

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.**

**Report on Audits of Financial Statements
for the years ended December 31, 2021 and 2020**

**Nagesh & Carter
Certified Public Accountants**

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Candlelighters Childhood Cancer Family Alliance, Inc.

Opinion

We have audited the accompanying financial statements of Candlelighters Childhood Cancer Family Alliance, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, cash flows and functional expenses, for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Candlelighters Childhood Cancer Family Alliance, Inc. as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Candlelighters Childhood Cancer Family Alliance, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Candlelighters Childhood Cancer Family Alliance, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Candlelighters Childhood Cancer Family Alliance, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Candlelighters Childhood Cancer Family Alliance, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Ngresh & Carter PLLC

Houston, TX
September 14, 2022

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.**
Statements of Financial Position
as of December 31, 2021 and 2020

Assets

	2021	2020
Cash and cash equivalents	\$ 1,319,687	\$ 897,774
Prepaid expenses - events	8,580	767
Property and equipment	54,397	54,397
Less: accumulated depreciation	(49,695)	(47,433)
Net Property and equipment	4,702	6,964
Total Assets	\$ 1,332,969	\$ 905,505

Liabilities and Net Assets

Accounts Payable	\$ 4,360	\$ -
Deferred revenue - future events	-	3,736
Note Payable SBA - Paycheck Protection Program Loan	-	94,200
Total liabilities	4,360	97,936
Net Assets:		
Without donor restrictions	1,328,609	807,569
Total net assets	1,328,609	807,569
Total liabilities and net assets	\$ 1,332,969	\$ 905,505

See accompanying notes to financial statements

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.**

**Statements of Activities
for the years ended December 31, 2021 and 2020**

	2021	2020
Revenues and support		
Contributions	\$ 416,215	\$ 345,027
PPP loan forgiveness	188,582	-
In-kind contributions	272,276	213,070
Special events revenues	1,088,716	669,045
Less: Cost of direct benefit to donors	<u>(160,901)</u>	<u>(59,196)</u>
Net revenues from special events	927,815	609,849
Investment income	15,419	8,863
Total revenues and support	<u>1,820,307</u>	<u>1,176,809</u>
Expenses:		
Programs and services	1,030,914	732,152
Management and general	118,484	110,985
Fundraising	149,869	213,192
Total Expenses	<u>1,299,267</u>	<u>1,056,329</u>
Change in net assets without donor restrictions	<u>521,040</u>	<u>120,480</u>
Net assets, beginning of year	807,569	687,089
Net assets, end of year	<u>\$ 1,328,609</u>	<u>\$ 807,569</u>

See accompanying notes to financial statements

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.**

**Statements of Cash Flows
for the years ended December 31, 2021 and 2020**

	2021	2020
Cash flows from operating activities:		
Changes in net assets, increase (decrease)	\$ 521,040	\$ 120,480
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Changes in operating assets and liabilities:		
Depreciation expense	2,261	2,261
PPP loan forgiveness	(188,582)	-
Decrease (increase) in prepaids and deposits	(7,813)	19,854
Increase (decrease) in deferred revenue	(3,735)	(24,850)
Increase in accounts payable	4,360	-
Net cash provided by operating activities	327,531	117,745
Cash flows from financing activities:		
Proceeds PPP loan	94,382	94,200
Net cash provided by financing activities	94,382	94,200
Net change in cash and cash equivalents	421,913	211,945
Cash and cash equivalents at beginning of year	897,774	685,829
Cash and cash equivalents at end of year	\$ 1,319,687	\$ 897,774

See accompanying notes to financial statements

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.
Statement of Functional Expenses
for the year ended December 31, 2021**

