FIRST CARE FAMILY RESOURCES, INC.

FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2020 AND 2019

FIRST CARE FAMILY RESOURCES, INC.
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Established in 1932
Divine Blalock Martin Sellari LLC
Your gain...our goal!

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
First Care Family Resources, Inc.
West Palm Beach, Florida

We have audited the accompanying financial statements of First Care Family Resources, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2020 and 2019 and the related statements of activities 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 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 First Care Family Resources, 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.

Divine, Blalock, Martin & Sellari, LLC

DIVINE, BLALOCK, MARTIN & SELLARI, LLC
West Palm Beach, Florida
June 19, 2021

FIRST CARE FAMILY RESOURCES, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

	2020	2019
Assets		
Current assets		
Cash and cash equivalents	$ 1,424,350	$ 1,067,111
Unconditional promises to give & other receivables	203,186	167,020
Pregnancy clinic supplies	4,487	6,915
Prepaid expenses	49,646	67,436
Total current assets	1,681,669	1,308,482
Unconditional promises to give, noncurrent	50,000	100,000
Property and equipment, net	127,198	151,751
Deposits and other assets	21,566	21,719
Total other assets	198,764	273,470
Total assets	$ 1,880,433	$ 1,581,952
Liabilities and net assets		
Current liabilities		
Accounts payable	$ 28,383	$ 34,670
Accrued vacation and other expenses	88,020	72,903
Deferred revenue	-	7,884
Total current liabilities	116,403	115,457
Long-term debt - PPP loan (Note D)	233,023	-
Total liabilities	349,426	115,457
Net assets		
Without donor restrictions		
Board designated for future liquidity needs (Note A)	239,975	140,000
Undesignated	1,229,112	1,173,205
Total without donor restrictions	1,469,087	1,313,205
With donor restrictions	61,920	153,290
Total net assets	1,531,007	1,466,495
Total liabilities and net assets	$ 1,880,433	$ 1,581,952

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

FIRST CARE FAMILY RESOURCES, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Contributions and gifts	$ 1,419,844	$ 3,109	$ 1,422,953
Fees	1,018	-	1,018
Special events	535,614	-	535,614
Interest and other income, net	20,236	-	20,236
Gifts in kind	14,916	-	14,916
Net assets released from restrictions	94,479	(94,479)	-
Total revenue and support	2,086,107	(91,370)	1,994,737
Expenses:			
Program services	1,382,308	-	1,382,308
Management and general	334,762	-	334,762
Fundraising	213,155	-	213,155
Total expenses	1,930,225	-	1,930,225
Change in Net Assets	155,882	(91,370)	64,512
Net assets at beginning of the year	1,313,205	153,290	1,466,495
Net assets at end of year	$ 1,469,087	$ 61,920	$ 1,531,007

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

FIRST CARE FAMILY RESOURCES, INC.
STATEMENT OF ACTIVITIES

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Contributions and gifts	$ 1,143,607	$ 207,783	$ 1,351,390
Fees	665	-	665
Special events	525,214	-	525,214
Interest and other income, net	13,566	-	13,566
Gifts in kind	63,263	-	63,263
Net assets released from restrictions	107,663	(107,663)	-
Total revenue and support	1,853,978	100,120	1,954,098
Expenses:			
Program services	1,562,648	-	1,562,648
Management and general	313,606	-	313,606
Fundraising	242,152	-	242,152
Total expenses	2,118,406	-	2,118,406
Change in Net Assets	(264,428)	100,120	(164,308)
Net assets at beginning of the year	1,577,633	53,170	1,630,803
Net assets at end of year	$ 1,313,205	$ 153,290	$ 1,466,495

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

FIRST CARE FAMILY RESOURCES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Services	Management and General	Fundraising	Total
Salaries and employee benefits	$ 774,830	$ 236,994	$ 64,074	$ 1,075,898
Payroll taxes	55,650	19,523	4,634	79,807
Health insurance	39,813	10,118	1,380	51,311
Retirement benefits	14,319	5,262	1,118	20,699
Workers compensation	2,750	838	228	3,816
	887,362	272,735	71,434	1,231,531
Advertising	98,674	-	5,520	104,194
Building rent	257,576	8,486	17,564	283,626
Client counseling and medical	17,463	-	-	17,463
Computer and website expense	19,783	4,832	7,331	31,946
Conferences and meetings	5,844	3,145	-	8,989
Insurance	14,397	2,642	1,693	18,732
Interest expense	-	1,623	-	1,623
Legal and accounting	-	8,500	-	8,500
Office expense	4,767	20,263	2,520	27,550
Other	4,747	2,117	6,137	13,001
Postage and delivery	114	313	17,129	17,556
Printing and publications	2,680	3,762	25,494	31,936
Relocation and maintenance	13,827	668	368	14,863
Special events expense	-	-	53,437	53,437
Staff and volunteer training	2,035	1,772	16	3,823
Telephone	18,270	1,531	2,741	22,542
Travel	-	208	370	578
Utilities	10,614	589	907	12,110
Total expenses before depreciation	1,358,153	333,186	212,661	1,904,000
Depreciation	24,155	1,576	494	26,225
Total expenses	$ 1,382,308	$ 334,762	$ 213,155	$ 1,930,225

