



Children's Tumor Foundation, Inc. and Affiliate

**Consolidated Financial Statements
and Supplementary Information
(Together with Independent Auditors' Report)**

Years Ended December 31, 2020 and 2019

M A R K S P A N E T H

ACCOUNTANTS & ADVISORS

CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
(Together with Independent Auditors' Report)**

YEARS ENDED DECEMBER 31, 2020 AND 2019

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of the
Children's Tumor Foundation, Inc. and Affiliate

We have audited the accompanying consolidated financial statements of the Children's Tumor Foundation, Inc. and Affiliate (the "Foundation"), which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements of the Foundation as a whole. The supplementary information on pages 17-19 is presented for the purpose of additional analysis of the consolidated financial statements rather than to present the financial position and changes in net assets of the individual organizations and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplementary information has been subjected to the auditing procedures applied in our audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Marks Paneth LLP

New York, NY
July 27, 2021

**CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020 AND 2019**

	2020	2019
ASSETS		
Cash and cash equivalents (Notes 2J and 11)	\$ 9,647,240	\$ 8,026,594
Accounts receivable	253,760	56,336
Pledges and other receivables, net (Notes 2H and 4)	2,615,529	1,477,275
Investments (Notes 2J, 5 and 7)	9,931,785	9,182,468
Prepaid expenses and other	394,983	339,537
Security deposit	45,533	91,065
Property and equipment, net (Notes 2L and 6)	205,313	50,104
TOTAL ASSETS	\$ 23,094,143	\$ 19,223,379
LIABILITIES		
Accounts payable and accrued expenses	\$ 626,569	\$ 414,054
Grants payable (Notes 2N and 10)	1,384,039	925,196
Deferred revenue (Note 2O)	348,920	-
Assets held in trust (Note 7)	195,800	195,800
TOTAL LIABILITIES	2,555,328	1,535,050
COMMITMENTS AND CONTINGENCIES (Note 12)		
NET ASSETS (Note 2B)		
Without donor restrictions (Notes 8 and 13B)	9,394,222	7,112,042
With donor restrictions (Note 13A)	11,144,593	10,576,287
TOTAL NET ASSETS	20,538,815	17,688,329
TOTAL LIABILITIES AND NET ASSETS	\$ 23,094,143	\$ 19,223,379

The accompanying notes are an integral part of these consolidated financial statements.

**CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	Year Ended December 31, 2020			Year Ended December 31, 2019		
	Without Donor Restrictions	With Donor Restrictions	Total 2020	Without Donor Restrictions	With Donor Restrictions	Total 2019
OPERATING SUPPORT AND REVENUE:						
Contributions - individuals (Note 2E)	\$ 5,501,705	\$ 536,490	\$ 6,038,195	\$ 3,087,017	\$ 7,319,610	\$ 10,406,627
Contributions - corporations and foundations (Note 2E)	16,619	3,294,034	3,310,653	3,060,293	1,072,439	4,132,732
Bequests (Notes 2H and 8)	580,538	-	580,538	878,802	-	878,802
Contributed goods and services (Note 2F)	17,684	-	17,684	23,581	-	23,581
Other income	995,628	-	995,628	1,582,275	-	1,582,275
Government grants (Note 12D)	691,400	-	691,400	-	-	-
	<u>7,803,574</u>	<u>3,830,524</u>	<u>11,634,098</u>	<u>8,631,968</u>	<u>8,392,049</u>	<u>17,024,017</u>
Special event revenue:						
Special event revenue	-	-	-	780,795	-	780,795
Virtual events revenue	1,084,549	-	1,084,549	-	-	-
Less: direct benefits to donors (Note 2P)	-	-	-	(107,115)	-	(107,115)
Special event revenue, net	<u>1,084,549</u>	<u>-</u>	<u>1,084,549</u>	<u>673,680</u>	<u>-</u>	<u>673,680</u>
Net assets released from restrictions (Notes 2B, 2E and 13A)	<u>3,262,218</u>	<u>(3,262,218)</u>	<u>-</u>	<u>2,863,059</u>	<u>(2,863,059)</u>	<u>-</u>
TOTAL OPERATING SUPPORT AND REVENUE	<u>12,150,341</u>	<u>568,306</u>	<u>12,718,647</u>	<u>12,168,707</u>	<u>5,528,990</u>	<u>17,697,697</u>
EXPENSES (Note 2C):						
Program services:						
Research and medical	6,337,474	-	6,337,474	6,751,592	-	6,751,592
Public education and patient support	2,337,711	-	2,337,711	2,691,715	-	2,691,715
Total program services	<u>8,675,185</u>	<u>-</u>	<u>8,675,185</u>	<u>9,443,307</u>	<u>-</u>	<u>9,443,307</u>
Supporting services:						
Management and general	910,533	-	910,533	946,277	-	946,277
Fundraising	815,402	-	815,402	877,648	-	877,648
Total supporting services	<u>1,725,935</u>	<u>-</u>	<u>1,725,935</u>	<u>1,823,925</u>	<u>-</u>	<u>1,823,925</u>
TOTAL EXPENSES	<u>10,401,120</u>	<u>-</u>	<u>10,401,120</u>	<u>11,267,232</u>	<u>-</u>	<u>11,267,232</u>
CHANGE IN NET ASSETS FROM OPERATIONS	<u>1,749,221</u>	<u>568,306</u>	<u>2,317,527</u>	<u>901,475</u>	<u>5,528,990</u>	<u>6,430,465</u>
NON-OPERATING ACTIVITY:						
Investment activity (Note 5)	532,959	-	532,959	745,552	-	745,552
TOTAL NON-OPERATING ACTIVITY	<u>532,959</u>	<u>-</u>	<u>532,959</u>	<u>745,552</u>	<u>-</u>	<u>745,552</u>
CHANGE IN NET ASSETS	<u>2,282,180</u>	<u>568,306</u>	<u>2,850,486</u>	<u>1,647,027</u>	<u>5,528,990</u>	<u>7,176,017</u>
Net assets - beginning of year	7,112,042	10,576,287	17,688,329	5,465,015	5,047,297	10,512,312
NET ASSETS - END OF YEAR	<u>\$ 9,394,222</u>	<u>\$ 11,144,593</u>	<u>\$ 20,538,815</u>	<u>\$ 7,112,042</u>	<u>\$ 10,576,287</u>	<u>\$ 17,688,329</u>

The accompanying notes are an integral part of these consolidated financial statements.

CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Totals for the Year Ended December 31, 2019)

	Program Services			Supporting Services			Total 2020	Total 2019
	Research and Medical	Public Education and Patient Support	Total Program Services	Management and General	Fundraising	Total Supporting Services		
Salaries and Related Costs:								
Salaries	\$ 1,737,603	\$ 1,210,924	\$ 2,948,527	\$ 318,427	\$ 286,111	\$ 604,538	\$ 3,553,065	\$ 3,377,626
Payroll taxes and employee benefits (Note 9)	318,787	256,784	575,571	106,278	74,468	180,746	756,317	707,890
Total Salaries and Related Costs	2,056,390	1,467,708	3,524,098	424,705	360,579	785,284	4,309,382	4,085,516
Grants (Notes 2N and 10)	2,913,694	-	2,913,694	-	-	-	2,913,694	3,304,234
Advocacy	270,000	-	270,000	-	-	-	270,000	270,000
Rent (Note 12A)	75,264	90,316	165,580	90,316	45,158	135,474	301,054	304,313
Printing	33,104	53,119	86,223	6,865	23,409	30,274	116,497	145,249
Postage and shipping	20,134	36,220	56,354	5,317	20,039	25,356	81,710	159,928
Supplies	3,374	9,242	12,616	2,113	2,957	5,070	17,686	40,249
Travel	18,312	7,730	26,042	903	1,994	2,897	28,939	184,691
Conference, meetings and events	157,454	202,475	359,929	37,941	147,128	185,069	544,998	721,395
Camp expenses	-	-	-	-	-	-	-	149,750
Insurance	6,551	7,964	14,515	9,939	3,958	13,897	28,412	26,022
Information technology	152,648	113,163	265,811	51,277	34,547	85,824	351,635	266,802
Professional fees	505,956	230,307	736,263	99,408	119,477	218,885	955,148	584,542
Dues and other fees	82,281	64,918	147,199	60,014	30,894	90,908	238,107	247,120
Food and beverage	8,285	14,879	23,164	1,289	4,730	6,019	29,183	457,498
Telephone	7,267	8,720	15,987	8,720	4,360	13,080	29,067	33,717
Equipment rental and maintenance	5,864	7,037	12,901	7,037	3,518	10,555	23,456	20,349
Recruitments	-	-	-	10,000	-	10,000	10,000	34,095
Advertising (Note 2M)	3,996	5,793	9,789	2,408	3,469	5,877	15,666	1,663
Promotional apparel	6,467	3,868	10,335	7,600	2,544	10,144	20,479	116,978
Bad debt (Note 2I)	-	-	-	14,532	-	14,532	14,532	4,137
Miscellaneous	2,469	4,695	7,164	60,592	1,862	62,454	69,618	73,400
Depreciation and amortization (Note 6)	7,964	9,557	17,521	9,557	4,779	14,336	31,857	35,584
TOTAL EXPENSES	\$ 6,337,474	\$ 2,337,711	\$ 8,675,185	\$ 910,533	\$ 815,402	\$ 1,725,935	\$ 10,401,120	\$ 11,267,232

The accompanying notes are an integral part of these consolidated financial statements.

**CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Program Services</u>			<u>Supporting Services</u>			<u>Total 2019</u>
	<u>Research and Medical</u>	<u>Public Education and Patient Support</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total Supporting Services</u>	
Salaries and Related Costs:							
Salaries	\$ 1,558,174	\$ 1,131,572	\$ 2,689,746	\$ 332,641	\$ 355,239	\$ 687,880	\$ 3,377,626
Payroll taxes and employee benefits (Note 9)	291,517	247,013	538,530	92,029	77,331	169,360	707,890
Total Salaries and Related Costs	1,849,691	1,378,585	3,228,276	424,670	432,570	857,240	4,085,516
Grants (Notes 2N and 10)	3,304,234	-	3,304,234	-	-	-	3,304,234
Advocacy	270,000	-	270,000	-	-	-	270,000
Rent (Note 12A)	117,735	74,631	192,366	74,631	37,316	111,947	304,313
Printing	48,762	67,994	116,756	7,682	20,811	28,493	145,249
Postage and shipping	37,834	72,143	109,977	25,108	24,843	49,951	159,928
Supplies	13,235	15,849	29,084	3,108	8,057	11,165	40,249
Travel	70,329	80,941	151,270	12,374	21,047	33,421	184,691
Conference, meetings and events	241,023	333,514	574,537	41,340	105,518	146,858	721,395
Camp expenses	-	149,750	149,750	-	-	-	149,750
Insurance	6,414	8,020	14,434	7,654	3,934	11,588	26,022
Information technology	83,631	88,927	172,558	55,430	38,814	94,244	266,802
Professional fees	271,808	139,981	411,789	82,546	90,207	172,753	584,542
Dues and other fees	82,566	69,757	152,323	62,391	32,406	94,797	247,120
Food and beverage	303,577	115,568	419,145	14,471	23,882	38,353	457,498
Telephone	8,359	10,250	18,609	9,794	5,314	15,108	33,717
Equipment rental and maintenance	5,087	6,105	11,192	6,105	3,052	9,157	20,349
Recruitments	-	-	-	34,095	-	34,095	34,095
Advertising (Note 2M)	380	870	1,250	178	235	413	1,663
Promotional apparel	23,089	60,840	83,929	12,665	20,384	33,049	116,978
Bad debt (Note 2I)	-	-	-	4,137	-	4,137	4,137
Miscellaneous	4,942	7,315	12,257	57,223	3,920	61,143	73,400
Depreciation and amortization (Note 6)	8,896	10,675	19,571	10,675	5,338	16,013	35,584
TOTAL EXPENSES	\$ 6,751,592	\$ 2,691,715	\$ 9,443,307	\$ 946,277	\$ 877,648	\$ 1,823,925	\$ 11,267,232

The accompanying notes are an integral part of these consolidated financial statements.

**CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 2,850,486	\$ 7,176,017
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	31,857	35,584
Realized loss on investments	778	122
Unrealized gain on investments	(412,160)	(545,562)
Bad debt	14,532	4,137
Loss on disposal of property and equipment	-	121
Subtotal	2,485,493	6,670,419
Changes in assets and liabilities:		
(Increase) or decrease in assets:		
Accounts receivable	(197,424)	(56,336)
Pledges and other receivables	(1,152,786)	(806,912)
Prepaid expenses and other	(55,446)	(149,569)
Security deposit	45,532	(74,549)
(Decrease) or increase in liabilities:		
Accounts payable and accrued expenses	212,515	50,367
Deferred rent and other liabilities	348,920	-
Grants payable	458,843	274,901
Net Cash Provided by Operating Activities	2,145,647	5,908,321
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	230,194	1,650
Purchases of investments	(568,129)	(958,970)
Purchases of property and equipment	(187,066)	(53,500)
Net Cash Used in Investing Activities	(525,001)	(1,010,820)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,620,646	4,897,501
Cash and cash equivalents - beginning of year	8,026,594	3,129,093
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 9,647,240	\$ 8,026,594

The accompanying notes are an integral part of these consolidated financial statements.

CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 1—NATURE OF THE ORGANIZATION

The Children's Tumor Foundation, Inc. ("CTF") was incorporated in 1978 as a not-for-profit corporation under the laws of the State of New York and is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and similar rules in New York State. It has been designated as a publicly supported organization which is not a private foundation and accordingly, does not provide for state and federal income taxes. CTF was formed to sponsor scientific research aimed at finding the cause and effective treatment for neurofibromatosis, to promote the development of diagnostic procedures and assist in the development of clinical centers in the United States and to develop programs that will increase public awareness of neurofibromatosis.

Children's Tumor Foundation Europe ("CTF EU") is a foundation organized in Belgium and is operated to sponsor scientific research aimed at finding the cause and effective treatment for neurofibromatosis, to promote the development of diagnostic procedures and assist in the development of clinical centers in Europe. Under Belgian law, CTF cannot receive title to the assets held by CTF EU and CTF EU is not a subsidiary of CTF. CTF has the ability to appoint the directors of CTF EU and the operations of CTF EU are reported in CTF's consolidated financial statements.

Collectively, CTF and CTF EU are referred to as the "Foundation."

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. The Foundation's consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").
- B. Net assets, revenues, gains and losses 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:
 - Without donor restrictions – These represent resources of the Foundation that have not been restricted by the donor and that have no time restrictions. Such resources are available for support of the Foundation's operations over which the Board of Directors has discretionary control. Contributions are considered available for general operating use unless specifically restricted by the donor. The Board maintains a Board designated endowment fund in this net asset class, as further described in Note 8.
 - With donor restrictions – These consist of funds that are restricted by donors which permit the Foundation to expend the assets as specified and are satisfied either by passage of time or by actions of the Foundation. Resources of this nature originate from gifts, grants, bequests, and investment income earned on restricted funds. When a donor restriction expires, these are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. This net asset class might also include those resources which have a permanent donor-imposed restriction which stipulates that the assets are to be maintained permanently, but permits the Foundation to expend part or all of the income derived from the donated assets. The Foundation had no permanent donor-imposed restricted net assets.
- C. The Foundation allocates expenses on a functional basis among its various programs and support services. Expenses that can be identified as belonging to a specific program and/or support service are allocated directly according to their natural expenditure classification. The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, which is allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated on the basis of estimated time and effort.

CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- D. The Foundation records rent expense for operating leases with scheduled rent increases for free rent periods on a straight-line basis over the term of the lease with the difference between the expense and rental payments recorded as an increase or decrease to the deferred rent liability in the consolidated statements of financial position.
- E. Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are reported at fair value. Support that is restricted by the donor is reported as an increase in net assets with donor restrictions depending on the nature of the restriction until the restriction's conditions are satisfied, at which time net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.
- F. Grants and contributions are nonexchange transactions and accounted for under Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2018-08, Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made (Topic 958). Contributions are recognized as revenue when barriers within the contract are overcome, and there is no right of return/release from obligation.

As of December 31, 2020, the Foundation received a conditional grant of \$666,666 from an individual donor. Such grants have not been recognized in the accompanying consolidated financial statements as they are for future periods and will be recognized when contract barriers, which are awarding grants for Schwannomatosis, are overcome. Such barriers include expending these funds in accordance with their agreements. If grants are not awarded for Schwannomatosis, the donor is not obligated to expend the funds allotted under the grant.

- G. The Foundation reports gifts of media time and space, land, building, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Such donations are recorded at their estimated fair value on the date received. Gifts of long-lived assets with explicit donor restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as donor restricted support.

The Foundation pays for services requiring specific expertise. However, success in conducting and reaching its mission is also dependent on attracting the many individuals that volunteer their time and perform a variety of tasks that assist the Foundation with specific programs, campaign solicitations and fundraising events. However, these donated services are not reflected in the consolidated financial statements since the services do not require specialized skills. Specialized services which are donated and are quantified are reflected in the accompanying consolidated financial statements at their fair value on the date of receipt. For the years ended December 31, 2020 and 2019, the Foundation did not have contributed services. Significant materials and other assets received as donations are recorded and reflected in the accompanying financial statements at their fair values at the date of receipt. For the years ended December 31, 2020 and 2019, the Foundation recognized contributed goods used for fundraising in the amounts of \$17,864 and \$23,581, respectively.

