

General Information

The Foundation was set up by a document drawn up by Mr. J.A.Kool Notary in Zeist on September 4, 2007. Women on Wings is based in Austerlitz.

The objective of the foundation is:

- a. To improve the income of women in developing countries.
- b. Carrying out all of the additional acts which, in the broadest sense, are connected or advantageous to the aforementioned. The foundation tries to achieve its objective, among others, by advising companies in the area of management, marketing communication and finances.

The board consists of three non-executives (chair, treasurer and general board member, all unpaid) and two executives who receive a reimbursement for their full-time activities (5,000 euros per month per person excluding sales tax). The board is conditionally authorized to enter into agreements. The board is required, within six months of the end of the financial year, to prepare the statement of income and expenditure and a balance sheet.

ANBI-status

The foundation was granted the status of non-profit organization by the tax department on 1 January 2008, which means that, as long as one works in accordance with the objective of the foundation, donations for the donor as well as the foundation can be given and received tax-free. The Women on Wings Foundation is not required to pay VAT.

Guideline 650 for annual reporting

Considering the objective of the Foundation and the ANBI (non-profit) status that the tax department has granted to Women on Wings, Guideline 650 'Fundraising organization' will be implemented as regards annual reporting. The categories of reserves as used within the Guideline are standard.

General principles for drafting the annual account

When drafting the financial report, the Guideline for the 650 Fundraising Institutions will apply. Guideline 650 imposes the obligation to differentiate expenditure objective, fundraising and management and administration costs. The CBF requires that each organization establishes a standard for the amount of the costs of administration and management. Women on Wings aims a maximum rate of 8% of the total costs. Due to the fluctuation in size of the organization, this percentage can become higher. We aim to keep administration costs equal or lower than last year. In the explanation statement of income and expenditure figures are expressed as percentages relative to the total income or total costs.

1. BALANCE SHEET

Amounts in this section are in euro unless otherwise stated

		2012	2011
Assets			
Fixed assets			
	Explanation		
Tangible fixed assets (ICT HW)	4.1	586	806
Financial fixed assets	4.2	100	-
		686	806
Receivables and accrued income			
Prepaid expenses	4.3	599	1.500
Accounts receivable	4.4	12.020	1.931
		12.619	3.431
Cash			
	4.5	351.206	597.943
		364.511	602.180
Liabilities			
Equity			
Reserves			
	4.6		
Continuity reserve		44.492	41.557
Designated reserve Office India		220.000	-
Other reserves		4.485	4.485
Total equity		268.977	46.042
Current liabilities			
Creditors		3.676	39.412
Amounts received in advance	4.7	39.000	489.000
Balance outstanding	4.8	52.858	27.726
		364.511	602.180

2. STATEMENT OF INCOME AND EXPENDITURE

Amounts in this section are in euro unless otherwise stated

		2012	2011
Income	Explanation		
Income from own fundraising	5.1	735.078	338.498
Income from investments	5.2	<u>8.787</u>	<u>1.931</u>
Total income		743.865	340.429
Expenditure			
Spent on our objective	5.3	442.416	266.668
Own fundraising			
Expenses of own fundraising	5.4	40.854	25.257
Investment costs	5.5	1.356	1.191
Management & Administration costs	5.6	<u>36.304</u>	<u>26.421</u>
Total expenditure		520.930	319.537
Results		222.935	20.892
Allocations			
Addition to Continuity Reserve		2.935	21.557
Withdrawal Designated Reserve UNICEF		-	665-
Addition to Designated Reserve Office India		220.000	-
		222.935	20.892

3. EXPLANATION GENERAL

3.1 General principles for drafting the annual account

When drafting the financial report, the Guideline for the 650 Fundraising Institutions will apply.

3.2 Valuation of Assets and Liabilities

Unless stated otherwise, assets and liabilities will be valued based on their nominal value. The valuation of the assets and liabilities will occur on the basis of historical purchasing prices. Other claims are included at nominal value, after the deduction of any necessary provisions.

3.3 Tangible fixed assets

The tangible fixed assets are valued according to the purchasing price, minus any cumulative depreciations and, if applicable, with special value deductions. The deductions are based on the estimated economic lifespan and are calculated on the basis of a fixed percentage of the purchasing price, considering a potential residual investment value. Depreciations are deducted from the moment at which they are put into use.

3.4 Receivables and accrued income

Receivables are recorded at fair value and then valued at amortized costs, net of allowances for uncertain accounts, determined individually. On initial recognition the fair value and the amortized cost equal the face value.

3.5 Cash

Liquid assets in the form of cash (INR) are valued against the exchange rate on the balance sheet date, rounded off to whole cents. Receivables, liabilities and obligations denominated in foreign currencies are translated at the exchange rate valid at balance sheet date. Transactions in foreign currency during the financial year are recognized in the financial statements at the exchange rate valid at the transaction date. The exchange differences resulting from the conversion at the balance sheet date, taking into account possible hedge transactions, are recorded in the statement of income and expenditure.