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

FIRST CARE FAMILY RESOURCES, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

	Program Services	Management and General	Fundraising	Total
Salaries and employee benefits	$ 884,102	$ 219,315	$ 42,090	$ 1,145,507
Payroll taxes	61,585	15,973	3,039	80,597
Health insurance	41,341	8,494	1,228	51,063
Retirement benefits	14,610	4,675	984	20,269
Workers compensation	3,064	771	151	3,986
	1,004,702	249,228	47,492	1,301,422
Advertising	103,800	-	-	103,800
Building rent	220,654	12,482	18,498	251,634
Client counseling and medical	55,514	-	-	55,514
Computer and website expense	25,530	-	-	25,530
Conferences and meetings	22,295	-	-	22,295
Insurance	10,550	4,257	362	15,169
Legal and accounting	-	8,513	-	8,513
Office expense	10,451	16,320	2,099	28,870
Other	4,858	2,777	10,257	17,892
Postage and delivery	16	814	14,426	15,256
Printing and publications	3,922	5,157	20,706	29,785
Relocation and maintenance	31,616	1,312	1,944	34,872
Special events expense	-	-	90,333	90,333
Staff and volunteer training	5,273	5,496	31,632	42,401
Telephone	21,314	3,063	781	25,158
Travel	4,995	1,345	1,709	8,049
Utilities	11,882	869	1,281	14,032
Total expenses before depreciation	1,537,372	311,633	241,520	2,090,525
Depreciation	25,276	1,973	632	27,881
Total expenses	$ 1,562,648	$ 313,606	$ 242,152	$ 2,118,406

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

FIRST CARE FAMILY RESOURCES, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

	2020	2019
Cash flows from operating activities:		
Increase (decrease) in net assets	$ 64,512	$ (164,308)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	26,225	27,881
Changes in operating assets & liabilities		
Unconditional promise to give & other receivables	13,834	(68,848)
Pregnancy clinic supplies	2,428	7,545
Prepaid expenses	17,790	(36,434)
Deposits and other assets	153	12
Accounts payable	(6,287)	95
Accrued vacation and other liabilities	15,117	29,938
Deferred revenue	(7,884)	(1,666)
Net cash provided by (used in) operating activities	125,888	(205,785)
Cash flows from investing activities:		
Purchase of fixed assets	(1,672)	(64,504)
Net cash used in investing activities	(1,672)	(64,504)
Cash flows from financing activities:		
Proceeds from long-term debt	233,023	-
Net cash provided by financing activities	233,023	-
Increase (decrease) in cash and cash equivalents	357,239	(270,289)
Cash and cash equivalents, beginning of year	1,067,111	1,337,400
Cash and cash equivalents, end of year	$ 1,424,350	$ 1,067,111

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

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

First Care Family Resources, Inc. (First Care) is a faith and community-based educational and health and welfare organization serving Palm Beach County, Florida. Its principal mission is to offer counseling and other assistance to women through the operation of pregnancy medical clinics.

First Care's mission is carried out by the operation of women's health clinics under the brand name of 'Palm Beach Women's Clinic'. Client services include programs designed to assist women in confronting and dealing with the physical, emotional, economic and social issues associated with pregnancy by offering counseling, pregnancy tests, sonograms, STI testing and treatment, infant and maternity clothing, baby food, infant formula and other goods and services to women in need.

First Care is managed by a full-time professional staff under the oversight and direction of a volunteer Board of Directors (the Board or Board of Directors). It vigorously enforces its policy to provide services to those in need regardless of the client's ability to pay. Accordingly, First Care is significantly dependent upon gifts and charitable contributions to assist in subsidizing nonrevenue-producing services.

Basis of accounting

First Care's financial statements are prepared on the accrual basis of accounting and in accordance with the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*.

