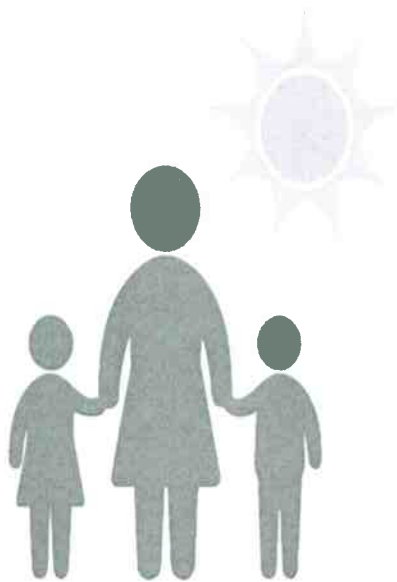


2018 Annual Financial Report



HEALTH
SUPPORT
FOUNDATION

MOTHERS TO THE MOTHERLESS

Letter from the CEO and Founder

Dear Friends

Thank you for making 2018 a remarkable year for Health Support Foundation. Following a successful launch in 2017, HSF has had a tremendous two full years of operations. I will like to share a few progress areas as well as some challenges experienced during these first two years and provide an outlook of next year.

- We have started operations in Ghana and Liberia, and at the initial stages of negotiating with a potential local partner in Sierra Leone.
- We have provided and continue to provide in-kind and financial support to 30 children in Ghana and Liberia, making it possible for the beneficiaries to have access to basic formula, Nanny assistance and Daycare, and to attend pre-school or elementary school.
- Our Board of Directors is fully constituted, and our management team is fully operational
- We have undergone an independent financial review of our first two years of operation and received a clean opinion

The year was however not without challenges. Despite many requests for support, we could not accept new children beyond the 30 we had due to limited funding. We are committed to a sustainable funding model that requires us not to overcommit financially. At the same time, it was difficult to turn away so many eligible children and their families who very much needed our support.

In the coming year, we will focus on continuing our support in Ghana and Liberia, finalize our negotiations with a local partner in Sierra Leone and be operational. This will require us to raise additional funding to continue our support for the children in Ghana and Liberia and for the new children to be accepted in Sierra Leone. With 1,360 mothers dying per 100,000 live births, Sierra Leone has the worst maternal mortality ratio in the world. According to the UNICEF estimates from 2015, 1 in 17 mothers in Sierra Leone has a lifetime risk of death associated to childbirth. As you will agree, there is a tremendous need for our support in Sierra Leone. Furthermore, we will work on developing maternal mortality prevention education program in Sierra Leone in particular, as our contribution to stemming the tide of maternal mortality.

In a nutshell, we have laid a solid foundation for growth having put in place the necessary governance framework, operationalized our business model in two countries and working on another, and undergone an independent review of financial reporting processes. The prospects are bright, and we look forward to continuing to learn from our current operations and perfecting our business model.

I wish to express my sincere gratitude and appreciation to all our partners and donors for their support in 2017 and 2018. Without your support, none of the above accomplishments would have been possible and most importantly the beneficiaries of our support would have been worse off. In 2019, we will count on your continued support for HSF to continue being a mother to the motherless.

Sincerely,

Dorothy Dapaah,

Founder and CEO

Juliana Hayfron-Benjamin, CPA

13363 Connor Drive # P • Centreville • VA 20120 • (703) 479 9446 • jhbaccountingservices@yahoo.com

Independent Accountant's Review Report

We have reviewed the accompanying financial statements of the Health Support Foundation for the year ended December 31, 2018, 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 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.

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 American Institute of Certified Public Accountants. 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.

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.



January 31, 2019

Centreville, Virginia

**Health Support Foundation
Statement of Financial Position
Year Ended December 31, 2018**

	2017	2018
Assets		
Current Assets		
Cash and cash equivalents	5,997	1,606
Short-term investments	-	-
Accounts receivable, net	-	-
Prepaid expenses	-	-
Other assets	830	506
Total Current Assets	6,827	2,112
Fixed Assets		-
Total Assets	6,827	2,112
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	-	-
Accrued liabilities	-	-
Income taxes payable	-	-
Total Current Liabilities	-	-
Long-Term Liabilities		-
Total Liabilities	-	-
Net Assets		
Net Assets	4,763	(4,715)
Accumulated Fund	-	6,827
Capital	2,064	-
Total Net Assets	6,827	2,112
Total Liabilities and Net Assets	6,827	2,112

**Health Support Foundation
Statement of Activities
Year Ended December 31, 2018**

	2017	2018
Support received		
Cash Donations		
Individuals	5,980	9,523
Corporate	-	-
Auction	2,190	-
Grants	-	-
Total Receipts	8,170	9,523
Expenses		
Food Supplement and Nanny Care	1,680	1,162
Education support	1,760	4,052
Basic food - Baby formula	600	5,942
Operating expenses	-	2,782
Miscellaneous	723	300
Total Expenses	4,763	14,238
Net Assets	3,407	(4,715)

