

LIGHTHOUSE FAMILY RETREAT, INC.

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITORS' REPORT

Years Ended December 31, 2020 and 2019

LIGHTHOUSE FAMILY RETREAT, INC.

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Board of Directors
Lighthouse Family Retreat, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Lighthouse Family Retreat, Inc., which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses and cash flows for the years 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. 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 auditors' 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 auditors consider 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 Lighthouse Family Retreat, Inc. as of December 31, 2020 and 2019, 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.

Mersereau, Lazenby & Rockas, LLC

Mersereau, Lazenby & Rockas, LLC
Suwanee, GA 30024

November 10, 2021

LIGHTHOUSE FAMILY RETREAT, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

ASSETS		
	2020	2019
CURRENT ASSETS		
Cash	\$ 2,499,105	\$ 1,496,819
Investments	13,305	-
Contributions receivable	-	32,850
Other receivables	-	16,279
Inventory	21,599	12,547
Prepaid expenses and other assets	57,089	37,790
Total Current Assets	2,591,098	1,596,285
PROPERTY AND EQUIPMENT		
Property and equipment, net of accumulated depreciation of \$174,386 and \$126,761 in 2020 and 2019	75,046	101,391
Total Property and Equipment	75,046	101,391
TOTAL ASSETS	\$ 2,666,144	\$ 1,697,676
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 9,165	\$ 49,310
Accrued expenses	32,375	45,514
PPP loan	222,200	-
TOTAL LIABILITIES	263,740	94,824
NET ASSETS		
Without donor restrictions		
Without donor restrictions - expendable	1,846,308	1,351,200
Without donor restrictions - net investment in property & equipment	75,046	101,391
Total Net Assets Without Donor Restrictions	1,921,354	1,452,591
With donor restrictions	481,050	150,261
TOTAL NET ASSETS	2,402,404	1,602,852
TOTAL LIABILITIES AND NET ASSETS	\$ 2,666,144	\$ 1,697,676

See auditors' report and accompanying notes to financial statements

LIGHTHOUSE FAMILY RETREAT, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE						
Contributions	\$ 2,303,238	\$ 541,309	\$ 2,844,547	\$ 3,874,582	\$ 133,807	\$ 4,008,389
In-kind contributions	179,438	-	179,438	477,487	-	477,487
Other income	1,518	-	1,518	11,611	-	11,611
Sales revenue	2,484,194	541,309	3,025,503	4,363,680	133,807	4,497,487
Cost of goods sold	4,266	-	4,266	38,506	-	38,506
Net sales revenue	(1,161)	-	(1,161)	(25,239)	-	(25,239)
Fundraising revenue	3,105	-	3,105	13,267	-	13,267
Direct fundraising expense	92,414	-	92,414	147,795	-	147,795
Net fundraising	(15,674)	-	(15,674)	(71,712)	-	(71,712)
Net assets released from restrictions:	76,740	-	76,740	76,083	-	76,083
Satisfaction of program restrictions	210,520	(210,520)	-	218,851	(218,851)	-
Total Support and Revenue	2,774,559	330,789	3,105,348	4,671,881	(85,044)	4,586,837
EXPENSES						
Program services	1,695,485	-	1,695,485	3,241,620	-	3,241,620
Management and general	234,328	-	234,328	278,403	-	278,403
Fundraising	375,983	-	375,983	553,117	-	553,117
Total Expenses	2,305,796	-	2,305,796	4,073,140	-	4,073,140
CHANGE IN NET ASSETS	468,763	330,789	799,552	598,741	(85,044)	513,697
NET ASSETS, Beginning of year	1,452,591	150,261	1,602,852	853,850	235,305	1,089,155
NET ASSETS, End of year	<u>\$ 1,921,354</u>	<u>\$ 481,050</u>	<u>\$ 2,402,404</u>	<u>\$ 1,452,591</u>	<u>\$ 150,261</u>	<u>\$ 1,602,852</u>

See auditors' report and accompanying notes to financial statements

LIGHTHOUSE FAMILY RETREAT, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2020 and 2019