Basis of presentation

First Care records unconditional promises to give (pledges) as contributions at fair value at the date the promises are received or made and distinguishes between promises received for each net asset category in accordance with donor restrictions, if any.

Net assets and revenue, expenses, gains and losses are classified as net assets with donor restrictions and net assets without donor restrictions based on the existence or absence, respectively, of donor-imposed restrictions. Accordingly, net assets of the First Care and changes therein are classified as follows:

> **Net assets without donor restrictions** – Net assets either not restricted by donors or the donor-imposed restrictions have expired.
>
> **Net assets with donor restrictions** – Net assets subject to donor-imposed stipulations that may or will be met either by actions of First Care or the passage of time and net assets subject to donor-imposed stipulations to be maintained permanently by First Care. Generally, the donors of these assets permit First Care to use all or part of the earnings on related investments for general or specific purposes.

NOTE A – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain 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. The use of estimates includes, but are not limited to, amounts earned in the reporting period under grant contracts, the estimated value of in-kind services, the allocation of expenses among program and support categories, and useful lives of depreciable assets. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents consist of non-interest-bearing demand deposit accounts and interest-bearing money market accounts. Cash equivalents are short term investments with a maturity date of three months or less from the date of purchase. The concentration of credit risk associated with cash and cash equivalents is considered low due to the credit quality of the financial institutions and the immediate availability of these financial instruments.

Pregnancy clinic supplies

Infant and maternity clothing, diapers, baby beds and bedding accessories, strollers, nonperishable food and other items on hand at year-end are valued at cost for items purchased and at estimated fair value for donated goods. Inventory items are not resalable. Items are held for distribution to needy persons and their families.

Property and equipment

Property and equipment is stated at cost, if purchased, or if acquired by contribution, at estimated fair value on the date of contribution. Depreciation is provided for using the straight-line method over the five to ten year estimated useful lives of the assets. Office, computers and medical equipment are generally assigned an estimated useful life of 5-years; office furniture is assigned a useful life of 7-years; and leasehold improvements are generally amortized over a 10-year period. Expenditures for furniture and equipment costing $1,000 or more are capitalized; lesser amounts are expensed.

Board designated net assets

The Board of Directors established an operating reserve with the objective of setting aside funds to be drawn upon in the event of financial distress or immediate liquidity need. The operating reserve balance totaled $239,975 and $140,000 at December 31, 2020 and 2019, respectively. The funds may be released from designation by majority vote of the Board of Directors' Finance Committee with notification to the entire Board.

Compensated Absences

First Care compensates its employees for designated holidays, vacation and sick time. The amount accrued as of December 31, 2020 and 2019 is $35,555 and $24,257, respectively.

NOTE A – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair value of financial instruments

The carrying values of cash and cash equivalents, unconditional promise to give, accounts payable, and accrued vacation and other liabilities are reflected in the financial statements at fair value because, in management's opinion, the short maturity of these financial instruments is equal to the price that would be received to sell the assets or paid to transfer the liabilities in an orderly transaction between market participants at the measurement date.

Revenue recognition

Financial support is provided by private sector grants, public donations and gifts. Private grants and public contributions are recognized when received or when a donor or grantor makes an unconditional promise to give. Donor pledges are considered intent to give rather than an unconditional promise to give. Accordingly, pledges are not recognized as support at the time of the pledge. Contributions that contain donor stipulations that limit the use of an asset for specific purposes or designates the support for future periods, are reported as an increase in net assets with donor restrictions and net assets without donor restrictions depending upon the nature of the restriction. When a donor restriction expires, that is, when a stipulation time restriction ends or a purpose restriction is accomplished; net assets with donor restrictions are reclassified and reported in the statements of activities as net assets released from restrictions. Donor contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Contributions of long-lived assets (e.g., property and equipment) or contributions that the donor requires to be used to acquire long-lived assets are reported as net assets with donor restrictions. First Care reflects the expiration of the donor-imposed restriction when long-lived assets have been placed in service, at which time 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.

Contributed services and goods

Donated services that create or enhance a non-financial asset or that require specialized skills and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded as in-kind service income and in-kind expense at their respective fair value in the period received. Services donated by volunteers that do not meet those criteria are not recorded as in-kind services. Donated goods and supplies are recorded at their fair value when received.