- H. Bequests are recognized when a will has passed through probate and the Foundation is notified that all disputes are resolved and funds are forthcoming.

CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- I. Unconditional promises to give that are expected to be collected within one year are recorded as pledges receivable at net realizable value. Unconditional promises to give that are expected to be collected in future years are computed using risk-adjusted interest rates applicable to the years in which the promises are received, unless such discount is immaterial. Conditional promises to give are not included as support until the conditions are substantially met. As of December 31, 2020 and 2019, the Foundation determined an allowance for doubtful accounts related to pledges and other receivables was not necessary. This determination is based on a combination of factors, such as management's estimate of the creditworthiness of the contributors, a review of individual accounts outstanding, and the aged basis of the receivable and historical experience.
- J. The Foundation considers all highly liquid investments with a maturity of three months or less when acquired to be cash and cash equivalents, except for money market funds held in the Foundation's investment accounts.
- K. Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the consolidated statements of financial position. Investments received by gift are initially recorded at their fair value on the date of the gift. Unrealized gains or losses are included in the change in net assets.
- L. Property and equipment is reflected at cost, if purchased, or if donated, at fair market value at the date of receipt. The cost of maintenance and repairs is charged to expense as incurred while significant renewals and betterments are capitalized. The Foundation capitalizes additions and significant improvements in excess of \$1,500 with a useful life of two years or more. Depreciation is computed using the straight-line method over the estimated useful life of the assets. Leasehold improvements are amortized over the lesser of their useful life or the remaining term of the lease.
- M. The Foundation uses advertising and media for public education and relations to promote its national programs. Advertising costs are expensed as incurred and are reflected in the accompanying consolidated statements of functional expenses.
- N. The Foundation approves research and fellowship grant awards subject to periodic reviews of performance. These grants generally are payable in installments over a period of two or three years, upon the approval and acceptance of periodic progress reports provided to the Foundation by the award recipients. Most grants are fully accrued once the recipients accept the grant awards. Unless material, the Foundation does not discount commitments to be paid later than one year to present value. Grants and fellowships are subject to automatic forfeiture if the award recipients do not comply with award stipulations. Grants that are not fully used and get returned to the Foundation are recorded as other income. For the years ended December 31, 2020 and 2019, grants that were returned to the Foundation amounted to \$33,381 and \$164,509, respectively.
- O. Advances paid are reported as deferred revenue until the obligations are performed.
- P. The Foundation conducts special events in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event. These costs are netted against special events revenue and amounted to approximately \$0 and \$107,000 for the years ended December 31, 2020 and 2019, respectively.
- Q. The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the consolidated financial statements. Actual results could differ from those estimates.
- R. The consolidated financial statements have been prepared by including the operations of CTF and CTF EU. All significant intercompany balances and transactions have been eliminated during the consolidation.
- S. Certain reclassifications have been made to the prior year presentation to conform to the current year presentation. Such reclassifications had no effect on net assets as previously reported.

CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 3—LIQUIDITY AND AVAILABILITY OF RESOURCES FOR GENERAL EXPENDITURES

The Foundation receives contributions and promises to give that are restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Foundation manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Foundation maintains current financial assets less current liabilities at a minimum of 30 days operating expenses. The Foundation targets a year-end balance of reserves of undesignated net assets without donor restrictions to meet 15 to 30 days of expected expenditures. To achieve these targets, the entity forecasts its future cash flows and monitors its liquidity quarterly and monitors its reserves annually. During the years ended December 31, 2020 and 2019 the level of liquidity and reserves was managed within the policy requirements.

As of December 31, 2020 and 2019, the financial assets held by the Foundation and the amounts of those financial assets that could readily be made available over the next 12 months to meet general expenditures are as follows:

	<u>2020</u>	<u>2019</u>
Total financial assets	\$ 22,448,314	\$ 18,742,673
Donor-imposed restrictions:		
Assets held in trust	(150,570)	(141,821)
Pledges not due within the next 12 months	<u>(219,680)</u>	<u>(413,334)</u>
Net financial assets after donor-imposed restrictions	22,078,064	18,187,518
Internal designations:		
Board designated endowment funds*	(5,250,101)	(5,378,258)
Strategic reserves*	<u>(4,530,465)</u>	<u>(3,661,665)</u>
Financial assets available to meet cash needs for general expenditures over the next 12 months	<u>\$ 12,297,498</u>	<u>\$ 9,147,595</u>

*The Board designated funds can be undesignated through a Board resolution if needed to cover general expenditures.

NOTE 4—PLEDGES AND OTHER RECEIVABLES, NET

Pledges and other receivables due to the Foundation consist of the following as of December 31:

	<u>2020</u>	<u>2019</u>
Individuals	\$ 1,885,646	\$ 1,313,650
Foundations	655,708	162,625
Corporations	<u>74,175</u>	<u>1,000</u>
Subtotal	2,615,529	1,477,275
Less: allowance for doubtful accounts	<u>-</u>	<u>-</u>
Net	<u>\$ 2,615,529</u>	<u>\$ 1,477,275</u>

Pledges and other receivables are scheduled to be received as follows as of December 31:

	<u>2020</u>	<u>2019</u>
Amount due in less than one year	\$ 2,395,849	\$ 1,063,941
Amount due in one to five years	<u>219,680</u>	<u>413,334</u>
	<u>\$ 2,615,529</u>	<u>\$ 1,477,275</u>

CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 5—INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments consist of the following as of December 31:

	<u>2020</u>	<u>2019</u>
Equities and equity mutual funds	\$ 2,823,119	\$ 2,407,522
Money market funds	5,928,694	5,251,465
Certificates of deposit	177,475	244,544
Fixed income – Mutual funds	150,570	141,821
Fixed income – Corporate bonds	713,092	819,091
Fixed income – Municipal securities	<u>138,835</u>	<u>318,025</u>
	<u>\$ 9,931,785</u>	<u>\$ 9,182,468</u>

Investments are subject to market volatility, which could substantially change the carrying value in the near term.