	Program Services							Management and General	Fundraising	Total
	Programs Services and Events	Parent Consultant	Adopt A Family	Family Camp	Newsletter	Parking Validation	Total Program Expenses			
Salaries and payroll taxes	\$ 257,373	\$ 161,972					\$ 419,345	\$ 47,395	\$ 126,277	\$ 593,017
Employer Contribution 401K Plan	10,129						10,129	1,125	2,813	14,068
Employee parking		5,304					5,304			5,304
Adopt a Family expenses			\$ 5,619				5,619			5,619
Adopt a Family - in-kind			167,060				167,060			167,060
Transportation	15,241						15,241			15,241
Family Camp expenses				\$ 30,957			30,957			30,957
Family Camp In-kind				1,660			1,660			1,660
Grocery Gift Certificates	12,640						12,640			12,640
Family Assistance	16,305						16,305			16,305
Family Assistance - in-kind	103,556						103,556			103,556
Meal passes	7,365						7,365			7,365
Memorial events and funds	7,628						7,628			7,628
Newsletter expenses					\$ 23,686		23,686			23,686
Patient parking expenses						\$ 110,000	110,000			110,000
Support Meetings	26,752						26,752			26,752
Supplies and general	18,542						18,542			18,542
Office supplies and expenses	9,046						9,046	15,310	3,480	27,835
Merchant cards and bank fees	11,513						11,513		1,645	13,158
Public relations/Advertising	625						625			625
Insurance	1,463						1,463	2,477	563	4,503
Rent office	8,526						8,526	14,428	3,279	26,233
Maintenance office	1,449						1,449	2,451	557	4,457
Telephone and internet	2,633						2,633	4,456	1,013	8,102
Computer and software expense	7,739						7,739	13,098	2,977	23,813
Utilities	996						996	1,685	383	3,064
Professional fees	4,400						4,400	14,815	6,600	25,815
Depreciation expense	735						735	1,244	283	2,262
Total functional expenses	\$ 524,656	\$ 167,276	\$ 172,679	\$ 32,617	\$ 23,686	\$ 110,000	\$ 1,030,914	\$ 118,484	\$ 149,869	\$ 1,299,267

See accompanying notes to financial statements

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.
Statement of Functional Expenses
for the year ended December 31, 2020**

	Program Services									
	Programs Services and Events	Parent Consultant	Adopt A Family	Family Camp	Newsletter	Parking Validation	Total Program Expenses	Management and General	Fundraising	Total
	Salaries and payroll taxes	\$ 213,281	\$ 167,992					\$ 381,273	\$ 48,039	\$ 195,623
Employer Contribution 401K Plan	9,460						9,460	1,192	4,854	15,505
Employee parking		4,910					4,910			4,910
Adopt a Family expenses			\$ 3,553				3,553			3,553
Adopt a Family - in-kind contributions			140,119				140,119			140,119
Transportation	3,389						3,389			3,389
Family camp expenses				\$ 3,429			3,429			3,429
Grocery Gift Certificates	2,500						2,500			2,500
Family Assistance	8,603						8,603			8,603
Family Assistance - in-kind	72,952						72,952			72,952
Meal passes	1,150						1,150			1,150
Memorial events and funds	4,000						4,000			4,000
Newsletter expenses					\$ 7,123		7,123			7,123
Patient parking expenses						\$ 44,500	44,500			44,500
Support Meetings	2,541						2,541			2,541
Supplies and general	1,698						1,698			1,698
Office supplies and expenses	4,039						4,039	6,837	1,554	12,429
Merchant cards and bank fees	12,557						12,557		1,794	14,351
Insurance	2,203						2,203	3,729	848	6,780
Rent office	9,269						9,269	15,684	3,565	28,517
Maintenance office	1,222						1,222	2,069	470	3,761
Telephone and internet	2,059						2,059	3,484	792	6,335
Computer and software expense	8,035						8,035	13,597	3,090	24,722
Utilities	833						833	1,410	321	2,564
Professional fees							-	13,701		13,701
Depreciation expense	735						735	1,244	283	2,262
Total functional expenses	\$ 360,526	\$ 172,902	\$ 143,672	\$ 3,429	\$ 7,123	\$ 44,500	\$ 732,152	\$ 110,985	\$ 213,192	\$ 1,056,329

See accompanying notes to financial statements

CANDLELIGHTERS CHILDHOOD CANCER FAMILY ALLIANCE, INC.

Notes to Financial Statements

1. Description of Organization

Mission

The mission of Candlelighters Childhood Cancer Family Alliance (“Candlelighters”) is to provide emotional, educational, and practical support to children with cancer and their families. In addition, Candlelighters desires to promote childhood cancer awareness and the need for childhood cancer education and research in our community.