Functional classification of expenses

In the accompanying statements of activities, expenses have been reported by their functional classification, a method of grouping expenses according to the purpose for which they were incurred. The primary functional classifications are program services and supporting activities. Program services are the activities that result in services being provided to members that fulfill the purposes or mission for which First Care exists. Supporting activities are all activities of organizations other than program services and are included in the financial statements as management and general expenses and fundraising expenses.

NOTE A – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional classification of expenses (continued)

Expenses are recorded in the period in which the obligation is incurred. Expenses are charges directly to program services or support activities based on specific identification, when possible. Indirect expenses are allocated among the programs and support categories based on the level of benefit received as measured by personnel time and facility usage associated with the activity or function.

Income taxes

First Care is a tax-exempt, not-for-profit corporation under Internal Revenue Code (IRC) Section 501I (3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. The Internal Revenue Service notified First Care by letter dated April 12, 1984, that its governing documents and plan of operations were designed in accordance with section 501I(3) of the Internal Revenue Code (the Code)

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by First Care and recognize a tax liability if First Care has taken an uncertain position that more than likely would not be substantiated upon examination by the tax authorities. Management monitors the on-going financial and functional activities undertaken by First Care for compliance with its exempt status requirements and has concluded that for the tax reporting periods ended December 31, 2020 and 2019, there were no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements. First Care is no longer subject to income tax examinations for years prior to 2017.

Recently Adopted Pronouncements

In June 2018, the FASB released ASU 2018-08, Not-for-Profit Entities (Topic 958) *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The adoption of ASU 2018-08 resulted in no impact to the financial statement during the year ended December 31, 2020.

Recent Accounting Pronouncements

The FASB has issued the following accounting standards updates that may affect First Care in future years. Management is evaluating the effects, if any, of the following updates:

- ASU 2016-09, *Leases,* will be effective for First Care for the year ending December 31, 2021 and must be adopted using a modified retrospective method. ASU 2016-02 generally requires lessees to recognize assets and liabilities arising from leases on the statements of financial position.
- ASU 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, will be effective for the year ending December 31, 2022. ASU 2020-07 seeks to increase the transparency of contributed nonfinancial assets for not-for-profit entities through enhancements to presentation and disclosure.

NOTE B – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give are recorded as receivables and support when received or promised. These contributions are considered unconditional promises to give which is a promise to give that depends only on the passage of time or demand by the promise for performance. Unconditional promises to give that are due beyond one year have been measured using the net present value of future cash flows based on a discount rate of 3%. For the year ended December 31, 2020 no discount for future payments has been recorded as the calculated amount was immaterial. The allowance for uncollectible pledges is based on management's estimate of uncollectible amounts in the future. As of December 31, 2020 and 2019, management determined no allowance for uncollectible pledges was needed.

Unconditional promises to give at December 31, 2020 and 2019 were as follows:

	2020	2019
Unconditional promises to give	$ 253,000	$ 273,500
Less: Discount for future payments	-	(6,480)
Unconditional promises to give, net	$ 253,000	$ 267,020
Unconditional promises to give due within one year	$ 203,000	$ 167,020
Unconditional promises to give due in one-five years	50,000	100,000
	$ 253,000	$ 267,020

NOTE C – PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2020 and 2019:

	2020	2019
Leasehold improvements	$ 77,863	$ 77,766
Office and computer equipment	37,501	43,848
Medical equipment	130,679	214,549
Office furniture	18,548	18,438
	264,591	354,601
Less: Accumulated depreciation	(137,393)	(202,850)
Property and equipment, net	$ 127,198	$ 151,751

NOTE D – LONG TERM DEBT – PPP LOAN

In 2020, First Care applied for and was approved for a $231,400 loan under the Paycheck Protection Program (PPP loan) created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration. The PPP loan accrues interest at 1%, but payments are not required to begin for six months after the funding of the PPP loan. First Care is eligible for PPP loan forgiveness of up to 100% of the PPP loan, upon meeting certain requirements. The PPP loan is uncollateralized and is fully guaranteed by the Federal government. As of December 31, 2020, the outstanding balance was $233,023 which includes accrued interest. On June 15, 2021 First Care received notice from the Small Business Administration (SBA) that 100% of the PPP loan has been forgiven.

NOTE E – RETIREMENT PLAN

First Care maintains a SIMPLE IRA plan under Code Section 408(p). Under the plan, employees are able to contribute up to the maximum allowed by the Internal Revenue Service. First Care made matching contributions of $20,699 and $15,810 for the years ended December 31, 2020 and 2019, respectively.

