Pregnancy Solutions, Inc.

Financial Statements

December 31, 2019

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CAVANAUGH & CO, LLP
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Pregnancy Solutions, Inc., Inc.

We have reviewed the accompanying financial statements of Pregnancy Solutions, Inc., Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Cavanaugh & Co LLP

Sarasota, Florida
May 8, 2020

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Pregnancy Solutions, Inc.

Statement of Financial Position
December 31, 2019

ASSETS

Cash and cash equivalents	$ 188,103
Fixed assets less accumlated depreciation of $92,071	43,333
Total assets	$ 231,436

LIABILITIES AND NET ASSETS

Liabilities:	
Refundable advance	$ 550
Credit card payable	5,085
Total liabilities	5,635
Net assets:	
Without donor restrictions	200,941
With donor restrictions	24,860
Total net assets	225,801
Total liabilites and net assets	$ 231,436

See independent accountant's review report and accompanying notes to financial statements.

Pregnancy Solutions, Inc.

Statement of Activities and Changes in Net Assets
Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Support and revenues:			
Contributions	$ 154,458	230,305	384,763
Special events income net of expenses of $60,976	254,157	-	254,157
Organizational gifts	64,536	-	64,536
Other contributions	40,059	-	40,059
Net assets released from restrictions	210,942	(210,942)	-
Total support and revenue	724,152	19,363	743,515
Total support and revenues	724,152	19,363	743,515
Expenses:			
Programs:			
Client services	486,372	-	486,372
Outreach and education	4,191	-	4,191
Total program expenses	490,563	-	490,563
General and administrative	138,287	-	138,287
Fundraising	66,560	-	66,560
Total expenses	695,410	-	695,410
Change in net assets	28,742	19,363	48,105
Net assets at beginning of year	172,199	5,497	177,696
Net assets at end of year	$ 200,941	24,860	225,801

See independent accountant's review report and accompanying notes to financial statements.

Pregnancy Solutions, Inc.

Statement of Functional Expenses
Year Ended December 31, 2019

	Client Services								
	Client Services	Support After Abortion	Rookie Dads	Total Client Services	Outreach and Education	Total Program Expenses	Management and General	Fund-raising	Total Expenses
Payroll	$ 141,764	91,547	12,837	246,148	3,521	249,669	91,402	37,734	378,805
Payroll taxes	12,019	7,027	1,001	20,047	28	20,075	6,800	2,891	29,766
Advertising	6,788	14,112	1,642	22,542	65	22,607	818	-	23,425
Professional fees	235	-	-	235	-	235	11,519	-	11,754
Travel and meals	10,826	12,579	4,492	27,897	202	28,099	6,581	359	35,039
Office expenses	7,501	5,091	2,347	14,939	211	15,150	2,386	25,576	43,112
Insurance	3,919	1,307	1,307	6,533	-	6,533	1,307	-	7,840
Rent	63,938	6,000	3,000	72,938	-	72,938	2,700	-	75,638
Computer expenses	2,734	2,562	559	5,855	164	6,019	1,298	-	7,317
Conference	-	27,009	-	27,009	-	27,009	-	-	27,009
Curriculum	-	2,605	-	2,605	-	2,605	-	-	2,605
Repairs and maintenance	8,029	370	304	8,703	-	8,703	696	-	9,399
Utilities	12,548	1,383	1,083	15,014	-	15,014	1,150	-	16,164
Miscellaneous	2,835	5,628	22	8,485	-	8,485	498	-	8,983
Training	-	2,237	-	2,237	-	2,237	-	-	2,237
Boutique	25	-	-	25	-	25	-	-	25
Client welfare	900	-	-	900	-	900	-	-	900
EWYL	1,119	-	92	1,211	-	1,211	-	-	1,211
Grants	3,049	-	-	3,049	-	3,049	-	-	3,049
Depreciation	-	-	-	-	-	-	11,132	-	11,132
Total expenses	$ 278,229	179,457	28,686	486,372	4,191	490,563	138,287	66,560	695,410

See independent accountant's review report and accompanying notes to financial statement

Pregnancy Solutions, Inc.