Brief History of Candlelighters

Candlelighters began in 1989 with two parent support groups from the Houston Medical Center: one at Texas Children’s Cancer Center and one at MD Anderson Cancer Center. The Texas Children’s Hospital group sought formal incorporation, and in 1992 Candlelighters Childhood Cancer Family Alliance was legally formed. In the fall of 1992 they invited the MD Anderson Parent Group to join them and the two organizations merged into one.

Candlelighters provide programs and services for families of children with childhood cancer and long-term survivors of childhood cancer in our area. Candlelighters families are eligible for our services, with priority given to families in need.

PROGRAMS and SERVICES:

The Parent Consultant Program was developed to directly meet the needs of families at the treatment centers and to inform them of potential resources and help through Candlelighters. Each Parent Consultant had or has a child with cancer and knows what it is like to be the custodial parent of a child with cancer. The Parent Consultant provides emotional support, educational support and practical support to families being treated at the Texas Medical Center. This unique program consists of four parent consultants serving childhood cancer families at MD Anderson Cancer Center Pediatrics and Texas Children’s Cancer Center. In 2021 Parent Consultants provided more than 7,893 hours of support to 4,320 childhood cancer families.

A newsletter distributed several times a year for all families has articles on school issues, emotional support and childhood cancer. The quarterly newsletter connects all our families with a calendar of events and happenings, articles from long-term survivors and patients on treatment, memorials, and photos and articles of interest to our families, our sponsors and our donors. In 2021 Candlelighter’s published two hard copy newsletters that were distributed to more than 7,000 households and businesses.

CANDLELIGHTERS CHILDHOOD CANCER FAMILY ALLIANCE, INC.

Notes to Financial Statements

1. Description of Organization, continued

PROGRAMS and SERVICES, continued:

Toiletry bags are available for families who are in the hospital and need personal toiletry items. Families often arrive at the hospital after an emergency or following a doctor visit and are not prepared for a hospital stay. Candlelighters provide personal toiletry items needed for that unexpected stay. In 2021, 400 toiletry bags were supplied.

Parking Validations are available to pay part of the parking expense during hospital stays or clinic visits. Following the emotional support provided by Candlelighters, parking assistance continues to be the top practical need requested from our families. To a parent who stays with an ill child for weeks, even months, paying for parking can become a tremendous financial burden. Parking vouchers are distributed by Candlelighters Parent Consultants. In 2021, 8,462 parking validations were distributed.

Meal Passes for five dollars of cafeteria food are available. Patients' meals are taken care of while the child is in the hospital, however, the meals of the parents staying with the children or the young siblings at the hospital are not taken care of. Help with meal passes for the hospital cafeteria is vital to the parents who stay with their child 24 hours a day. This becomes a costly burden over the weeks and months. Also, food is not provided while the patient is in clinic. Therefore, Candlelighters provides \$5 meal passes for the hospital cafeteria. These passes are used primarily for families who are in-patient for long time periods. In 2021, 295 meal passes were provided.

Gas Gift Certificates for use at major gas stations are available. Coupled with parking fees, the costs of actually traveling to the hospital, especially on multiple days and weeks, became a struggle for many of our families. In many instances, one parent accompanies the child, while the other parent arrives at the hospital after work doubling the gas and parking costs. In 2021, 318 gas gift certificates were distributed.

Memorial Fund for assistance of \$250.00 for funeral related expenses. The funeral assistance is paid directly to a funeral home in one of the 13 counties served by Candlelighters. In 2021, Candlelighters assisted 23 families with funeral expenses.

CANDLELIGHTERS CHILDHOOD CANCER FAMILY ALLIANCE, INC.

Notes to Financial Statements

1. Description of Organization, continued:

PROGRAM and SERVICES, Continued:

Camp CLIFF (Children Loved In Families Forever) a unique camp that includes the entire family, providing a weekend away from cancer. Families enjoy a camping experience and an opportunity to spend time away from the hectic routines of hospitals and treatments. Camp is provided at no charge to Candlelighters families. In 2021, 51 families were hosted for the virtual Camp Cliff, a total of 220 campers were provided with all the materials, crafts, and activities they needed for a weekend of camping.