3.6 Reserves

A distinction is made between three types of reserves:

The continuity reserve : to cover short-term risks and to ensure that Women on Wings can continue to meet its obligations. This reserve stands at 44,492 euro at the end of the financial year, taking into account the addition of 2012. The board has decided to expand the continuity reserve to 50,000 euro for fixed costs. This is equal to the fixed costs of one quarter.

The designated reserve : reserves which are specifically destined to be used for a particular purpose.

Other reserves : general reserve without any particular purpose. It is the board's policy that the reserves and funds will be used for the foundation's objectives.

3.7 Short-term debts, accruals and deferred income

This concerns categories with a remaining term of less than one year.

3.8 Principles on which results are based

The income and expenditure are allocated to the period to which they relate, based on historical costs. Obligations and potential losses incurred before the end of the reporting year will be considered if they are known before the annual account is drafted. Income and expenditure, which do not arise from the normal business operations, are shown as extraordinary income and expenditure.

3.9 Estimates

When drafting the annual account, the board must, in accordance with the general principles, make, certain estimates and assumptions that help determine the amounts in the financial statements. The actual results may deviate from these estimates.

4. EXPLANATION BALANCE SHEET

Amounts in this section are in euro unless otherwise stated

	2012	2011
Assets		

4.1 Tangible fixed assets

The course of the tangible fixed assets is as follows:

	ICT / HW	ICT / HW
Balance as of 1 Januari		
Acquisition value	1.099	1.099
Cumulative depreciation	293	73
Book value	806	1.026
Mutations		
Investments	-	-
Depreciation	220-	220-
Total mutations	220-	220-
Balance as of 31 December		
Acquisition value	1.099	1.099
Cumulative depreciation	513	293
Book value as of 31 December	586	806

The computer equipment is depreciated over a five year period with no residual value.

4.2 Financial fixed assets

The participation is a 100% stake in the company, set up by December 15, 2012 named Women on Wings B.V.

4.3 Prepaid expenses

The prepaid expenses consist of administrative costs 2013.

4.4 Accounts receivable

The outstanding amounts consist of interest on the Rabobank account and a contribution from UNICEF.

Amounts in this section are in euros unless otherwise stated

2012 2011

4.5 Cash

Cash (INR in euro)	27	368
Rabobank, association package 1364.89.931	10.179	2.575
Rabobank, business account 1333.245.769	141.000	595.000
Account 3034.645.422	150.000	-
Balancing entries	50.000	-
	351.206	597.943

The cash Indian Rupees at the end of the year are valued in euro at a rate of 67 Indian Rupee (INR) per euro.

Liabilities

4.6 Reserves

Of the results for 2012, 220,000 euro will be added to the designated reserve for the Indian office. The rest of the results will be added to the continuity reserve. The Board has decided to expand the continuity reserve to 50,000 euro for fixed costs. This is equal to the fixed costs of one quarter.

4.7 Amounts received in advance

This concerns a contribution from Cordaid (39,000 euro) for a program to be implemented in 2013.

4.8 Balance outstanding

Consultancy expenses India	3.166	2.127
Banking expenses and debit interest	259	227
Accountant and administration expenses	14.520	9.568
Management reimbursements	12.151	11.900
IKEA Foundation (Sanitary Pads program)	20.528	2.771
Current Account Women on Wings B.V.	100	-
Internet expenses	-	7
Holiday surcharge	1.197	1.126
Taxes	937	-
	52.858	27.726

4.9 Obligation not shown on the balance sheet

The annual rental agreement for real estate is 9,000 euro, exclusive VAT. The rental agreement was entered into for an undetermined period.

5. EXPLANATION STATEMENT OF INCOME AND EXPENDITURE

Amounts in this section are in euros unless otherwise stated

	2012	2011
Income		
5.1. Income from own fundraising		
Friendship Wings	16.271	16.287
Business Wings	27.109	23.082
Premium Wings	245.000	70.650
Projects	3.233	28.447
IKEA Foundation (Sanitary Pads program)	429.472 *)	200.000
Other income	13.993	32
	735.078	338.498
*) Contribution 2012 450,000 euro minus budget undershoot 20,528 euro		
Premium Wings		
Rijsholt Foundation	200.000	-
Hyva	20.000	-
AkzoNobel	25.000	30.000
Cordaid	-	15.650
DHL Express	-	25.000
	245.000	70.650
5.2. Income from investments		
Interest	8.787	1.931
	8.787	1.931
Expenditure		
5.3 Spent on our objective		
Travel and accommodation expenses	108.508	76.338
Mobile telephone	607	513
Flight-/Visa/Hotel/subsistence India	92.207	67.391
Kilometric fees	11.433	7.181
Parking fees	1.224	1.108
Other travelcosts	3.037	145
Information and publicity	23.581	7.190
Hardware, Internet/website	17.568	2.991
Translation costs	4.839	2.341
Seminars	184	10
Representation costs	990	1.848
Personnel costs and consultants in India	271.294	165.386
Management reimbursements	122.911	122.144
Fee consultants India	77.793	15.173
Salaries & Fee indirect personnel	67.989	27.087
Other personnelcosts	2.601	982
General costs	39.033	17.754
Aaamtrees India	21.439	7.387
Other general costs	17.594	10.367
	442.416	266.668
% of total income minus addition Reserve Indian office	84,5%	78,3%