	2020			2019				
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Compensation	\$ 1,079,742	\$ 115,173	\$ 244,741	\$ 1,439,656	\$ 774,064	\$ 95,270	\$ 321,535	\$ 1,190,869
Bank fees	17,162	1,831	3,890	22,883	31,005	3,352	11,587	45,944
Conferences and meetings	197	9,397	7,598	17,192	6,259	27,900	2,743	36,902
Cost of goods sold	1,161	-	-	1,161	25,239	-	-	25,239
Depreciation	36,641	3,908	8,305	48,854	27,638	2,988	10,284	40,910
Direct fundraising expense	-	-	15,674	15,674	-	-	71,712	71,712
Insurance	25,073	2,674	5,683	33,430	14,909	1,835	6,193	22,937
Marketing and promotion	22,779	3,984	27,834	54,597	2,494	10,043	108,518	121,055
Miscellaneous expenses	971	5,407	5,902	12,280	1,593	8,437	2,556	12,586
Occupancy	111,131	6,229	25,190	142,550	56,001	6,892	23,263	86,156
Printing and postage	3,288	6,808	2,216	12,312	4,675	5,449	515	10,639
Professional fees	3,547	69,063	20,630	93,240	27,791	81,543	14,438	123,772
Retreat activities	243,672	-	-	243,672	796,337	-	-	796,337
Retreat housing	54,688	-	-	54,688	1,310,078	-	-	1,310,078
Supplies and materials	37,075	546	7,269	44,890	10,174	8,957	21,427	40,558
Telephone and technology	38,691	4,127	8,769	51,587	41,286	5,082	17,149	63,517
Travel	20,828	5,181	7,956	33,965	137,316	20,655	12,909	170,880
Total expenses by function	\$ 1,696,646	\$ 234,328	\$ 391,657	\$ 2,322,631	\$ 3,266,859	\$ 278,403	\$ 624,829	\$ 4,170,091
Less expenses included with revenues in the statement of activities	(1,161)	-	-	(1,161)	(25,239)	-	-	(25,239)
Direct fundraising expense	-	-	(15,674)	(15,674)	-	-	(71,712)	(71,712)
Total expenses included in the expense section in the statement of activities	\$ 1,695,485	\$ 234,328	\$ 375,983	\$ 2,305,796	\$ 3,241,620	\$ 278,403	\$ 553,117	\$ 4,073,140
<i>Percentage of total expenses</i>	<i>74%</i>	<i>10%</i>	<i>16%</i>	<i>100%</i>	<i>80%</i>	<i>7%</i>	<i>13%</i>	<i>100%</i>

See auditors' report and accompanying notes to financial statements

LIGHTHOUSE FAMILY RETREAT, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2020 and 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 799,552	\$ 513,697
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	48,854	40,910
Investments contributed	(56,659)	(29,840)
Net realized and unrealized investment (gain) loss	(173)	(6,612)
Net (gain)/loss on disposal of fixed assets	-	31,254
(Increase) decrease in assets:		
Contributions receivable	32,850	(10,881)
Other receivables	16,279	(12,882)
Inventory	(9,052)	(2,561)
Prepaid expenses and other assets	(19,299)	32,817
Increase (decrease) in liabilities:		
Accounts payable	(40,145)	6,964
Accrued expenses	(13,139)	17,270
	759,068	580,136
CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(22,509)	(67,706)
Sale of investments	43,527	52,155
	21,018	(15,551)
CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES		
CASH FLOWS FROM FINANCING ACTIVITIES		
PPP loan proceeds	222,200	-
	222,200	-
CASH PROVIDED BY FINANCING ACTIVITIES		
NET INCREASE IN CASH	1,002,286	564,585
CASH, Beginning of Year	1,496,819	932,234
CASH, End of Year	\$ 2,499,105	\$ 1,496,819

See auditors' report and accompanying notes to financial statements

LIGHTHOUSE FAMILY RETREAT, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 1: NATURE OF ORGANIZATION

Lighthouse Family Retreat, Inc. ("Lighthouse" or "the Organization") is a ministry that serves families living through childhood cancer. Lighthouse was established in 1999 under the laws of the State of Georgia as a not-for-profit corporation. The Organization designs the programs to create environments on seaside retreats that provide a week away from the chaos of childhood cancer for families to rest, reconnect as a family, experience joy and find hope in God. Lighthouse is supported through the contributions of interested individuals, churches, foundations, and businesses.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

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

Net assets with donor restrictions are subject to stipulations imposed by donors. Some donor restrictions are temporary in nature and will be met by actions of the Organization or with the passage of time. Other donor restrictions may be perpetual in nature, whereby the donor stipulates that the funds be maintained in perpetuity.