Statement of Cash Flows
Year Ended December 31, 2019

Cash flows from operating activities:	
Change in net assets	$ 48,105
Adjustments to reconcile change in net assets to to net cash from operating activities:	
Depreciation	11,132
(Increase) decrease in:	
Refundable advance	(1,449)
Accounts payable	(1,545)
Credit card payable	5,085
Net cash flows from operating activities	61,328
Net increase in cash and cash equivalents	61,328
Beginning cash and cash equivalents	126,775
Ending cash and cash equivalents	$ 188,103

See independent accountant's review report and accompanying notes to financial statements.

Pregnancy Solutions, Inc., Inc.

Notes to Financial Statements
December 31, 2019
(See Independent Accountant's Review Report)

Note 1 – Nature of Operations:

Pregnancy Solutions, Inc., Inc. (Organization) is a not-for-profit corporation established under the laws of the State of Florida on March 9, 2001. The Organizations mission is to provide free, confidential, high-quality and compassion care to pregnant women. They are a 501(c)(3) corporation who receive no government funding for their work and rely entirely on donations from individuals and corporations to continue their services.

Note 2 – Summary of Significant Accounting Policies:

Basis of Accounting
The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation
The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. If donor-imposed restrictions are met in the same period as the gift or investment income is received, the amount is reported as without donor restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The Board of Directors has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents
The Organization considers all unrestricted highly liquid investments, other than those held with investment brokers, with an initial maturity of the three months or less to be cash equivalents.

Property and Equipment
Property and equipment are capitalized at cost. It is the Organization's policy to capitalize expenditures for these items in excess of $1,000. Lesser amounts are expensed. Property and equipment are being depreciated over estimated useful lives of five to forty years using straight-line depreciation. Maintenance and repair costs are expensed as incurred.

Note 2 – Summary of Significant Accounting Policies – Continued:

Contributed Items and Services
Contributed items and services represent the estimated fair value of the item or service provided. The contributions of service are recognized if the services (a) create or enhance non-financial 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.

Significant amounts of volunteer services are donated to the Organization by various individuals. However, these services were not recognized in the financial statements because they did not meet the above criteria.

Income Tax Status
The Organization is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization's status as a tax-exempt entity is considered a tax position subject to the reporting requirements under FASB ASC 740, *Accounting for Income Taxes.* Entities are required to examine all tax positions and determine if it is more likely than not that the positions would be sustained upon examination by taxing authorities. The Organization has not recorded any accruals for uncertain income tax positions at December 31, 2018.

Advertising
The Organization expenses advertising costs as they are incurred, and advertising communications costs the first time the advertising takes place.

Functional Allocation of Expenses
The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

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 assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Note 3 – Uninsured Cash Balances:

The Organization maintains cash balances at one financial institution. Accounts at banking institutions are insured by the FDIC up to $250,000. At December 31, 2019, the Organization had no uninsured cash balances.

Note 4 – Liquidity:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, include cash and cash equivalents less amounts restricted, or $163,243.

Pregnancy Solutions, Inc., Inc.

Notes to Financial Statements - continued
December 31, 2019
(See Independent Accountant's Review Report)

Note 5 – Net Assets with Donor Restrictions:

Net assets with donor restrictions as of December 31, 2019 are as follows:

Subject to expenditure for specific purpose:		
Baby Wipes Grant - VGCC	$	888
Support after abortion		17,148
EWYL		3,789
Thrive		3,035
Total	$	24,860

Net assets were released from restrictions during the year by satisfying the program restrictions specified by donors as follows:

Rookie Dads	$	25,000
Support after Abortion		179,457
EWYL		1,211
Thrive		3,665
VGCC Diaper Grant		1,112
Plantation Country Club Grant		497
Total	$	210,942

Note 6 – Functionalized Expenses:

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, and depreciation, which are allocated on a square footage basis, as well as salaries and wages, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated on the basis of estimates of time and effort.

Note 7 – Subsequent Events

Subsequent events have been evaluated through May 8, 2020, which is the date of the financial statements were made available to be issued.