Investment activity consists of the following for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Interest and dividends	\$ 121,577	\$ 200,112
Realized loss – All other investments	(778)	(122)
Unrealized gain	<u>412,160</u>	<u>545,562</u>
	<u>\$ 532,959</u>	<u>\$ 745,552</u>

In determining fair value, the Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs, to the extent possible in its assessment of fair value.

The fair value hierarchy defines three levels as follows:

Level 1: Valuations based on quoted prices (unadjusted) in an active market that are accessible at the measurement date for identical assets and liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.

Level 2: Valuations based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data.

Level 3: Valuations based on unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Financial assets measured at fair value on a recurring basis as of December 31, 2020 are presented in the following table:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total 2020</u>
Equities and equity mutual funds	\$ 2,823,119	\$ -	\$ 2,823,119
Money market funds	5,928,694	-	5,928,694
Certificates of deposit	-	177,475	177,475
Fixed income – Mutual funds	150,570	-	150,570
Fixed income – Corporate bonds	-	713,092	713,092
Fixed income – Municipal securities	<u>-</u>	<u>138,835</u>	<u>138,835</u>
Total Assets at Fair Value	<u>\$ 8,902,383</u>	<u>\$ 1,029,402</u>	<u>\$ 9,931,785</u>

CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 5—INVESTMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Financial assets measured at fair value on a recurring basis as of December 31, 2019 are presented in the following table:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total 2019</u>
Equities and equity mutual funds	\$ 2,407,522	\$ -	\$ 2,407,522
Money market funds	5,251,465	-	5,251,465
Certificates of deposit	-	244,544	244,544
Fixed income – Mutual funds	141,821	-	141,821
Fixed income – Corporate bonds	-	819,091	819,091
Fixed income – Municipal securities	-	318,025	318,025
Total Assets at Fair Value	<u>\$ 7,800,808</u>	<u>\$ 1,381,660</u>	<u>\$ 9,182,468</u>

Investments in money market funds, equities, equity mutual funds, exchange-traded funds and fixed income mutual funds are valued using market prices in active markets (Level 1). Investments in certificates of deposit, fixed income – corporate bonds and fixed income – municipal securities are designated as Level 2.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period. For the years ended December 31, 2020 and 2019, there were no transfers.

NOTE 6—PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of December 31:

	<u>2020</u>	<u>2019</u>	<u>Estimated Useful Lives</u>
Equipment	\$ 33,290	\$ 29,311	3-5 years
Software	<u>488,409</u>	<u>305,322</u>	3 years
Total cost	521,699	334,633	
Less: accumulated depreciation and amortization	<u>(316,386)</u>	<u>(284,529)</u>	
Net book value	<u>\$ 205,313</u>	<u>\$ 50,104</u>	

Depreciation and amortization expense amounted to \$31,857 and \$35,584 for the years ended December 31, 2020 and 2019, respectively. During the years ended December 31, 2020 and 2019, the Foundation disposed of property and equipment amounting to \$0 and \$207,254, respectively, with accumulated depreciation amounting to \$0 and \$207,133, respectively, and recorded a loss on disposal amounting to \$0 and \$121, respectively.

NOTE 7—ASSETS HELD IN TRUST

The Foundation is in possession of trust assets with conditions imposed by the settlor in a trust. The Foundation has agreed that all trust assets received will be held and invested at the discretion of the Foundation. All income except unrealized gains generated by these investments is to be used for research purposes and none of the corpus can be expended. When certain conditions are fulfilled by the Foundation, the original trust corpus is to be forwarded to another not-for-profit organization as stipulated in the trust document. As of December 31, 2020 and 2019, assets held in trust amounted to \$150,570 and \$141,821, respectively. The amounts are included in investments on the accompanying consolidated statements of financial position. The liability associated with the principal of the trust of \$195,800 as of December 31, 2020 and 2019, is recorded as a liability in the accompanying consolidated statements of financial position.

**CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 8—BOARD DESIGNATED NET ASSETS

The Foundation's Board of Directors established an endowment account without donor restrictions. While recorded in the consolidated statements of financial position as net assets without donor restrictions, the Board of Directors has imposed an internal designation on the use of these funds. Invasions of principal or interest may not be made without the approval of the Board of Directors. All bequests and memorial contributions received by the Foundation are deposited into this fund.

NOTE 9—PENSION PLAN

The Foundation offers a 401(k) retirement plan (the "Plan") to all full-time employees. Under the terms of the Plan, employees who participate may contribute up to an annual maximum allowable limitation as established in the Internal Revenue Code. Additionally, after one year of employment, employees are entitled to a Foundation contribution (currently 4% of salary) which is 100% vested to the employees. Pension expense for the years ended December 31, 2020 and 2019, amounted to \$129,591 and \$116,637, respectively.

NOTE 10—GRANTS PAYABLE

Details of grant awards as of and for the years ended December 31 are as follows:

	<u>2020</u>	<u>2019</u>
Grants payable, beginning of year	\$ 925,196	\$ 650,295
Grants awarded during the year	2,913,694	3,307,234
Grants disbursed during the year	(2,454,851)	(3,029,333)
Grants payable written off	<u>-</u>	<u>(3,000)</u>
Grants payable, end of year	<u>\$ 1,384,039</u>	<u>\$ 925,196</u>

Grants payable are scheduled to be paid subsequent to December 31, 2020, as follows:

2021	\$ 947,509
2022	<u>436,530</u>
	<u>\$ 1,384,039</u>

NOTE 11—CONCENTRATIONS

Cash that potentially subjects the Foundation to a concentration of credit risk includes cash accounts with one financial institution that exceeded the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Accounts are insured up to \$250,000 per depositor, per insured financial institution. As of December 31, 2020 and 2019, there was approximately \$4,495,120 and \$4,634,000, respectively, of cash and cash equivalents held by one bank that exceeded FDIC limits.