See Note 2: Program Expenses

Health Support Foundation
Statement of Cash Flows
Year Ended, December 31, 2018

	2018
Operating Activities	
Change in net assets	(4,715)
Adjustments to reconcile change in net assets to net cash from operating activities	
Depreciation	-
Bad debt expense	-
Changes in operating assets and liabilities:	
Accounts receivable	-
Prepaid expenses	-
Other assets	324
Accounts payable	-
Accrued liabilities	-
Income tax payable	-
Net Cash From for Operating Activities	<u>(4,391)</u>
Investing Activities	
Purchase of short-term investments	-
Purchase of equipment	-
Net Cash from Investing Activities	<u>-</u>
Financing Activities	<u>-</u>
Net Cash Used for Financing Activities	<u>-</u>
Net Change in Cash and Cash Equivalents	(4,391)
Cash and Cash Equivalents at Beginning of Period	<u>5,997</u>
Cash and Cash Equivalents at End of Period	<u><u>1,606</u></u>

Health Support Foundation
Notes to financial statements
December 31, 2018

Note 1 - Principal Activity and Significant Accounting Policies

Organization

Health Support Foundation (the Organization), is a US-based nonprofit corporation, was incorporated in the State of Virginia in November 30, 2012 and was designated a 501(c)(3) tax exempt organization under the IRS Code effective May 15, 2015. The Organization's purpose is to minimize the impact of maternal mortality on surviving children through targeted support that meet their emotional, physical and financial needs. Children between the ages of zero and seven are the focus of the Organization's support which includes grants for day care, school fees and tuition, counseling and psychological support, as well as in-kind assistance such as baby formula and clothing. The Organization is governed by an independent, volunteer Board of Directors who oversees the Organization's operations. Revenues to support the Organization are primarily received from donations of cash, materials, and services.

In January 2017, the Organization started operations in Ghana where it provides support for 12 children. In September 2018, the Organization started operations in Liberia where is also provides support for 19 children. The Organization works through a network of local hospitals and social workers who identify and pre-qualify the children who need assistance. Support to the children and their beneficiary families is administered through government social workers who are tasked with overseeing the monitoring the welfare of the children in the respective countries as part of government's support for the children.

The accompanying financial statements have been prepared in accordance with standards for not-for-profit organizations adopted by the Financial Accounting Standards Board. They are stated on the accrual basis of accounting whereby expenses are recorded when incurred, donations are recorded when notice is received, and grant revenues are recorded when earned.

Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets- current, and accumulated fund of retained net assets, as applicable.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and their reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the financial statements, the Organization considers all cash and highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. In addition, management also considers money market funds to be cash equivalents.

Property and Equipment

Equipment and leasehold improvements are recorded on the basis of cost for purchased assets or fair value at the date of donation for donated assets. The Organization capitalizes all acquisitions in excess of \$1,000. Depreciation is recorded using the straight-line method.

Contributions and Donor Restrictions

Contributions received are recorded as unrestricted or temporarily restricted depending on the existence and/or nature of any donor restrictions. Contributions not subject to donor restrictions are reported as unrestricted support. Temporarily restricted support represents contributions that are restricted by the donor for construction activities. If temporarily restricted contributions are released from restricted net assets in the same year as the contribution is received, the contribution is reported as temporarily restricted support on the statement of activities. Contributions related to special events are recognized in the period that the event occurs.

Government Grants

The Organization receives funding from several federal financial assistance programs that supplement its traditional funding sources. Health Support Foundation recognizes the award as government grant revenue as the expenses stipulated in the grant agreement have been incurred.

In-Kind Support

The Organization receives donations from a variety of sources for services and goods in the furtherance of its objectives. The in-kind support consists principally of discounts on services of professionals, clothing, toys and baby formula donations. In-kind support is recorded at its fair value on the date of donation.

Program Services

Volunteer and Family Programs: Includes activities associated with support to targeted children. They include daycare and nanny grants, education support such as tuition, registration fees, and on-campus feeding, baby formula donations and counseling grants.

Operational Expenses

The costs of providing the programs and services mentioned in Program Services above. Accordingly, certain costs have been allocated among the programs and services benefited.

Income Taxes

Health Support Foundation is organized as a state of Utah nonprofit corporation and has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3), qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi), and has been determined not to be a private foundation under sections 509(a)(1). Habitat for Humanity of Utah County is required to file a return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the agency is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes.

Subsequent Events

Subsequent events have been evaluated through January 31, 2019 which is the date the financial statements were available to be issued.

Note 2: Program Expenses

Program expenses are grants or monthly financial support to beneficiaries of the Health Support Foundation program of support. Basic food-Baby formula support is given to children not older than six months whose basic need is milk. Food Supplement and Nanny Care support is given to children older than 6 months but under pre-school age. Education support is grant that is paid directly to children between pre-school age and seven years. Operating expenses consists of travel expenses incurred by social workers and volunteers who supervise the progress of beneficiaries and assess their need for continued support.

	2017	2018
Food Supplement and Nanny Care	1,680	1,162
Education support	1,760	4,052
Basic food - Baby formula	600	5,942
Operating expenses	-	2,782
Miscellaneous	723	300
Total Expenses	4,763	14,238

The foundation also received non-cash donation items including children's clothes, shoes, books, toys which were shipped to Ghana to support the children. The fair value of these items were not readily determinable as such they are not included in the financial statements.

**Health Support Foundation
Board of Directors**

Dorothy Dapaah
Founder & CEO of Health Support Foundation
Board Member

Stella Apekey, CPA, CGMA
Chief Financial Officer
Board Member

Anthony Gyapong
Board Member

Mr. Charles Royal CPA
Board Member

Mrs. Baffour Ennin
Board Member

Maxwell Dapaah CPA, CGMA
Senior Advisor
Non-Voting member of the Board