Basis of Accounting

The financial statements of Lighthouse have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Cash

Cash includes all monies in banks and is held in banks covered by the Federal Deposit Insurance Corporation up to \$250,000. Deposits in excess of federally insured limits totaled \$1,195,716 and \$658,628 as of December 31, 2020 and 2019, respectively. Management believes it is not exposed to any significant credit risk on cash, although its balances have exceeded federally insured limits.

Investments

Investments are reported at fair value and realized and unrealized gains and losses are reflected in the statements of activities. Note 8 describes how fair value is determined.

Inventory

Inventory is recorded for merchandise sold through an online store. The inventory is generally sold or used within the next program year and may be purchased or donated. Inventory is recorded at cost and reflects the amount remaining at year end.

Prepaid Expenses

Prepaid expenses include insurance premiums for coverage into the following year and facilities and supplies purchased for retreat and fundraising events in the subsequent period.

LIGHTHOUSE FAMILY RETREAT, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment

Lighthouse capitalizes all expenditures for property and equipment in excess of \$1,000. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset, which is generally three to seven years. Lighthouse charges maintenance and repairs to expense in the current period. Acquisitions are capitalized and depreciated each year. Gains and losses on dispositions are included in earnings in the period of disposition.

Donated Assets

Donated marketable securities are recorded as contributions at their estimated fair values at the date of donation. These donated securities are either held for an investment or sold, depending on the discretion of management. Donated fixed assets are recorded as contributions at their estimated fair value at the date of donation. These assets are either sold or put into use as soon as feasible upon receipt of the donation.

Revenue Recognition

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

All donor-restricted support is reported as an increase in net assets with donor restrictions. 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 statement of activities as net assets released from restrictions: satisfaction of program restrictions.

Contributed Goods and Services

Lighthouse receives a substantial amount of non-professional services donated by volunteers in carrying out its ministry. The volunteer services received do not meet the criteria for recognition according to US GAAP. Accordingly, no amounts for contributed non-professional volunteer services have been recorded in the financial statements.

Lighthouse also receives a substantial amount of in-kind donations, such as food, housing, equipment rentals, supplies and professional services which are used during the retreats. They also receive discounts on housing costs for retreat rentals. These donations do meet the criteria for recognition and are reported in the statement of activities as non-cash contributions and functional expenses. See Note 9 for a schedule of contributed goods and services.

Income Taxes

The Organization is exempt from income taxes under Internal Revenue Code (the Code) Section 501(c)(3) and the Georgia Revenue and Taxation Code, though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Organization has processes in place to ensure the maintenance of its tax-exempt status, to identify and report unrelated income, to determine its filing and tax obligations in jurisdictions for which it has nexus, and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

LIGHTHOUSE FAMILY RETREAT, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (continued)

Marketing and Promotional Events

All costs for marketing and promotional events are expensed in the period they are incurred. Total marketing and promotional expenses for the years ended December 31, 2020 and 2019 were \$54,597 and \$121,055, respectively.

Estimates in the Financial Statements

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Depreciation is estimated using the straight-line method in accordance with US GAAP. Certain amounts included in the statement of functional expenses are allocated based on actual use estimated by each program. Actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing various program services and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs, such as compensation, rent and communications, have been allocated among the program services and supporting activities benefited.

<u>Functional Expense</u>	<u>Allocation Method</u>
Bank Fees	Time and effort
Compensation	Time and effort
Depreciation Expense	Time and effort
General Office	Time and effort
Insurance	Time and effort
Occupancy	Time and effort
Telephone and technology	Time and effort

LIGHTHOUSE FAMILY RETREAT, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 3: AVAILABILITY AND LIQUIDITY

The following represents the Organization’s financial assets available for general expenditures within one year of December 31:

	2020	2019
Financial assets at year-end		
Cash	\$ 2,499,105	\$ 1,496,819
Investments	13,305	-
Contributions receivable	-	32,850
Other receivables	-	16,279
Inventory	21,599	12,547
Prepaid expenses and other assets	57,089	37,790
Financial assets at year-end	\$ 2,591,098	\$ 1,596,285
Less those unavailable for general expenditures within one year, due to contractual or donor-imposed restrictions: restricted by donor with time or purpose restrictions	(481,050)	(150,261)
Financial assets available to meet general expenditures over the next twelve months	\$ 2,110,048	\$ 1,446,024

The Organization regularly monitors liquidity required to meet operating needs and other commitments. In addition to financial assets available to meet general expenditures over the next twelve months, the Organization anticipates collecting sufficient revenue to cover general expenditures which are not funded by donor restricted resources. Refer to the statement of cash flows which identifies the sources and uses of the Organization’s cash.

NOTE 4: INVESTMENTS

Investments are presented at fair value and are composed of securities. The balance was \$13,305 as of December 31, 2020 and there was no balance as of December 31, 2019.

Investment income consists of:

	2020	2019
Interest and dividends	\$ -	\$ 446
Realized gains (losses)	(32)	6,166
Unrealized gains	205	-
Total investment gain	\$ 173	\$ 6,612

LIGHTHOUSE FAMILY RETREAT, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 5: PROPERTY AND EQUIPMENT

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

	2020	2019
Furniture and equipment	\$ 78,029	\$ 57,294
Office computers	41,932	43,161
Website	18,934	18,934
Computer software	23,200	23,200
Vehicles	87,337	85,563
	249,432	228,152
Less accumulated depreciation	(174,386)	(126,761)
Total property and equipment	\$ 75,046	\$ 101,391

Depreciation expense totaled \$48,854 and \$40,910 for the years ended December 31, 2020 and 2019, respectively.

NOTE 6: OPERATING LEASE

On December 15, 2018 Lighthouse renewed a new three-year lease agreement for the Florida office location which called for monthly payments of \$2,000.

Lighthouse entered into a lease agreement for their Georgia office space in 2016. The lease commenced in March 2016 with a term of 62 months. Monthly payments specified in the lease were \$3,268. On March 1, 2020 Lighthouse moved office locations in Georgia. A payout of the remaining term of the 2016 lease was required and disbursed in 2020, resulting in an unusually high lease expense for that year.

A lease agreement was signed on February 28, 2020 for the new Georgia office location with a term of 12 months. The lease terms specified monthly payments of \$3,800, net of \$2,714 per month in-kind. This lease was subsequently renewed for an additional 12-month term to expire on February 28, 2022. The updated terms call for monthly payments of \$3,873, net of \$2,804 per month in-kind.

Lighthouse entered into a 5-year agreement for a copier in their Georgia location on March 27, 2018. The lease specifies 60 monthly payments of \$249.

In February 2021 the Organization signed a 48-month lease for a postage meter in the new Georgia office location. This lease requires payments of \$30 to be made on a monthly basis.

The future minimum noncancelable lease payments required under these leases are as follows:

Year ending December 31,	
2021	26,318
2022	3,348
2023	1,107
2024	360
2025	30
	\$ 31,163

LIGHTHOUSE FAMILY RETREAT, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 6: OPERATING LEASE (continued)

Rent expense was \$113,674 and \$51,868 for the years ending December 31, 2020 and 2019, respectively.

NOTE 7: NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions have the following time and purpose restrictions:

	Year Ended December 31, 2020			
	Balance 12/31/2019	Restricted Revenue	Restrictions Satisfied	Balance 12/31/2020
Travel costs	\$ 37,967	\$ -	\$ 30,000	\$ 7,967
Vehicle purchase and maintenance	3,798	-	-	3,798
Warehouse maintenance	49,545	-	16,427	33,118
Current retreats and activities	-	105,142	105,142	-
Future retreats	58,951	336,387	58,951	336,387
Community of care	-	87,000	-	87,000
Hospital dinners	-	12,780	-	12,780
Total net assets with donor restrictions	<u>\$ 150,261</u>	<u>\$ 541,309</u>	<u>\$ 210,520</u>	<u>\$ 481,050</u>

