EVERY MOTHER COUNTS

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

December 31, 2012

HAN GROUP
Certified Public Accountants and Consultants

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HAN GROUP
Certified Public Accountants and Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Every Mother Counts,

We have audited the accompanying financial statements of Every Mother Counts (the Organization), which comprise the statement of financial position as of December 31, 2012, and the related statements of activities and cash flows for the year 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 audit. 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 of 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.

HAN GROUP
Certified Public Accountants and Consultants

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Every Mother Counts as of December 31, 2012, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

HAN GROUP LLC

HAN GROUP LLC
McLean, Virginia
July 31, 2013

EVERY MOTHER COUNTS
Statement of Financial Position
December 31, 2012

Assets		
Cash	$	705,233
Grants and contributions receivable		132,613
Other receivable		100,000
Prepaid expenses		6,744
Property and equipment, net		51,315
Total assets	$	995,905
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses		34,096
Accrued payroll expenses		9,611
Total liabilities		43,707
Net Assets		
Unrestricted		458,112
Temporarily restricted		494,086
Total net assets		952,198
Total liabilities and net assets	$	995,905

See accompanying notes.

EVERY MOTHER COUNTS
Statement of Activities
Year Ended December 31, 2012

	Unrestricted	Temporarily Restricted	Total
Revenue and Support			
Grants and contributions	$ 1,539,489	$ 606,321	$ 2,145,810
Royalties	20,063	-	20,063
Consulting service revenue	10,000	-	10,000
Other revenue	13,905	-	13,905
Net assets released from restrictions:			
Satisfaction of purpose restrictions	112,235	(112,235)	-
Total revenue and support	1,695,692	494,086	2,189,778
Expenses			
Program services	1,090,764	-	1,090,764
Supporting services:			
Management and general	25,821	-	25,821
Fundraising	120,995	-	120,995
Total supporting services	146,816	-	146,816
Total expenses	1,237,580	-	1,237,580
Changes in Net Assets	458,112	494,086	952,198
Net Assets, beginning of year	-	-	-
Net Assets, end of year	$ 458,112	$ 494,086	$ 952,198

See accompanying notes.

EVERY MOTHER COUNTS
Statement of Cash Flows
Year Ended December 31, 2012

Cash Flows from Operating Activities		
Changes in net assets	$	952,198
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation		8,275
Changes in operating assets and liabilities:		
Increase in grants and contributions receivable		(132,613)
Increase in other receivable		(100,000)
Increase in prepaid expenses and deposits		(6,744)
Increase in accounts payable and accrued expenses		34,096
Increase in accrued payroll expenses		9,611
Net cash provided by operating activities		764,823
Cash Flows from Investing Activities		
Purchase of property and equipment		(59,590)
Net cash used in investing activities		(59,590)
Net Increase in Cash		705,233
Cash, beginning of year		-
Cash, end of year	$	705,233

See accompanying notes.

1. Nature of Operations

Every Mother Counts (the Organization) is a nonprofit organization incorporated in 2011 whose mission is to help to end preventable deaths caused by pregnancy and childbirth around the world. The Organization informs, engages, and mobilizes new audiences to take action to improve the health and well-being of girls and women worldwide. The Organization funds its program and supporting services primarily through grants and contributions from corporations, foundations and individuals.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The Organization's financial statements are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

Grants and Contributions Receivable

Grants and contributions receivable represent amounts due from the Organization's various revenue sources. The balance of grants and contributions receivable at December 31, 2012 has been deemed by management to be fully collectible within one year. If an amount becomes uncollectible, it is expensed when that determination is made.

Property and Equipment

Property and equipment over $1,000 with a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets. Expenditures for minor and routine repairs and maintenance are expensed as incurred. Upon retirement or disposal of assets, the cost and accumulated depreciation are eliminated from the accounts and the resulting gain or loss is included in revenue or expense.

Classification of Net Assets

- *Unrestricted net assets* represent funds that are not subject to donor-imposed stipulations and are available for support of the Organization's operations.

- *Temporarily restricted net assets* represent funds subject to donor-imposed restrictions that are met either by actions of the Organization or the passage of time. At December 31, 2012, temporarily restricted net assets were comprised of $494,086 for Implementing Partners Program.

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition

Unconditional grants and contributions are recognized as revenue when received or promised and are reported as temporarily restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Revenue from all other sources is recognized when earned.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among the program 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 the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

3. Concentration of Credit Risk

The Organization maintains demand deposits with a financial institution that may, from time to time, exceed insurable limits. The Organization routinely assesses the financial condition of the institution and believes the risk of any loss is minimal.

4. Property and Equipment

The Organization carried the following property and equipment at December 31:

Furniture and equipment	$	8,867
Website		50,723
Total property and equipment		59,590
Less: accumulated depreciation		(8,275)
Property and equipment, net	$	51,315

5. Operating Leases

In March 2012, the Organization entered into a lease agreement for office space. The lease is on a month-to-month basis and calls for monthly rental payments of $3,488. Rent expense was $34,875 for the year ended December 31, 2012.

6. Related Party Transactions

The Organization received contributions from an entity whose officer is a board member with the Organization. The amount of such contributions was $207,026 for the year ended December 31, 2012.

7. Income Taxes

Under Section 501(c)(3) of the Internal Revenue Code, the Organization is exempt from the payment of income taxes other than net unrelated business income. No provisions for income tax are required for the year ended December 31, 2012 as the Organization had no unrelated business activities.

The Financial Accounting Standards Board Accounting Standards Codification 740-10, *Income Taxes*, provides guidance for reporting uncertainty in income taxes. The Organization has performed an evaluation of uncertain tax positions for the year ended December 31, 2012 and determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements. The Organization plans to file its first informational tax return subsequent to the year end.

8. Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 31, 2013, the date the financial statements were available to be issued.