

**CANDLELIGHTERS FOR CHILDHOOD
CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD
CANCER FOUNDATION OF NEVADA**

FINANCIAL STATEMENTS

DECEMBER 31, 2020

CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
FINANCIAL STATEMENTS
DECEMBER 31, 2020

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Independent Auditor's Report

**To the Board of Directors of
Candlelighters for Childhood Cancer of Southern Nevada, Inc.
dba Candlelighters Childhood Cancer Foundation of Nevada**

We have audited the accompanying financial statements of Candlelighters for Childhood Cancer of Southern Nevada, Inc. dba Candlelighters Childhood Cancer Foundation of Nevada (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Candlelighters for Childhood Cancer of Southern Nevada, Inc. dba Candlelighters Childhood Cancer Foundation of Nevada 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.

Ellsworth & Stout, LLC

Las Vegas, Nevada
May 13, 2021



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**CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTER CHILDHOOD CANCER FOUNDATION OF NEVADA
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020**

ASSETS

Current Assets:

Cash and cash equivalents	\$ 839,489
Pledges receivable, net	10,000
Investments	1,061,711
Prepaid expenses and other assets	47,992
Total current assets	<u>1,959,192</u>

Property and Equipment, net	9,247
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Other Assets:

Deposits	4,220
Total Assets	<u><u>\$ 1,972,659</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities:

Accounts payable	\$ 20,747
Accrued expenses	12,676
Grants received in advance	60,000
Current maturities of capital lease obligations	2,576
Current maturities of long-term debt	56,851
Total current liabilities	<u>152,850</u>

Long-Term Liabilities:

Capital lease obligation, net of current maturities	641
Long-term debt, net of current maturities	57,811
Total long-term liabilities	<u>58,452</u>
Total Liabilities	<u>211,302</u>

Net Assets:

Without donor restrictions	1,595,331
With donor restrictions	166,026
Total Net Assets	<u>1,761,357</u>
Total Liabilities and Net Assets	<u><u>\$ 1,972,659</u></u>

See accompanying notes to the financial statements.

CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

Net Assets without Donor Restrictions

Revenue and other support:

Contribution and grant revenue	\$ 820,191
Special events, net of direct costs of \$39,799	177,408
In-kind contributions	45,738
Investment income	39,248
Net assets released from donor restrictions	386,838
	<u>1,469,423</u>

Expenses:

Program services	1,170,059
Supporting services:	
Management and general	72,952
Fundraising	125,027
	<u>1,368,038</u>

Other increase (decrease):

Net realized and unrealized gain on investments	<u>82,144</u>
Increase in net assets without donor restrictions	<u>183,529</u>

Net Assets with Donor Restrictions

Contributions	462,919
Net assets released from donor restrictions	<u>(386,838)</u>
Increase in net assets with donor restrictions	<u>76,081</u>

Increase in Net Assets

259,610

Net Assets, Beginning of Year

1,501,747

Net Assets, End of Year

\$ 1,761,357

See accompanying notes to the financial statements.

CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program	Management and General	Fundraising	Total
Advertising	\$ 492	\$ 184	\$ 553	\$ 1,229
Bank and credit card fees	14,909	1,455	1,818	18,182
Depreciation and amortization	7,255	854	427	8,536
Direct costs of programs	449,782	-	-	449,782
Equipment rental and maintenance	12,340	1,452	726	14,518
Fundraising	-	-	75,298	75,298
Insurance	11,725	1,380	690	13,795
Licenses, dues and subscriptions	10,106	1,189	595	11,890
Office supplies	9,973	1,330	1,995	13,298
Postage and delivery	2,538	159	476	3,173
Printing and publications	6,511	1,302	5,208	13,021
Professional fees	93,474	10,997	5,498	109,969
Rent and utilities	78,497	9,235	4,618	92,350
Salaries, taxes and benefits	470,578	43,272	27,045	540,895
Travel and conferences	1,285	118	74	1,477
Volunteer expenses	594	25	6	625
	<u>\$ 1,170,059</u>	<u>\$ 72,952</u>	<u>\$ 125,027</u>	<u>\$ 1,368,038</u>

See accompanying notes to the financial statements.

**CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020**

Cash Flows from Operating Activities

Increase in net assets	\$ 259,610
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Accrued interest on PPP loan	762
Depreciation and amortization	8,536
Net realized and unrealized gain on investments	(82,144)
Changes in operating assets and liabilities:	
(Increase) decrease in pledges receivable	10,000
(Increase) decrease in prepaid expenses and other assets	(10,875)
Increase (decrease) in accounts payable	3,518
Increase (decrease) in grants received in advance	22,451
Increase (decrease) in accrued expenses	(16,007)
Net cash provided by operating activities	<u>195,851</u>

Cash Flows from Investing Activities

Purchases of investments	<u>(31,549)</u>
Net cash used in investing activities	<u>(31,549)</u>

Cash Flows from Financing Activities

Principal payments on capital lease obligation	(2,769)
Proceeds from debt borrowings	<u>113,900</u>
Net cash provided by financing activities	<u>111,131</u>

Net Change in Cash and Cash Equivalents 275,433

Cash and Cash Equivalents, Beginning of Year 564,056

Cash and Cash Equivalents, End of Year \$ 839,489

See accompanying notes to the financial statements.

**CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Candlelighters for Childhood Cancer of Southern Nevada, Inc., dba Candlelighters Childhood Cancer Foundation of Nevada (Candlelighters) is presented to assist in understanding Candlelighters' financial statements. The financial statements and notes are representations of Candlelighters' management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Organization

Candlelighters is the first and oldest non-profit organization in Nevada serving families coping with childhood cancer. Two families, each with a child in cancer treatment, founded Candlelighters in 1978, believing that families could find strength, knowledge, and comfort by banding together.

For forty years, our mission has been to provide emotional support, quality of life programs, and financial assistance for children and their families affected by childhood cancer. Our services are a critical lifeline for families facing a cancer diagnosis. On a daily basis, we help families cope with the emotional trauma and financial hardship evoked by a childhood cancer diagnosis. All too often, families fall apart from the stress of the child's diagnosis, treatment, potential relapse, and, sometimes, death, leaving parents and siblings feeling isolated, depressed, and vulnerable. Our purpose is to alleviate the isolation many families feel at the time their child is diagnosed with cancer and provide access to financial resources, mental health services, and family support to ensure their ability to focus on the most critical element of cancer treatment-their child's survival.

Our programs fall into four key areas:

Financial Assistance

Many people do not realize the significant financial stress and hardship a childhood cancer diagnosis creates for a family. While dealing with the emotional impact of a cancer diagnosis and the immediate need to begin treatment, parents also face the unexpected and unplanned increase in financial obligations, commonly associated with a cancer diagnosis. Out of pocket expenses due to medical co-payments, prescription costs, and other additional costs associated with cancer treatment coupled with unpaid time off to care for the diagnosed child creates financial instability within the home. Candlelighters allocates up to \$3,000 per calendar year per family for financial assistance. Qualifying expenses include rent or mortgage, utilities, gas, and local transportation needs.

Candlelighters also provides a medical and prescription co-payment reimbursement program. The reimbursement is based on a sliding scale that factors in household income and number of individuals within the household.

Travel for Treatment

While children typically receive treatment in Southern Nevada, it is not unusual for families and their children to travel to other states for specialized treatments, such as bone marrow transplants and brain tumor treatment. Should a family face the need to travel for care, Candlelighters assists with airfare, lodging, car rental, food reimbursement, and gas cards to help offset the financial burden of travel.

Bereavement Support

Candlelighters provides funeral assistance to families whose children lost their battle with cancer. Candlelighters assists the family with a \$5,000 payment towards the funeral costs. Funerals that fall below the allocated amount are paid in full by Candlelighters.

**CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Nature of Organization (Continued)

Emotional Support

Family Counseling

A childhood cancer diagnosis and its aftermath can have emotional and psychological impacts on the entire family. To help families cope, Candlelighters makes available professional counseling services with licensed therapists. These private sessions are free of charge to the families.

Support Groups

Candlelighters also provides regularly occurring support groups for parents, diagnosed children/teens and their siblings.

Quality of Life Programs

To help alleviate the isolation many families feel, Candlelighters provides family-focused opportunities for parents, the diagnosed child, and siblings to connect with other families who understand their journey. These programs are offered in a fun, community setting giving the families a sense of normalcy during and after treatment while creating meaningful and lasting memories. A few of these activities include movie nights, Halloween Bash, holiday parties and a holiday adopt-a-family.

Camp Independent Firefly

Candlelighters offers a medically supervised camp each summer. A five day four night camp is open to any Candlelighters child diagnosed with cancer and their siblings, ages 7-17. Staff lead a robust committee of dedicated volunteers to plan and coordinate camp activities and logistics. Each year, Candlelighters provides 150 camp openings free of charge to families.

Arts/Education Program

Candlelighters recognizes the scientifically proven impact of the arts on reducing stress levels of the child and family and promoting their healing process during treatment. Candlelighters offers art education through a Creative Expressions art program. Proven positive outcomes include: (a) lowered stress and anxiety levels; (b) procedures and treatment conducted with more ease shortening treatment time; (c) shortens hospital stays; (d) improves healing process.

Survivor Scholarships

One of the greatest joys Candlelighters' parents can experience is seeing their child survive cancer and go on to pursue opportunities in higher education. Candlelighters is proud to be able to fund scholarships to surviving children for college, trade and technical schools.

**CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The financial statements of Candlelighters have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Candlelighters presents a classified statement of financial position with additional qualitative information about the availability of resources and liquidity in Note 2.

The accompanying financial statements have been presented in accordance with accounting principles generally accepted in the United States of America applicable to not-for-profit organizations, principally Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Under ASC 958 (as amended by Accounting Standards Update (ASU) 2016-14), Candlelighters is required to report information regarding its financial position and changes in financial position according to two classes of net assets; net assets without donor restrictions and net assets with donor restrictions. The classification of net assets is based on the existence or absence of donor-imposed restrictions. Net assets are released by donor restriction by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other event specified by donors.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, Candlelighters considers all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents.

At various times throughout the year, Candlelighters maintained deposits in financial institutions which exceeded federally insured amounts. Candlelighters has not experienced any losses in these accounts.

Pledges Receivable

Certain Nevada businesses and individuals have made pledges in support of Candlelighters. In accordance with ASC 958, *Not-for-Profit Entities*, the promises to give are recorded at their present value. As of December 31, 2020, no discount on pledges was deemed necessary and all were collected as of the opinion date.

Investments

Investments in debt and equity securities with readily determinable fair values are carried at fair value based on quoted prices in active markets (all Level 1 measurements) in the statement of financial position. Unrealized gains and losses are included in the accompanying statement of activities.

Property and Equipment

Candlelighters capitalizes significant expenditures for property and equipment at cost, generally those that exceed \$500 and have a useful life greater than one year. Property and equipment that are contributed to Candlelighters are recorded at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range between three to ten years.

**CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2020**

Revenue Recognition

In August 2015 the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09 (Topic 606) pertaining to revenue from contracts with customers. This pronouncement was amended by ASU 2020-05 to extend the effective date of this pronouncement for non-public companies to become effective for fiscal years beginning after December 15, 2019, with early adoption permitted. Candlelighters adopted Topic 606 at the beginning of the year ended December 31, 2020. Candlelighters financial statements were not impacted by the adoption of Topic 606.

All donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from donor restrictions.

Contributions may be considered conditional or non-conditional. A conditional contribution exists if a) one or more barrier exists and b) the right to receive or retain payment or delivery of the promised asset depends on meeting those barriers. In cases of ambiguous donor stipulations or stipulations that are not clearly unconditional are presumed to be conditional. Conditional contributions are recognized when conditions have been substantially met or waived by the donor. Non-conditional contributions are recognized when received or right to receive is obtained through documentation.