Adopt-A- Family for the Holidays program provides hope, support and practical help to families during the holiday season. Our Adopt-A-Family program pairs organizations, companies, and community members with a Candlelighters family, spreading holiday cheer to childhood cancer families. Sponsors purchase gifts for all the family members and deliver them to the family. Adopt-A-Family guidelines request that sponsors purchase a maximum of three gifts totaling \$50 or less for each family member. In 2021, a total of 254 families, or 1,205 family members were adopted.

Candlelighters Cares, provides meals and treats to staff at our partner hospitals: Children Memorial Hermann, MD Anderson Children's Cancer Hospital and Texas Children's Cancer Center (Medical Center, West Campus, and Woodland's Campus). Candlelighters is fortunate to have such a strong relationship with our partner hospitals, with the opportunity to be directly integrated into the patient care philosophy at the world-renowned pediatric cancer programs. In a year where medical staff were needed more than ever, we are proud to have been able to continue this through the COVID-19 pandemic. In 2021, a total of 1,860 meals/treats were provided for nurses, doctors, and administrative staff.

Summer Surprises is held each summer at Texas Children's and MD Anderson Hospitals. Volunteers deliver gifts to children in the hospital or at the clinic. The event includes handing out gifts and sweets to all of the childhood cancer patients and their siblings. It brings some "holiday" cheer in the middle of summer to children undergoing treatment at the cancer centers. Our Summer Surprises volunteers conduct a toy drive and/or purchase toys for the program, wrap gifts and label them, deliver the gifts to Texas Children's Cancer Clinic and hospital and host a party at MD Anderson and distribute toys. In 2021, over 143 gifts were delivered to children with cancer and siblings in the hospitals and clinics.

CANDLELIGHTERS CHILDHOOD CANCER FAMILY ALLIANCE, INC.

Notes to Financial Statements

2. Summary of Significant Accounting Policies

BASIS OF PRESENTATION

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“US GAAP”) which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization’s, management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization, or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

MEASUREMENT OF OPERATIONS

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization’s ongoing consultant services and interest and dividends earned on investments. Non-operating activities are related to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

CASH AND CASH EQUIVALENTS

Cash consist of amounts maintained in demand deposit accounts and cash on hand. Cash equivalents are highly liquid investments with a maturity of 90 days or less.

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.**

Notes to Financial Statements

2. Summary of Significant Accounting Policies, continued

CONTRIBUTIONS

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 imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets with out donor restriction if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increases in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contribution are recorded as net assets without donor restrictions.

In-kind donations - The Organization received donated assets of \$272,276 for the year ended December 31, 2021. Such amounts which are based upon information provided by third parties, are recorded at their estimated fair value determined on the date of contribution and are reported as contributions in-kind and supporting services on the accompanying statements of activities and statements of functional expenses.

Contributions receivable – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met. Candlelighters' had no outstanding contribution receivables as of December 31, 2021 and 2020 respectively.

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.**

Notes to Financial Statements

2. Significant Accounting Policies, continued

ESTIMATES

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

FUNCTIONAL ALLOCATION OF EXPENSES

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

DEPRECIATION AND AMORTIZATION

Property and equipment are stated at cost if purchased, or at fair value at the date of gift if donated. Candlelighters policy is to capitalize all purchases of property and equipment with a cost in excess of \$500 and estimated useful life more than one year. Depreciation is computed using the straight-line method. The estimated useful life of property and equipment used in determining depreciation is 5-7 years. Depreciation expense totaled \$2,262 and \$2,262 for the years ended December 31, 2021 and 2020 respectively.

INVESTMENTS

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position, and changes in fair value are reported as investment return in the statements of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

INCOME TAXES

No Federal income taxes are payable by Candlelighters and none have been provided for in the accompanying financial statements as it is exempt under Internal Revenue Code section 501(c)(3), the Organization has determined that there are no material uncertain tax position that require recognition or disclosure in the financial statements.

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.**

Notes to Financial Statements

2. Significant Accounting Policies, continued

FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). Candlelighters groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

- Level 1 Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
- Level 2 Other observable inputs, either directly or indirectly, including:
 - Quoted prices for similar assets/liabilities in active markets;
 - Quoted prices for identical or similar assets in non-active markets;
 - Inputs other than quoted prices that are observable for the asset/liability; and,
 - Inputs that are derived principally from or corroborated by other observable market data.
- Level 3 Unobservable inputs that cannot be corroborated by observable market data.

