



Maternity Foundation - Fondet

Sortedam Dossering 81, 2100 København Ø

CVR.no.: 34 64 00 92

Annual report for the period 1. january 2013 - 31. december 2013

The annual report has been submitted and
approved by the general meeting on the


2014.

Chairman of the meeting

	<u>Page</u>
Reports	
Management's report	2
Independent auditor's reports	3 - 4
Management's review	
Association data	5
Management's review	6 - 7
Annual accounts 2013	
Accounting policies used	8 - 9
Profit and loss account	10
Balance sheet	11 - 12
Notes	13 - 15

The management has today presented the annual report of Maternity Foundation - Fondet for the financial year 1. january 2013 - 31. december 2013.

The annual report has been presented in accordance with the Danish Financial Statements Act.

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the foundation's assets and liabilities and its financial position as on 31 December 2012 and of the foundation's results of its activities in the period from 1 January to 31 December 2012.

I am of the opinion that the management review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Copenhagen, 10. march 2014

Management

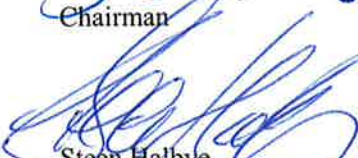


Anna Cecilia Frelsen

Board



Juliane Meulengracht Bang
Chairman



Steen Halbye



Henriette Svarre Nielsen




Illa Westrup Stephensen



Kathrine Holte




Line Holten Reimer



Carina Høgsted



Peter Foss



Carsten Nilas Pedersen

Report on annual accounts

We have audited the annual accounts of Maternity Foundation - Fondet for the financial year 1 January - 31 December 2013, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

The management's responsibility for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts that give a true and fair view 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 foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as the overall presentation of the annual accounts.

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

The audit has not resulted in any qualification.

Opinion

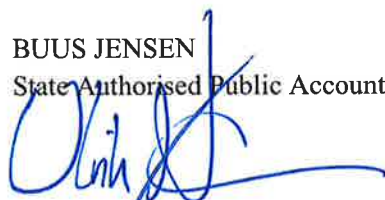
In our opinion, the annual accounts give a true and fair view of the foundations's assets, liabilities and financial position at 31 December 2013 and of the results of the foundations's operations for the financial year 1 January to 31 December 2013 in accordance with the Danish Financial Statements Act.

Statement on the management's review

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the annual accounts.

Copenhagen, 10. march 2014

BUUS JENSEN
State Authorised Public Accountants



Ulrik Nørskov
State Authorised Public Accountant

The association

Maternity Foundation - Fondet
Sortedam Dossering 81
2100 København Ø

E-mail: info@mww.dk

CVR-no.: 34 64 00 92

Financial year: 1. january - 31. december

Management

Anna Cecilia Frellsen

Board

Juliane Meulengracht Bang
Steen Halbye
Line Holten Reimer
Henriette Svarre Nielsen
Carina Høgsted
Illa Westrup Stephensen
Peter Foss
Kathrine Holte
Carsten Nilaus Pedersen

Auditors

BUUS JENSEN
State Authorised Public Accountants
Lersø Parkallè 112
2100 København Ø

Over the past nine years, Maternity Foundation has developed a strong track record for implementing sustainable maternal and newborn health programs in Ethiopia. Our strategy is to build on this and our mHealth partnerships to become *the leading innovator and catalyst for building maternal and newborn health in Sub-Saharan Africa*. Important achievements in this direction was already made in 2013.

As an innovator, Maternity Foundation launched an extensive research project to test our Safe Delivery App in collaboration with Copenhagen University in 2013. The efficacy of the Safe Delivery App is currently tested in a randomized controlled trial at 73 health facilities in Ethiopia and will run until November 2014. With this, we are testing that The Safe Delivery App can overcome outreach barriers of conventional training programs in not only an innovative, but also an impactful and cost-effective way. Third part reactions from end-users and international reproductive health experts has been very promising to date and we have experienced a tremendous interest from international stakeholders and potential partners.

As a catalyst, Maternity Foundation made the first steps for scaling up in Sub-Saharan Africa. By sharing our experiences of implementing sustainable maternal and newborn health programs we will build up the capacity of larger, well-established actors (NGOs as well as state actors). By working together rather than duplicating efforts, more women and newborns can be helped in the most cost effective way.

Consequently, we are very proud to have established partnerships with Ethiopian Midwife Association, SOS Children Villages in Denmark and Ethiopia and Danish Red Cross in 2013. Over the next couple of years, we are going to strengthen their maternal and newborn health capacity by sharing our training approach and innovative tools. To effectuate this a central clinical training task force and monitoring team will be based in Addis Ababa. Our mHealth tools in collaboration with Copenhagen University will be an essential part of this scale up.