Grant revenue may be considered a contribution, entirely an exchange transaction, or a combination of the two. If a grant is considered a contribution, it is recognized as described in the above paragraph. If a grant is considered an exchange transaction, it falls under the guidance of Topic 606 and additional steps are taken to ensure correct recording of revenue. The performance obligation is satisfied when the services outlined in the grant contract are rendered. As of December 31, 2020, all exchange grant revenue was recognized at a point in time when services are performed.

Income Taxes

Candlelighters is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no income tax is reflected in the accompanying financial statements. Candlelighters qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as a foundation that is not a private foundation within the meaning of Section 509(a)(1) of the Code.

Management has evaluated the tax positions taken within their tax returns and does not believe there are any significant uncertain positions taken on the returns.

Candlelighters is no longer subject to potential income tax examinations by tax authorities for years prior to 2017.

Allocation Methodology

The statement of functional expenses presents expenditures by both their nature and their function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. All expenses are allocated based on management's estimate of time and effort, except for direct costs of programs and fundraising that have direct expenses.

**CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2020**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributed Materials and Services

Generally, donated materials, if significant in amount, are recorded at their fair market value, provided Candlelighters has a clearly measurable and objective basis for determining the value. In the case of materials where such values cannot reasonably be determined, the donation is not recorded. Donated professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Unpaid volunteers have donated their time to Candlelighters' programs. The value of such services has not been reflected in the accompanying financial statements since the volunteers' time does not meet the criteria for recognition as contributed services.

As of December 31, 2020, the fair values of in-kind contributions are summarized as follows:

Direct costs of programs	<u><u>\$ 45,739</u></u>
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Advertising

Advertising costs are expensed as incurred. Total advertising costs for the year ended December 31, 2020 was \$1,229.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02 (Topic 842) pertaining to Leases. Due to the pandemic, ASU 2020-05 was issued that gives an extension of implementation of ASU 2016-02 for certain entities that have not yet issued their financial statements reflecting the adoption of Leases by June 2020. Therefore, under the amendment, Leases is effective for non-public entities for fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Early application continues to be permitted. Management has not yet evaluated the effects of this standard on Candlelighters financial statements.

NOTE 2 – LIQUIDITY AND AVAILABILITY

Candlelighters has \$1,745,174 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of \$673,463 of cash and cash equivalents, \$10,000 of pledge receivables, and \$1,061,711 of investments. None of the financial assets stated above are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. As part of Candlelighters liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2020

NOTE 3 – PROPERTY AND EQUIPMENT

As of December 31, 2020, property and equipment consisted of the following:

Furniture and equipment	\$ 46,281
Software	14,443
	<u>60,724</u>
Less: accumulated depreciation and amortization	<u>(51,477)</u>
	<u>\$ 9,247</u>

Depreciation and amortization expense for the year ended December 31, 2020 was \$8,536.

NOTE 4 – FAIR VALUE MEASUREMENTS

Candlelighters measures certain financial assets and liabilities at fair value on a recurring basis, and certain non-financial assets and liabilities on a nonrecurring basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. Fair value disclosures are reflected in a three-level hierarchy, maximizing the use of observable inputs and minimizing the use of unobservable inputs.

The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability on the measurement date. The three levels are defined as follows:

Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for an identical asset or liability in an active market.

Level 2 – inputs to the valuation methodology include quoted prices for a similar asset or liability in an active market or model-derived valuations in which all significant inputs are observable for substantially the full term of the asset or liability.

Level 3 – inputs to the valuation methodology are unobservable and significant to the fair value measurement of the asset or liability.