RECLASSIFICATIONS

Certain prior year amounts have been reclassified to conform to the current year presentation.

NEW ACCOUNTING PRONOUNCEMENT

Candlelighters has adopted ASU No. 2018-08, *Not for Profit Entities (Topic 958) Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The new guidance helps distinguish if grants and contracts with resource providers are exchange transactions or contributions. Once a transaction is deemed to be a contribution, the ASU also provides guidance to help determine when a contribution is conditional and evaluates the possibility that a condition will not be met is remote.

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.**

Notes to Financial Statements

2. Significant Accounting Policies, continued

NEW ACCOUNTING PRONOUNCEMENT, continued

Unconditional contributions are recognized immediately and classified as either net assets with or without donor restrictions, while conditional contributions received are accounted for as liability until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with or without restrictions. The adoption of this standard for the years ended December 31, 2021 and 2020 did not result in a change to the accounting for the Organization’s revenue.

3 Cash & Cash Equivalents

The following is a summary of cash and cash equivalents as of December 31,

	2021	2020
Cash on hand and business checking accounts	\$ 973,755	\$ 666,955
Certificates of deposits	345,932	230,819
Total cash and cash equivalents	\$ 1,319,687	\$ 897,774

Candlelighters maintain cash in bank deposit accounts which at times may exceed FDIC limits. The Organization has not experienced any losses on such accounts and believes they are not exposed to any significant credit risk on cash and cash equivalents.

4. Availability and Liquidity

The following represents Candlelighters financial assets at December 31, 2021 and 2020:

	2021	2020
Financial assets at year end:		
Cash and cash equivalents	\$ 1,319,687	\$ 897,774
Total financial assets	1,319,687	897,774
Less amounts not available to be used in within one year	-	-
Financial assets available to meet general expenditures over the next twelve months	\$ 1,319,687	\$ 897,774

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.**

Notes to Financial Statements

4. Availability and Liquidity, continued

Candlelighters goal is generally to maintain financial assets to meet 90 days of operating expenses (approximately \$175,000). As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts and certificates of deposit.

5. In-Kind Contributions

The Organization received the following in-kind contributions for the years ended December 31, 2021 and 2020.

	2021	2020
Program Services		
Adopt A Family	\$ 167,060	\$ 140,119
Family Assistance	103,556	72,952
Family Camp	1,660	-
	\$ 272,276	\$ 213,071

All donated assets were utilized by the Organization program services. There were no donor-imposed restrictions associated with the donated assets.

6. Notes Payable

Balance outstanding at December 31,

	2021	2020
In April 2020 Candlelighters obtained a loan through the SBA Paycheck Protection Program, if elected the loan is payable in eighteen monthly installments of \$5,312 including interest at a rate of 1.0%, the loan matures April 2022. Under this program, the Borrower may apply to Lender for forgiveness of the amount due, including any interest on this loan. This note was forgiven in July 2021	\$ -	\$ 94,200

**CANDLELIGHTERS CHILDHOOD
CANCER FAMILY ALLIANCE, INC.**

Notes to Financial Statements

7. Lease Commitments

Candlelighters occupy its office space under a non-cancelable operating lease, the lease is for a five-year period ending December 31, 2021. Rent expense totaled \$26,233 and \$28,517 for the years ended December 31, 2021 and 2020 respectively.

8. Employee Benefit Plan

The Organization has a retirement plan under which employees may defer a portion of their annual compensation, pursuant to Section 401(k) of the Internal Revenue Code. All employees who have completed at least three months of service is eligible to participate in the plan. Employer will match Employees contribution dollar for dollar up to 5% of the employee's annual salary. The Organization matching contribution totaled \$14,068 and \$15,505 for the years ended December 31, 2021 and 2020 respectively.

9. Compensated Absences

Employees of the Organization are entitled to paid vacation, paid sick days, and personal days off; compensation for this time has not been accrued since they cannot be reasonably estimated. The Organization's policy is to recognize these costs when actually paid to employees.

10. Subsequent Events

The Organization has evaluated subsequent events through September 14, 2022 the date which the financial statements were available to be issued.