The Integrated Maternal Health Project

In our Integrated Maternal Health Project in Ethiopia important results has also been achieved. In 2013 Maternity Foundation obtained a national accreditation from the Oromiya Health Bureau under the Federal Ministry of Health. Based on this accreditation we will now run training of health workers across 39 districts in East and West Wollega Zone from 2014. The trainings will focus on health workers ability to handle Basic Emergency Obstetric and Newborn Care (BEmONC). Other key achievements of the project in 2013 can be summarized as follows:

Building up clinical skills and capacity at health facilities

- Two hospitals had 100% obstetric coverage
- 30 birth attendants were trained in BEmONC
- 14 Health Extension Workers were trained in Clean and Safe Delivery
- 36 Health Extension Workers were trained in Birth Preparedness and Complications Readiness
- 1 Maternity Birth Waiting Home to the Government Hospital was successfully piloted

Community Empowerment: Health education and livelihood strengthening

- 79.996 community members were reached with community health education
- 1.225 poor women were empowered through livelihood strengthening activities

The key impact indicator for The Integrated Maternal Health Project is Skilled Birth Attendance (measured by number of facility based deliveries). We are therefore very proud to announce that *from 2010 to 2013 we experienced an 85% increase in facility based deliveries at our MWW supported health facilities.*

Our Partners

We are truly thankful to our partners who have made above efforts possible by supporting us financially as well as with their time and resources. In this connection a special thank you to the following partners:

- The Obel Family Foundation, who has been financing our administration and made it possible to channel all other donations directly to our programmatic efforts and activities in Africa
- MSD for Mothers Global Giving Program, who has made our big investment in mHealth research and development possible
- The Kavli Foundation, who has become a key strategic partner in our Integrated Maternal Health Project
- Poul Due Jensens Foundation, who has supported us with the solarification of health centers and development of health worker training in Infection Prevention & Control.

In addition, we are extremely grateful to our loyal supporters Niels Kevin Jakobsens Familiefond, Ida Ringdom, Paula & Axel Nissen, Det Arnstedske Familiefond, Orients Fond, Kvindernes Kampdag and Hesse Ragle and all our loyal members, who all have supported us again in 2013.

We are truly grateful to our operational partners; Bech Bruun, Buus Jensen, and Dekato, whom with their pro bono time and expertise has made it possible to keep our operational cost at a lower level. The team at MSD for always supporting us through their different CSR activities – employee volunteering and fundraising events, in kind donations, and numerous other activities.

Last but not least a warm thank you to our team in Ethiopia, who are working really hard to accomplish our program objectives. They, if any, know the huge impact that each and every effort has on the ground for women and their families and are doing everything they can to make the best of it.

The annual report for Maternity Foundation - Fondet is presented in accordance with those regulations of the Danish Financial Statements Act.

The accounting policies used are unchanged compared to last year.

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the association is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the association is liable to loose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

Certain fixed asset investments and liabilities are measured at amortised cost, by which method a fixed, effective interest is recognised during the useful life of the asset or the liability. Amortised cost is recognised as the original cost with deduction of any payments and additions/deductions of the accrued amortisation of the difference between cost and nominal amount. In this way capital losses and capital profits are spread over the useful life.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Other external costs

Other external costs comprise costs for administration, wages and project costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Net financial

Net financials comprise interest income and interest costs, financial costs in connection with financial leasing, realised and unrealised capital profits and losses concerning securities, liabilities and transactions in foreign currency, amortising of fixed asset investments and liabilities, and additions and reimbursements of interest concerning tax payment. Net financials are recognised with the amounts concerning the financial year.

Tax

Tax on profit for the year is carried in the income statement.

The foundation does not make provisions for deferred tax.

The balance sheet**Accrued income and deferred expenses**

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Cash and cash equivalents comprise cash and short-term securities with a maturity less than 3 months that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

Provisions

Funds set aside for future project expenses.

Other assets

Other assets are recognised at nominal value.

Liabilities

Liabilities concerning debts to suppliers and other debts are measured at amortised cost which usually corresponds to the nominal value.

Tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

All amounts in DKK.

<u>Note</u>	<u>2013</u>	<u>2012</u>
1 Funds collected	3.941.106	6.023.440
Earmarked funding to cover administration	-1.330.000	-650.000
2 Project and program expenses	<u>2.544.663</u>	<u>2.357.269</u>
	66.443	3.016.171
3 Administration and staff costs	<u>43.376</u>	<u>551.197</u>
RESULT BEFORE NET FINANCIALS	23.067	2.464.974
4 Other financial income	7.351	991
5 Other financial costs	<u>-</u>	<u>1.382</u>
RESULT FOR THE YEAR BEFORE DESTRIUION	<u>30.418</u>	<u>2.464.583</u>
Fund distribution for the year	750.000	-
Fund distribution disposed from previous years	<u>-750.000</u>	<u>-</u>
	<u>30.418</u>	<u>2.464.583</u>
Result to be disposed		
Result for the year	30.418	2.464.583
Result for previous years	<u>589.317</u>	<u>4.083.984</u>
Disposed	<u>619.735</u>	<u>6.548.567</u>

All amounts in DKK.