NOTE 12—COMMITMENTS AND CONTINGENCIES

- A. During April 2019, the Foundation entered into a new lease agreement at a new location in New York City for two years ending June 30, 2021.

The Foundation is obligated under various lease agreements for the use of equipment through 2021.

Future minimum lease payments amount to \$70,176, payable in 2021.

Total rent expense, inclusive of operating charges, amounted to \$301,054 and \$304,313 for the years ended December 31, 2020 and 2019, respectively.

**CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 12—COMMITMENTS AND CONTINGENCIES (Continued)

- B. The Foundation believes it has no uncertain tax positions as of December 31, 2020 and 2019, in accordance with Accounting Standards Codification (“ASC”) Topic 740, which provides standards for establishing and classifying any tax provisions for uncertain tax positions.
- C. The COVID-19 pandemic remains a rapidly evolving situation. The extent of the impact of COVID-19 on the Foundation’s operations and financial results will depend on future developments, including the duration and spread of the outbreak. Due to the rapidly changing business environment, unprecedented market volatility, and other circumstances resulting from the COVID-19 pandemic, the Foundation is currently unable to fully determine the extent of COVID-19’s impact on its operations in future periods. Management continues to monitor evolving economic and general business conditions and the actual and potential impacts on its financial position and results of operations.
- D. On May 4, 2021, the Foundation received loan proceeds in the amount of \$691,400 under the Paycheck Protection Program (“PPP”) established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”). PPP loans and accrued interest are forgivable after a “covered period” (eight or 24 weeks) if the borrower maintains its payroll levels and uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities. The forgiveness amount will be reduced if the borrower terminates employees or reduces salaries during the covered period. Any unforgiven portion of a PPP loan is payable over two or five years at an interest rate of 1%, with a deferral of payments for 10 months after the end of the covered period.

The Foundation has opted to account for the PPP loan under FASB Topic ASC 958. The Foundation believes that it has met all of the conditions for forgiveness of the PPP loan as of December 31, 2020 and recognized revenue amounting to \$691,400. On December 14, 2020, the Foundation received forgiveness for the entire amount.

On February 23, 2021, the Foundation was approved for a second-draw PPP loan amounting to \$691,400. The terms and conditions of the second-draw loan are the same as in the first loan.

NOTE 13—NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATED FUNDS

A. Net Assets with Donor Restrictions

Net assets with donor restrictions were available for the following purposes as of December 31:

<u>Source</u>	<u>Purpose</u>	<u>2020</u>	<u>2019</u>
Individuals	Schwannomatosis	\$ 160,638	\$ 163,510
Individuals	Neurofibromatosis (“NF”) Accelerator	131,156	491,897
Individuals	NF2 Accelerator	246,953	227,506
Individuals	Time Restricted	-	50,000
Individuals	Family Funds	-	171,400
Individuals	Other	234,622	134,000
Corporation	Communication	165,000	-
Foundation	Family Funds	3,089,375	3,217,240
Foundation	NF2 Accelerator	33,887	49,575
Foundation	Discovery Fund	7,082,832	5,666,159
Foundation	Other	130	405,000
		<u>\$ 11,144,593</u>	<u>\$ 10,576,287</u>

CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

NOTE 13—NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATED FUNDS (Continued)

Net assets with donor restrictions were released from donor restrictions by incurring expenses or the passage of time thus satisfying the restricted purposes specified by the donors during the years ended December 31, as follows:

	<u>2020</u>	<u>2019</u>
General Research	\$ 34,901	\$ 291,565
NF	50,000	144,832
Schwannomatosis	-	338,140
Synodos	6,872	-
NF Accelerator	973,340	942,037
Discovery Fund	1,614,369	531,482
Family Funds	127,866	158,647
Time Restricted	50,000	50,000
Other	<u>404,870</u>	<u>406,356</u>
	<u>\$ 3,262,218</u>	<u>\$ 2,863,059</u>

B. Net Assets Without Restrictions – Board Designated Endowment

The Foundation adheres to the New York Prudent Management of Institutional Funds Act (“NYPMIFA”). NYPMIFA provides for a rebuttable presumption of imprudence if an organization appropriates more than 7% of a donor-restricted permanent endowment fund’s fair value (averaged over a period of not less than the preceding five years) in any year. Any unappropriated earnings that would otherwise be considered without donor restrictions will be reflected as restricted until appropriated. The Foundation had no donor-restricted permanent endowment funds subject to the appropriation provisions of NYPMIFA as of December 31, 2020 and 2019.

FASB Staff Position No. FAS 117-1, “Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act and Enhanced Disclosures for all Endowment Funds,” now codified as ASC 958-205, provides guidance on the net asset classifications of donor-restricted endowment funds for a not-for-profit organization that is subject to the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”). ASC 958-205 also improves disclosure about an organization’s endowment funds, whether or not the organization is subject to UPMIFA.

The Foundation maintains a Board designated endowment fund, as further described in Note 8. However, this fund is not subject to the appropriation provisions of NYPMIFA and, therefore, the Foundation has implemented only the disclosure guidance provided for in ASC 958-205.

Changes in endowment net assets as of December 31, 2020 are as follows:

	Without donor restrictions - Board Designated	Total <u>2020</u>
Investment gain on endowment	\$ 439,809	\$ 439,805
Withdrawals	(567,966)	(567,966)
Endowment net assets, beginning of year	<u>5,378,258</u>	<u>5,378,258</u>
Endowment net assets, end of year	<u>\$ 5,250,101</u>	<u>\$ 5,250,101</u>

**CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019**

NOTE 13—NET ASSETS WITH DONOR RESTRICTIONS AND BOARD DESIGNATED FUNDS (Continued)

Changes in endowment net assets as of December 31, 2019 are as follows:

	Without donor restrictions - <u>Board Designated</u>	Total <u>2019</u>
Investment gain on endowments	\$ 592,513	\$ 592,513
Additions	748,470	748,470
Withdrawals	(1,651)	(1,651)
Endowment net assets, beginning of year	<u>4,038,926</u>	<u>4,038,926</u>
Endowment net assets, end of year	<u>\$ 5,378,258</u>	<u>\$ 5,378,258</u>

NOTE 14—SUBSEQUENT EVENTS

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the consolidated statement of financial position through July 27, 2021, the date the consolidated financial statements were available to be issued.

**CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
CONSOLIDATING SCHEDULES OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020 AND 2019**

	As of December 31, 2020				Total 2019
	CTF United States 2020	CTF Europe 2020	Consolidating Eliminations	Total 2020	
ASSETS					
Cash and cash equivalents (Notes 2J and 11)	\$ 9,484,913	\$ 162,327	\$ -	\$ 9,647,240	\$ 8,026,594
Accounts receivable	-	264,747	(10,987)	253,760	56,336
Pledges and other receivables, net (Notes 2H and 4)	2,615,529	-	-	2,615,529	1,477,275
Investments (Notes 2J, 5 and 7)	9,931,785	-	-	9,931,785	9,182,468
Prepaid expenses and other	394,983	550	(550)	394,983	339,537
Security deposit	45,533	-	-	45,533	91,065
Property and equipment, net (Notes 2L and 6)	205,313	-	-	205,313	50,104
TOTAL ASSETS	\$ 22,678,056	\$ 427,624	\$ (11,537)	\$ 23,094,143	\$ 19,223,379
LIABILITIES					
Accounts payable and accrued expenses	\$ 638,106	\$ -	\$ (11,537)	\$ 626,569	\$ 414,054
Grants payable (Notes 2N and 10)	1,384,039	-	-	1,384,039	925,196
Deferred revenue (Note 2O)	-	348,920	-	348,920	-
Assets held in trust (Note 7)	195,800	-	-	195,800	195,800
TOTAL LIABILITIES	2,217,945	348,920	(11,537)	2,555,328	1,535,050
COMMITMENTS AND CONTINGENCIES (Note 12)					
NET ASSETS (Note 2B)					
Without donor restrictions (Notes 8 and 13B)	9,364,060	30,162	-	9,394,222	7,112,042
With donor restrictions (Note 13A)	11,096,051	48,542	-	11,144,593	10,576,287
TOTAL NET ASSETS	20,460,111	78,704	-	20,538,815	17,688,329
TOTAL LIABILITIES AND NET ASSETS	\$ 22,678,056	\$ 427,624	\$ (11,537)	\$ 23,094,143	\$ 19,223,379

**CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
CONSOLIDATING SCHEDULES OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	Year Ended December 31, 2020								
	CTF United States			CTF Europe			Consolidating Eliminations	Total 2020	Total 2019
	Without Donor Restrictions	With Donor Restrictions	Total 2020	Without Donor Restrictions	With Donor Restrictions	Total 2020			
OPERATING SUPPORT AND REVENUE:									
Contributions - individuals (Note 2E)	\$ 5,455,238	\$ 487,948	\$ 5,943,186	\$ 46,467	\$ 48,542	\$ 95,009	\$ -	\$ 6,038,195	\$ 10,406,627
Contributions - corporations and foundations (Note 2E)	16,619	3,294,034	3,310,653	-	-	-	-	3,310,653	4,132,732
Bequests (Notes 2H and 8)	580,538	-	580,538	-	-	-	-	580,538	878,802
Contributed goods and services (Note 2F)	17,684	-	17,684	-	-	-	-	17,684	23,581
Other income	995,628	-	995,628	-	-	-	-	995,628	1,582,275
Government grants (Note 12D)	691,400	-	691,400	-	-	-	-	691,400	-
	<u>7,757,107</u>	<u>3,781,982</u>	<u>11,539,089</u>	<u>46,467</u>	<u>48,542</u>	<u>95,009</u>	<u>-</u>	<u>11,634,098</u>	<u>17,024,017</u>
Special event revenue:									
Special event revenue	-	-	-	-	-	-	-	-	780,795
Virtual events revenue	1,084,549	-	1,084,549	-	-	-	-	1,084,549	-
Less: direct benefits to donors	-	-	-	-	-	-	-	-	(107,115)
Special event revenue, net (Note 2P)	<u>1,084,549</u>	<u>-</u>	<u>1,084,549</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,084,549</u>	<u>673,680</u>
Net assets released from restrictions (Notes 2B, 2E and 13A)	<u>3,262,218</u>	<u>(3,262,218)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OPERATING SUPPORT AND REVENUE	<u>12,103,874</u>	<u>519,764</u>	<u>12,623,638</u>	<u>46,467</u>	<u>48,542</u>	<u>95,009</u>	<u>-</u>	<u>12,718,647</u>	<u>17,697,697</u>
EXPENSES (Note 2C):									
Program services:									
Research and medical	6,326,821	-	6,326,821	10,653	-	10,653	-	6,337,474	6,751,592
Public education and patient support	2,337,711	-	2,337,711	-	-	-	-	2,337,711	2,691,715
Total program services	<u>8,664,532</u>	<u>-</u>	<u>8,664,532</u>	<u>10,653</u>	<u>-</u>	<u>10,653</u>	<u>-</u>	<u>8,675,185</u>	<u>9,443,307</u>
Supporting services:									
Management and general	904,881	-	904,881	5,652	-	5,652	-	910,533	946,277
Fundraising	815,402	-	815,402	-	-	-	-	815,402	877,648
Total supporting services	<u>1,720,283</u>	<u>-</u>	<u>1,720,283</u>	<u>5,652</u>	<u>-</u>	<u>5,652</u>	<u>-</u>	<u>1,725,935</u>	<u>1,823,925</u>
TOTAL EXPENSES	<u>10,384,815</u>	<u>-</u>	<u>10,384,815</u>	<u>16,305</u>	<u>-</u>	<u>16,305</u>	<u>-</u>	<u>10,401,120</u>	<u>11,267,232</u>
CHANGE IN NET ASSETS FROM OPERATIONS	<u>1,719,059</u>	<u>519,764</u>	<u>2,238,823</u>	<u>30,162</u>	<u>48,542</u>	<u>78,704</u>	<u>-</u>	<u>2,317,527</u>	<u>6,430,465</u>
NON-OPERATING ACTIVITY:									
Investment activity (Note 5)	<u>532,959</u>	<u>-</u>	<u>532,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>532,959</u>	<u>745,552</u>
TOTAL NON-OPERATING ACTIVITY	<u>532,959</u>	<u>-</u>	<u>532,959</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>532,959</u>	<u>745,552</u>
CHANGE IN NET ASSETS	<u>2,252,018</u>	<u>519,764</u>	<u>2,771,782</u>	<u>30,162</u>	<u>48,542</u>	<u>78,704</u>	<u>-</u>	<u>2,850,486</u>	<u>7,176,017</u>
Net assets - beginning of year	<u>7,112,042</u>	<u>10,576,287</u>	<u>17,688,329</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,688,329</u>	<u>10,512,312</u>
NET ASSETS - END OF YEAR	<u>\$ 9,364,060</u>	<u>\$ 11,096,051</u>	<u>\$ 20,460,111</u>	<u>\$ 30,162</u>	<u>\$ 48,542</u>	<u>\$ 78,704</u>	<u>\$ -</u>	<u>\$ 20,538,815</u>	<u>\$ 17,688,329</u>