NOTE F – IN-KIND CONTRIBUTIONS

First Care receives the majority of baby and maternity supplies from individuals and churches, which are recorded as in-kind support at estimated fair value. In accordance with the accounting policies set forth in Note 2, the estimated fair value of the donated services rendered by nurses and other medical professionals and the rental value of donated facilities are recorded as in-kind support and expense in the accompanying statements of activities. Furthermore, the receipt of donated equipment or the purchase of equipment at a price significantly below its current value is also recorded as in-kind support.

In-kind support for the years ended December 31, 2020 and 2019 consisted of:

	2020	2019
Baby and maternity supplies	$ 7,927	$ 12,189
Sonogram equipment and supplies	-	40,500
Volunteer professional nurses	6,989	10,574
	$ 14,916	$ 63,263

Volunteer time that did not meet the criteria for recognition in the accompanying financial statements totaled 987 and 4,901 hours for the years ended December 31, 2020 and 2019 having an estimated fair value of $26,860 and $120,997, respectively.

NOTE G – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at December 31, 2020 and 2019:

	December 31, 2019	Contributions	Released	December 31, 2020
Baby closets	$ 98	$ -	$ -	$ 98
Boca Raton RV/clinic	1,293	1,100	(2,084)	309
Natural childbirth education	420	-	-	420
Johanna Jurado Memorial Fund	30,616	1,800	(3,252)	29,164
Empowerment Fund	95,405	-	(63,686)	31,719
Light & Hope Project	-	210	-	210
Outreach	25,458	-	(25,458)	-
	$ 153,290	$ 3,110	$ (94,480)	$ 61,920

	December 31, 2018	Contributions	Released	December 31, 2019
Baby closets	$ 143	$ -	$ (45)	$ 98
Boca Raton RV/clinic	3,300	3,300	(5,307)	1,293
Natural childbirth education	420	-	-	420
Johanna Jurado Memorial Fund	49,307	4,484	(23,175)	30,616
Empowerment Fund	-	110,000	(14,595)	95,405
Outreach	-	90,000	(64,542)	25,458
	$ 53,170	$ 207,784	$ (107,664)	$ 153,290

NOTE H – CONCENTRATIONS OF CREDIT RISK

Financial instruments which potentially subject First Care to concentrations of credit risk consist principally of cash and cash equivalents. First Care maintains its cash and cash equivalents in various bank deposit accounts which, at times, may exceed federally insured limits. First Care has not experienced any losses in such accounts.

As of December 31, 2020, 99% of unconditional promises to give are due from two donors, management believes the unconditional promises to give to be fully collectible.

As of December 31, 2019, 73% of unconditional promises to give are due from one related party donor, management believes the unconditional promise to give to be fully collectible.

NOTE I – LEASE COMMITMENTS

First Care operates its administrative offices and its pregnancy clinics in leased facilities under operating lease arrangements. For the year ended December 31, 2020, facility lease expense totaled $267,856.

Future minimum annual lease payments for the administrative office and clinics for the remaining terms of the leases in effect at December 31, 2020 are as follows:

Year Ending December 31,	Office	Clinics	Total
2021	$ 41,234	$ 190,880	$ 232,114
2022	42,264	126,731	168,995
2023	7,073	37,319	44,392
2024	-	3,195	3,195
2025 and thereafter	-	-	-
	$ 90,571	$ 358,125	$ 448,696

NOTE J – LIQUIDITY

The following reflects First Care's financial assets as of December 31, 2020 and 2019, reduced by amounts not available for general expenditures within one year of the statement of financial position date.

	2020	2019
Financial assets:		
Cash and cash equivalents	$ 1,424,350	$ 1,067,111
Unconditional promises to give	253,186	267,020
Total Financial assets, at year-end	1,677,536	1,334,131
Less those unavailable for general expenditures within one year due to:		
Donor restricted	(61,920)	(153,290)
Board designated reserves for future liquidity needs	(239,975)	(140,000)
Financial assets available to meet cash needs for general expenditures within one year	$ 1,375,641	$ 1,040,841

NOTE K – SUBSEQUENT EVENTS

In the normal course of preparing First Care's financial statements, management reviews events that occur after the statement of financial position date, December 31, 2020, for potential recognition or disclosure in the financial statements. Management has evaluated subsequent events through June 19, 2021, which is the date the financial statements were available to be issued.

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in Wuhan, China and has since spread to other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of multiple businesses. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. Therefore, First Care expects this matter to negatively impact its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time. On June 15, 2021 First Care received notice from the Small Business Administration (SBA) that 100% of the PPP loan has been forgiven (See Note D).