<u>Note</u>	<u>31/12 2013</u>	<u>31/12 2012</u>
ASSETS		
Non-distributable assets		
Bank deposits	<u>250.000</u>	<u>250.000</u>
Financial fixed assets		
Deposits	<u>60.000</u>	<u>35.312</u>
FIXED ASSETS IN TOTAL	<u>310.000</u>	<u>285.312</u>
Current assets		
<u>Debtors</u>		
6 Other debtors	<u>1.847.406</u>	<u>3.493.130</u>
Cash funds	<u>4.715.057</u>	<u>3.488.030</u>
CURRENT ASSETS IN TOTAL	<u>6.562.463</u>	<u>7.266.472</u>
ASSETS IN TOTAL	<u>6.872.463</u>	<u>7.266.472</u>

All amounts in DKK.

<u>Note</u>	<u>31/12 2013</u>	<u>31/12 2012</u>
LIABILITIES		
Equity		
7 Non-distributable capital	250.000	250.000
Distributable capital	<u>619.735</u>	<u>589.317</u>
EQUITY IN TOTAL	<u>869.735</u>	<u>839.317</u>
Provisions		
Provisions for charitable distributions	<u>5.209.250</u>	<u>5.959.250</u>
Short-term liabilities		
8 Other liabilities	193.478	467.905
Deferred income, foundation regarding following years	<u>600.000</u>	<u>-</u>
SHORT-TERM LIABILITIES IN TOTAL	<u>793.478</u>	<u>467.905</u>
LIABILITIES IN TOTAL	<u>6.872.463</u>	<u>7.266.472</u>

All amounts in DKK.

	<u>2013</u>	<u>2012</u>
Note 1 - Funds collected		
Private donations	113.436	198.876
Donations from foundations	3.825.692	5.657.096
Other income	<u>1.978</u>	<u>167.468</u>
	<u>3.941.106</u>	<u>6.023.440</u>
Earmarked funding to cover administration	<u>1.330.000</u>	<u>650.000</u>
Note 2 - Project and program expenses		
Integrated Maternal Health Project	1.433.898	1.063.585
mHealth Project	1.467.456	718.930
Overall expenses	393.309	574.754
Transferred from provisions from previous year	<u>-750.000</u>	<u>-</u>
	<u>2.544.663</u>	<u>2.357.269</u>
Note 3 - Administration and staff costs		
Office expenses	194.613	176.376
Meetings and conferences	21.779	32.996
Minor acquisitions	11.744	13.149
Phone, internet and IT expenses	30.806	28.103
Marketing	-	6.872
Consultants, bookkeeping assistance	76.281	54.783
Newspapers and membership fees	3.740	5.125
Insurance	5.683	968
Other costs	10.198	-
Wages	931.193	908.023
Regulation, holiday pay	56.546	-48.199
Social costs	20.452	23.001
Staff costs	10.341	-
Covered by donations from foundations	<u>-1.330.000</u>	<u>-650.000</u>
	<u>43.376</u>	<u>551.197</u>

All amounts in DKK.

	<u>2013</u>	<u>2012</u>
Note 4 - Other financial income		
Interest income	<u>7.351</u>	<u>991</u>
	<u>7.351</u>	<u>991</u>
Note 5 - Other financial costs		
Interest expenses	<u>-</u>	<u>1.382</u>
	<u>-</u>	<u>1.382</u>

All amounts in DKK.

	<u>2013</u>	<u>2012</u>
Note 6 - Other debtors		
Prepaid expenses	30.192	14.638
Receivable, foundations	1.763.779	3.478.492
Other receivables	<u>53.435</u>	<u>-</u>
	<u>1.847.406</u>	<u>3.493.130</u>
Note 7 - Equity		
<u>Non-distributable capital</u>		
Capital	<u>250.000</u>	<u>250.000</u>
<u>Distributable capital</u>		
Results brought forward, beginning of period	589.317	-
Profit or loss for the year brought forward	<u>30.418</u>	<u>589.317</u>
	<u>619.735</u>	<u>589.317</u>
Note 8 - Other liabilities		
Payables	34.730	36.636
Hospitalproject, Ethiopia	-	26.320
mHealth project	-	321.220
Holiday pay obligation	110.670	54.124
Payable income tax etc.	<u>48.078</u>	<u>29.605</u>
	<u>193.478</u>	<u>467.905</u>