CHILDREN'S TUMOR FOUNDATION, INC. AND AFFILIATE
CONSOLIDATING SCHEDULES OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Comparative Totals for the Year Ended December 31, 2019)

	For the Year Ended December 31, 2020												
	CTF United States						CTF Europe						
	Program Services			Supporting Services			Program Services			Management and General		Total	
	Research and Medical	Public Education and Patient Support	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total	Program Services	Management and General	Total	Consolidating Eliminations	Total 2020	Total 2019
Salaries and Related Costs:													
Salaries	\$ 1,737,603	\$ 1,210,924	\$ 2,948,527	\$ 318,427	\$ 286,111	\$ 604,538	\$ 3,553,065	\$ -	\$ -	\$ -	\$ -	\$ 3,553,065	\$ 3,377,626
Payroll taxes and employee benefits (Note 9)	318,787	256,784	575,571	106,278	74,468	180,746	756,317	-	-	-	-	756,317	707,890
Total Salaries and Related Costs	2,056,390	1,467,708	3,524,098	424,705	360,579	785,284	4,309,382	-	-	-	-	4,309,382	4,085,516
Grants (Notes 2N and 10)	2,913,694	-	2,913,694	-	-	-	2,913,694	-	-	-	-	2,913,694	3,304,234
Advocacy	270,000	-	270,000	-	-	-	270,000	-	-	-	-	270,000	270,000
Rent (Note 12A)	75,284	90,316	165,580	90,316	45,158	135,474	301,054	-	-	-	-	301,054	304,313
Printing	33,104	53,119	86,223	6,865	23,409	30,274	116,497	-	-	-	-	116,497	145,249
Postage and shipping	20,134	36,220	56,354	5,317	20,039	25,356	81,710	-	-	-	-	81,710	159,928
Supplies	3,374	9,242	12,616	2,113	2,957	5,070	17,686	-	-	-	-	17,686	40,249
Travel	18,312	7,730	26,042	903	1,994	2,897	28,939	-	-	-	-	28,939	184,691
Conference, meetings and events	157,454	202,475	359,929	37,941	147,128	185,069	544,998	-	-	-	-	544,998	721,395
Camp expenses	-	-	-	-	-	-	-	-	-	-	-	-	149,750
Insurance	6,551	7,964	14,515	7,847	3,958	11,805	26,320	-	2,092	2,092	-	28,412	26,022
Information technology	152,648	113,163	265,811	51,277	34,547	85,824	351,635	-	-	-	-	351,635	266,802
Professional fees	495,303	230,307	725,610	95,889	119,477	215,366	940,976	10,653	3,519	14,172	-	955,148	584,542
Dues and other fees	82,281	64,918	147,199	60,014	30,894	90,908	238,107	-	-	-	-	238,107	247,120
Food and beverage	8,285	14,879	23,164	1,289	4,730	6,019	29,183	-	-	-	-	29,183	457,498
Telephone	7,267	8,720	15,987	8,720	4,360	13,080	29,067	-	-	-	-	29,067	33,717
Equipment rental and maintenance	5,864	7,037	12,901	7,037	3,518	10,555	23,456	-	-	-	-	23,456	20,349
Recruitments	-	-	-	10,000	-	10,000	10,000	-	-	-	-	10,000	34,095
Advertising (Note 2M)	3,996	5,793	9,789	2,408	3,469	5,877	15,666	-	-	-	-	15,666	1,663
Promotional apparel	6,467	3,868	10,335	7,600	2,544	10,144	20,479	-	-	-	-	20,479	116,978
Bad debt (Note 2I)	-	-	-	14,532	-	14,532	14,532	-	-	-	-	14,532	4,137
Miscellaneous	2,469	4,695	7,164	60,551	1,862	62,413	69,577	-	41	41	-	69,618	73,400
Depreciation and amortization (Note 6)	7,964	9,557	17,521	9,557	4,779	14,336	31,857	-	-	-	-	31,857	35,584
TOTAL EXPENSES	\$ 6,326,821	\$ 2,337,711	\$ 8,664,532	\$ 904,881	\$ 815,402	\$ 1,720,283	\$ 10,384,815	\$ 10,653	\$ 5,652	\$ 16,305	\$ -	\$ 10,401,120	\$ 11,267,232