accounting fees	1,115	47,615	-	47,615	48,730
Licenses and fees	-	391	-	391	391
Office supplies	-	1,206	175	1,381	1,381
Technology	-	-	2,525	2,525	2,525
Travel	-	-	207	207	207
Subscriptions	-	1,389	4,203	5,592	5,592
Postage	-	-	8	8	8
Advertising and promotional materials	-	-	769	769	769
Contributed consulting and marketing services	-	31,721	-	31,721	31,721
Insurance	-	5,456	-	5,456	5,456
Bank charges	-	168	-	168	168
Online donation fees	-	-	3,562	3,562	3,562
Total expenses included in the expense section on the statement of activities and changes in net assets	321,965	87,946	11,449	99,395	421,360
Plus expenses included with revenue on the statement of activities and changes in net assets:					
Special events - cost of direct benefits donors:					
Food and beverages	-	-	40,461	40,461	40,461
Entertainment	-	-	15,046	15,046	15,046
Rent and facility costs	-	-	8,000	8,000	8,000
Other	-	-	16,163	16,163	16,163
	-	-	79,670	79,670	79,670
Total expenses	$ 321,965	$ 87,946	$ 91,119	$ 179,065	$ 501,030

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Statement of Cash Flows
(See Independent Accountants' Review Report and Notes to Financial Statements)
Year Ended December 31, 2018

Cash flows from operating activities:	
Change in net assets	$ 89,954
Adjustments to reconcile change in net assets to	
net cash provided by operating activities:	
Realized and unrealized gain on investments	(1,538)
Decrease in pledges receivable	52,350
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	3,112
Grants payable	(3,850)
Net cash provided by operating activities	140,028
Cash flows from investing activities:	
Purchase of investments	(503,772)
Net decrease in cash	(363,744)
Cash at beginning of year	728,153
Cash at end of year	$ 364,409

NOTE A - NATURE OF ACTIVITIES

No More Kids with Cancer (the “Foundation”) was established as a Pennsylvania nonprofit organization on February 18, 2015 with the purpose of raising funds for research focused on discovering safer, less toxic and more effective treatments for children with cancer.

The Foundation is supported through a mix of public support from community and corporate contributions and sponsorships, in addition to private contributions from a limited number of individual donors. Funds are used primarily to provide grants to leading research institutions in the United States for pediatric cancer research and clinical trials.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of presentation:

The accompanying financial statements of the Foundation have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applicable to not-for-profit organizations.

[2] Classification of net assets:

Net assets are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- ***Net assets without donor restrictions***

Net assets without donor restrictions are used to account for funds which have not been restricted by donors and over which the Board of Directors has discretionary control and donor-restricted funds whose restrictions are met in the same reporting period as when the contributions are received.

- ***Net assets with donor restrictions***

Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. As of December 31, 2018, there were no net assets with donor restrictions.

[3] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses, including functional allocations, during the reporting period. Actual results could differ from those estimates.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[4] Investments:

Investments are reported at fair value with gains and losses included in the statement of activities and changes in net assets. Dividend and interest income is recorded as earned.

The Foundation invests in equity securities. Such investments are exposed to market and credit risk. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the values of such investments, it is at least reasonably possible that the amounts reported in the financial statements could change materially in the near term.

[5] Pledges receivable:

Pledges receivable represent unconditional promises to give by donors and are recorded at net realizable value. Pledges receivables are periodically reviewed by management for collectability. Bad debts are provided for on the allowance method based on historical experience and management’s evaluation of outstanding contributions and other receivables. Accounts are written off when they are deemed uncollectible. Management has determined that an allowance is not deemed necessary as of December 31, 2018. The pledges receivable as of December 31, 2018 are all due within one year of the statement of financial position date.

[6] Revenue recognition:

Special event revenue is recognized when the event takes place.

Contributions, including unconditional promises to give, are recognized as revenue when such amounts are received by the Foundation. Conditional contributions are not recognized until the conditions are satisfied.

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions depending on the existence and/or nature of any donor restrictions.

[7] Contributed services:

The Foundation recognizes contributions of services received if such services (a) create or enhance nonfinancial assets, or (b) require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not contributed. The Foundation records donated professional services at the respective fair values of the services received.

During 2018, the Foundation received contributed services of $31,721.

In addition, the Foundation receives services from a large number of volunteers who give significant amounts of their time to the Foundation’s administration and management and program services. No amounts have been included for these types of donated services, as they do not meet the criteria outlined above.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[8] Grants payable:

The Foundation's Board of Directors has final authority over grant-making decisions. Unconditional grants to be awarded to others are recorded as an expense and liability when approved by the Foundation's Board of Directors and communicated (promised) to the grantee. All grant liabilities as of December 31, 2018 are payable within one year of the respective statement of financial position date.