	Year Ended December 31, 2019			
	Balance 12/31/2018	Restricted Revenue	Restrictions Satisfied	Balance 12/31/2019
Travel costs	\$ 25,000	\$ 52,856	\$ 39,889	\$ 37,967
Vehicle purchase and maintenance	8,771	-	4,973	3,798
Warehouse maintenance	97,000	-	47,455	49,545
Current retreats and activities	-	10,000	10,000	-
Future retreats	104,534	58,951	104,534	58,951
Golf cart	-	12,000	12,000	-
Total net assets with donor restrictions	<u>\$ 235,305</u>	<u>\$ 133,807</u>	<u>\$ 218,851</u>	<u>\$ 150,261</u>

NOTE 8: FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. US GAAP establishes a hierarchy of inputs to valuation of that price using three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the Organization can access at the measurement date. Level 2 inputs are those other than Level 1 inputs which are either directly or indirectly observable. Level 3 inputs are unobservable to the Organization.

The fair value of cash and investments approximate the carrying values on the statement of financial position as the nature of the assets held by the Organization are Level 1 on the fair value scale.

LIGHTHOUSE FAMILY RETREAT, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 9: IN-KIND CONTRIBUTIONS

In-kind contributions consist of the following as of the year ended December 31:

	2020	2019
Rental facilities for retreats	\$ 18,137	\$ 229,715
Activities for retreats	90,350	217,932
Stock donations	43,811	29,840
Georgia office lease donated amount	27,140	-
Total in-kind contributions	\$ 179,438	\$ 477,487

NOTE 10: RETIREMENT PLAN

Lighthouse provided a 401(k) retirement plan administered by Ameritas in 2019 and changed to a 403(b) retirement plan administered by Principal Financial Group in 2020. Each plan covers all qualified employees. Lighthouse's contributions to the plans are discretionary. Discretionary contributions of \$46,012 and \$29,495 were made in the years ended December 31, 2020 and 2019, respectively.

NOTE 11: RELATED PARTY TRANSACTIONS

A spouse of an employee at Lighthouse is a sales representative for a vendor and the sole owner of another business that provides services to the Organization. Lighthouse paid these two businesses a total of \$87,861 in 2020, of which \$3,888 was for services and \$83,973 was for materials. In 2019 a total of \$135,812 was paid to these two related parties, \$12,412 for services and \$123,400 for materials.

NOTE 12: CONCENTRATIONS

In 2020, one donor contributed a significant amount compared to total revenues received. The donor gave a total of \$438,500 which is approximately 14% of total revenues received.

A vendor who provides lodging for program retreats was paid a significant amount compared to total expenses for the period in the prior year. The vendor was paid \$653,683 in 2019, which was approximately 18% of total expenses for the year.

The Organization does not anticipate any future changes in the relationship with the donor or vendor.

NOTE 13: RISKS AND UNCERTAINTIES

In December 2019, a novel strain of coronavirus (“COVID-19”) was reported in Wuhan, China. The World Health Organization has declared the outbreak to constitute a “Public Health Emergency of International Concern.” The COVID-19 outbreak is disrupting supply chains and affecting production and sales across a range of industries. The extent of the impact of COVID-19 on operational and financial performance will depend on certain developments: including the duration and spread of the outbreak, impact on donors, volunteers and vendors, all of which are uncertain and cannot be predicted.

LIGHTHOUSE FAMILY RETREAT, INC.
NOTES TO FINANCIAL STATEMENTS
Years Ended December 31, 2020 and 2019

NOTE 13: RISKS AND UNCERTAINTIES (continued)

As part of the response to the impact of COVID-19, the Organization applied for a Payroll Protection Program (“PPP”) loan, administered by the Small Business Administration (“SBA”), under the Coronavirus Aid, Relief and Economic Security (“CARES”) Act, which was signed into law in March 2020. The Organization was approved for a PPP loan from the SBA of \$222,200, which was subsequently forgiven as described in Note 14.

Due to the vulnerability of the individuals served by the program, all but a few retreats in 2020 were cancelled and other programs were implemented. At this point, the extent to which COVID-19 may continue to impact financial condition or results of operations is uncertain.

NOTE 14: SUBSEQUENT EVENTS

Lighthouse has evaluated subsequent events through November 10, 2021, which represents the date the financial statements were available to be issued. The PPP loan was forgiven in full on October 21, 2021. Lighthouse is not aware of any additional material subsequent events.