Fair values of assets measured as of December 31, 2020 were as follows:

	Total	Level 1	Level 2	Level 3
Mutual funds, ETPs and closed-end funds	\$1,061,711	\$ 1,061,711	\$ -	\$ -
	<u>\$1,061,711</u>	<u>\$ 1,061,711</u>	<u>\$ -</u>	<u>\$ -</u>

CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2020

NOTE 5 – LEASE AGREEMENTS

Operating Lease

Candlelighters entered into a non-cancelable operating lease for office space. The lease commenced on January 1, 2014. Candlelighters extended the above operating lease, by way of an amendment, for an additional three years from January 1, 2020 to December 31, 2023. The office lease requires monthly payments ranging from \$5,600 to \$6,119, due to annual rent escalators.

As of December 31, 2020, future minimum rent payments consisted of the following:

2021	\$ 69,216
2022	71,292
2023	73,428
	<u>\$ 213,936</u>

Rent expense recognized for the year ended December 31, 2020 was \$50,400 and is included under the caption rent and utilities in the accompanying statement of functional expenses.

Capital Lease

Assets recorded as leased property under capital leases and classified as property and equipment on the statement of financial position include a copy machine in the amount of \$12,828. This lease, which commenced in April 2017, is for 60 months with a lease payment of \$214 per month. Because the aggregate amount of the payments required exceeds 90% of the fair value of the copier, Candlelighters has accounted for the lease as a capital lease.

As of December 31, 2020, future minimum lease payments consisted of the following:

2021	\$ 2,576
2022	<u>641</u>
	3,217
Less: imputed interest	<u>-</u>
Present value of minimum lease payments	<u>\$ 3,217</u>
Current maturities	\$ 2,576
Noncurrent maturities	<u>641</u>
	<u>\$ 3,217</u>

CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2020

NOTE 6 – LONG-TERM DEBT

On April 18, 2020, Candlelighters was granted a loan from a financial institution in the aggregate amount of \$113,900, pursuant to the Paycheck Protection Program (the “PPP”) under Division A, Title I of the CARES Act, which was enacted March 27, 2020. The loan matures in April 2022 and bears interest at a fixed rate of 1% per annum, payable monthly commencing in October 2021. The Note may be prepaid by the Borrower at any time prior to maturity with no prepayment penalties. Funds from the loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations. Under the terms of the PPP, certain amounts of the loan may be forgiven if they are used for qualifying expenses as described in the CARES Act. Candlelighters intent is to use the entire loan amount for qualifying expenses.

	\$ 114,662
Less: current maturities	<u>(56,851)</u>
	<u><u>\$ 57,811</u></u>

As of December 31, long-term debt matures as follows:

2021	\$ 56,851
2022	<u>57,811</u>
	<u><u>\$ 114,662</u></u>

NOTE 7 – SPECIAL EVENTS

Special events, net of direct costs, for the year ended December 31, 2020 consisted of the following:

5K Run/Walk	\$ 172,135
Other special events	<u>45,072</u>
	217,207
Less: direct costs	<u>(39,799)</u>
	<u><u>\$ 177,408</u></u>

**CANDLELIGHTERS FOR CHILDHOOD CANCER OF SOUTHERN NEVADA, INC.
DBA CANDLELIGHTERS CHILDHOOD CANCER FOUNDATION OF NEVADA
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2020**

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS

Candlelighters has received restricted funds in support of various functions of Candlelighters. As of December 31, 2020, net assets with donor restrictions were available for the following purposes and are held in cash and cash equivalents:

Medical	\$ 147,823
Funerals	15,000
Travel for Treatment	2,901
Housing Assistance	272
Healing Arts and Counseling	30
	<u>\$ 166,026</u>

NOTE 9 - CONTINGENCIES

In March 2020, the World Health Organization officially characterized a novel strain of the coronavirus (COVID-19) as a global pandemic. Management is currently responding to the existing effects and planning for the potential future effects that the COVID-19 pandemic may have on Candlelighters' operations, including the overall health of the economy and consumer spending. At the current time, management is unable to quantify the potential effects of this pandemic on Candlelighters' future financial statements.

NOTE 10 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 13, 2021, which is the date the financial statements were available to be issued.