[9] Functional allocation of expenses:

The costs of providing the Foundation's program and other activities have been summarized on a functional basis in the statement of functional expenses. Directly identifiable expenses are charged to program services, general and administrative, and fundraising expenses.

[10] Costs of direct benefit to donors:

The Foundation conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct costs of the benefits received by the participant at the event. The direct costs of the special events which ultimately benefit the donor rather than the Foundation are recorded as a deduction from the special events revenue.

[11] Federal tax status:

The Internal Revenue Service has classified the Foundation as exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("Code"); as an organization, contributions to which are deductible under Section 170(c) of the Code; and as an organization that is not a private foundation as defined in Section 509(a) of the Code.

U.S. GAAP requires management to evaluate tax positions taken and recognize a tax liability, if the Foundation has taken an uncertain tax position that more likely than not would not be sustained upon examination by a government authority. Management has analyzed the tax positions taken by the Foundation and has concluded that as of December 31, 2018, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Foundation recognizes interest and penalties associated with income taxes, if any, as part of general and administrative expenses. There were no income tax related interest and penalties recorded for the year ended December 31, 2018.

[12] Advertising and promotional costs:

Advertising and promotional costs are expensed in the year incurred. Advertising expense for the year ended December 31, 2018 was $769.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[13] New accounting pronouncement:

In August 2016, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 amends the presentation and disclosures to help not-for-profit organizations provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 includes qualitative and quantitative requirements in the following areas: a) net asset classes, b) investment return, c) expenses, d) liquidity and availability of resources, and e) presentation of operating cash flows. ASU 2016-14 is effective for annual reporting periods after December 15, 2017. The Foundation has adopted the ASU as of and for the year ended December 31, 2018. The adoption of ASU 2016-14 required reclassification of net asset classes and additional disclosures related to liquidity and availability of resources and enhanced disclosures relating to allocation of functional expenses and Board designated net assets.

[14] Upcoming accounting pronouncement:

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 clarifies and improves guidance concerning, 1) the determination whether a transaction should be accounted for as an exchange transaction or as a contribution, and 2) whether a contribution received is conditional. ASU 2018-08 is effective for annual periods beginning after December 15, 2018 for entities that are resource recipients and for annual periods beginning after December 15, 2019 for entities that are resource providers, with early adoption permitted. ASU 2018-08 should be applied on a modified prospective basis. Management is currently evaluating the effect that this new guidance will have on its financial statements and related disclosures.

NOTE C - CASH

As of December 31, 2018, cash consists of the following:

Donations and research account	$ 69,655
Operations	52,568
Cash held in investment account	242,186
	$ 364,409

100% of public donations received are deposited into the donations and research account, which is used exclusively for the funding of research grants.

All administrative and fundraising expenses of the Foundation are paid out of the operations account, which is funded by receipts from private donors.

NOTE D - LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following as of December 31, 2018:

Cash	$ 364,409
Investments	595,285
Pledges receivable	5,000
	$ 964,694

General expenditures include program services expenses, general and administrative expenses, and fundraising expenses.

As part of the Foundation's liquidity management plan, the Foundation structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Foundation invests cash in excess of daily requirements in exchange-traded funds.

NOTE E - INVESTMENTS

The following is a summary of investments at fair value as of December 31, 2018:

Common stock	$ 91,513
Money market funds	503,772
	$ 595,285

NOTE F - CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash in bank accounts in amounts which, at times, may exceed federally insured limits. The Foundation has not experienced any losses in such accounts, and management believes that the Foundation is not exposed to any significant risk of loss on these accounts. Likewise, the Foundation's investments are held at major financial institutions.

NOTE G - FAIR VALUE MEASUREMENTS

The fair value of each investment is determined at the statement of financial position date in accordance with FASB ASC Topic 820, *Fair Value Measurements and Disclosures*. Accordingly, fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between participants in the market in which the reporting entity transacts, and fair value measurements are separately disclosed by level within the following fair value hierarchy.

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

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in inactive markets; or inputs that are derived principally from or corroborated by observable market data.

Level 3 – Unobservable inputs that are supported by little or no market activity that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or other valuation techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The Foundation's investments consist of two common stocks and a money market fund and are considered to be Level 1 as their value is based on quoted market prices in an active market.

NOTE H - NET ASSETS WITH DONOR RESTRICTIONS

Net assets of $27,350 were released from restrictions due to the passage of time, and were used for general operations for the year ended December 31, 2018.

NOTE I - SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through November 1, 2019, which is the date the financial statements were available to be issued.