Amounts in this section are in euros unless otherwise stated

		2012	2011
5.4	Expenses of own fundraising		
	Travel and accommodation expenses	1.429	937
	Kilometric fees	1.270	798
	Parking fees	136	123
	Other travel costs	23	16
	Information and publicity	12.466	4.572
	Hardware, Internet/website	1.952	333
	Printed matter and advertising costs	6.780	726
	Representation costs	110	205
	Other recruitment costs	3.624	3.308
	Personnel costs	26.245	19.065
	Management reimbursements	14.460	4.695
	Salaries & Fee indirect personnel	11.785	14.370
	General costs	714	683
		40.854	25.257
	% of income from own fundraising	5,6%	7,5%
5.5	Investment costs		
	Exchange differences	16	35
	Bank costs and interest	1.340	1.156
		1.356	1.191
	% of income from investments	15,4%	61,7%
5.6	Management & Administration costs		
	Various Management & Administration costs	18.195	14.902
	Rent	10.755	6.545
	Catering costs	79	351
	Other costs	219	278
	Office costs	459	1.295
	Telephone costs	-	8
	Audit and administration costs	6.683	5.751
	Legal and advisory fees	-	674
	Personnel costs	18.109	11.519
	Management reimbursements	7.231	7.185
	Salaries & Fee indirect personnel	10.878	4.334
		36.304	26.421
	% of total income minus addition Reserve Indian office	6,9%	7,8%
	% of total costs	7,0%	8,3%

Explanation distribution Expenditure

A number of costs were partially allocated to the Objective, to Own Fundraising and/or to Management and Administration. The rate used is based on a fixed percentage based on the time sheets. For each role the breakdown is given for type, but this breakdown largely matches the selected division.

	Objective	Fundraising	Manag. & Administr.
Management	85%	10%	5%
Office Management	75%	13%	12%
Hired staff	75%	13%	12%

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Expenditure	Allocation				Actual	Budgeted	Actual
	Objective	Fundraising		Managem. &	2012	for 2012	2011
		Own fundraising	Investments	Administr.			
					total	total	total
Travel and accommodation	108.508	1.429	-	-	109.937	102.000	77.275
Information and publicity	23.581	12.466	-	-	36.047	30.000	11.762
Personnel costs	271.294	26.245	-	18.109	315.648	295.000	195.970
General and Office expenses	17.594	714	-	18.195	36.503	25.000	33.339
Sanitary Pads Aaam Tree	21.439	-	-	-	21.439	200.000	-
Investment costs	-	-	1.356	-	1.356	-	1.191
Total	442.416	40.854	1.356	36.304	520.930	652.000	319.537

Travel and accomodaton expenses

These costs were higher than budgeted, due to more visits to customers and increased air fares.

Information and publicity

These costs were higher than budgeted, due to celebrating our fifth anniversary and the new website.

Sanitary Pads Aaam Tree

Production of sanitary pads in place with the IKEA Foundation agreement was started under the name Aaam Tree. After conducting extensive research we made the decision not to produce the pads ourselves. In 2013, we will look into a different route - a sales and distribution scenario.

Personnel costs

The largest element of expenses related to staffing costs. Breakdown of personnel costs:

Amounts in this section are in euro unless otherwise stated

	2012	2011
Gross wages and holiday surcharge	29.173	15.206
Social security	4.696	2.472
Hired staff	56.299	18.437
Consultancy Sanitary Pads program	42.832	-
Consultancy costs	10.683	-
Payments to management	144.602	143.699
Payments to consultants in India	27.363	15.173
Other personnel costs	-	983
	315.648	195.970

Gross wages, Holiday surcharge, Social security

The labor costs are increased because of expanding the contract of the office manager (from 0.8 to 1 FTE) plus an additional payment to the departing finance professional.

Hired staff

Professionalization of the core team has led to an increase of staff and costs for communication and public relation, human resources and finance.

Consultancy Sanitary Pads program

In 2012, 2 freelancers were hired for research into the production of sanitary pads. These contracts are converted at year-end to expert contracts (without compensation).

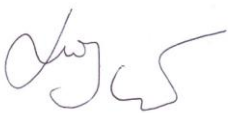
Consultancy costs

For the foundation of the Indian Private Limited consulting costs are made. Also costs for a strategic plan and recruiting an Indian entrepreneur are included.

Payment to consultants in India

From September 2012, an Indian entrepreneur and an assistant are hired to research into the production potential of sanitary pads.

Signature Austerlitz, 6 March 2013



W. Lageweg



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E. Tacoma



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