

Social Capital Stichting

Claude Debussylaan 46
1082 MD Amsterdam

Financial report 2016

Contents

Page

Auditor's report

General information 1

Financial report

Balance sheet as at 31 December 2016 3
Profit and loss statement for 2016 5
Principles of valuation and determination 6
Notes to the balance sheet 7
Notes to the profit and loss statement 11

Social Capital Stichting
Claude Debussylaan 46
1082 MD Amsterdam

Doom, 30 June 2017

General information

Objective and focus

1. The object of the foundation is to create a non-profit foundation of engaged philanthropists with a shared vision to invest globally through partnerships or as originators of innovative aid projects which include education, healthcare and income generation for maximum sustainability.

This foundation will maintain the highest level of integrity, be solely for philanthropic purposes, become evergreen as overtime it will be based on grants, loans and equity investments and further do everything that may be connected to the foregoing in the widest or may be conducive thereto.

2. The foundation tries to achieve this object, among other things, by:

a. supporting and financing village income generating activities with knowledge and capital, which in turn can support education and health services;

b. identifying and working with best in class small development organisations for maximum impact, i.e. those with an established operating history, very low overhead and demonstrable results;

c. creating a portfolio of leading development organisations, which are willing to cooperate closely to achieve maximum impact;

d. identifying an unfulfilled need and create an entity which can satisfy that if it is capable of becoming self-supporting. This will then be spun off to become independent when it has some scale, i.e. student Microfinance/Entrepreneurship loans.

3. In trying to achieve the above mentioned, the foundation:

a. concentrates on programs and individual organisations, which are in close proximity to one another, i.e. multiples in same country;

b. leverages best practices across organisations and eventually across geographies.

4. The foundation does not intend to make a profit.

**Social Capital Stichting
te Amsterdam**

We trust that we have been to service to you and we are pleased to give an explanation.

Yours sincerely,
Van Ree Accountants

drs. A.H.J. Kraaij
Registeraccountant

**Social Capital Stichting
te Amsterdam**

Balance sheet as at 31 December 2016

(after profit appropriation)

	<u>31 December 2016</u>		<u>31 December 2015</u>	
	€	€	€	€
Assets				
Non-current assets				
<i>Financial assets</i>				
Loans		206.873		119.281
Current assets				
<i>Receivables</i>				
Other receivables		6.588		4.130
<i>Cash and cash equivalents</i>		127.410		46.486
		<u>340.871</u>		<u>169.897</u>

	<u>31 December 2016</u>		<u>31 December 2015</u>	
	€	€	€	€
Equity and liabilities				
Reserves				
Designated reserves	103.436		-	
Free reserves	<u>236.401</u>		<u>168.391</u>	
		339.837		168.391
Current liabilities				
Other current liabilities		1.034		1.506
		<u>340.871</u>		<u>169.897</u>

Profit and loss statement for 2016

	2016		2015	
	€	€	€	€
Income				
Income own fundraising		301.486		129.080
Financial income		4.204		2.330
		<u>305.690</u>		<u>131.410</u>
Lasten				
Grants	131.410		96.597	
Project costs	1.127		-	
Other costs	1.251		3.379	
		<u>133.788</u>		<u>99.976</u>
Sum of losses				
		171.902		31.434
Exchange result on loans		-456		8.637
		<u>171.446</u>		<u>40.071</u>
Result				
Allocation of result				
Reserve for depreciation of loans		103.436		-
Free reserves		68.010		40.071
		<u>171.446</u>		<u>40.071</u>

Principles of valuation and determination

Entity information

General notes

Description of the most important activities of the entity

The activities of Social Capital Stichting consist mainly of creating a non-profit foundation of engaged philanthropists with a shared vision to invest globally through partnerships or as originators of innovative aid projects which include education, healthcare and income generation for maximum sustainability.

Description of the location of the actual activities

The registered address of Social Capital Stichting is Amsterdam. The actual address of Social Capital Stichting is Claude Debussylaan 46, 1082 MD in Amsterdam. Social Capital Stichting is registered at the trade register under number 53170520.

General accounting principles

Description of the accounting standards used to prepare the financial statements

The company financial statements have been prepared according with overall accepted Dutch accounting standards. Unless presented for the specific balance sheet item, assets and liabilities are presented at face value.

Accounting policies for the balance sheet

Financial assets

Loans are valued at nominal value, taking into account provisions considered necessary for doubtful debts.

Receivables

Receivables are valued at nominal value, taking into account provisions considered necessary for doubtful debts.

Accounting policies for the income statement

Accounting principles for determining the result

Income and expenses are accounted for on accrual basis. Profit is only included when realized on the balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

Notes to the balance sheet

Non-current assets

Financial assets

	<u>31-12-2016</u>	<u>31-12-2015</u>
	€	€
Loans		
Livingstone Tanzania Trust	26.212	31.174
Penda Health LTD	28.525	27.459
Jibu	28.526	18.307
Medical Technology Transfer Services	19.017	18.307
Livelyhoods	-	24.034
ICT4D Kenya	42.788	-
Brighter Investment	61.805	-
	<u>206.873</u>	<u>119.281</u>
	<u>2016</u>	<u>2015</u>
	€	€

Livingstone Tanzania Trust

Value at 1 January	31.174	19.258
Provided	-	11.372
Exchange result	-4.962	544
	<u>26.212</u>	<u>31.174</u>

For 23,000 GBP, this loan was provided in 2011, 2014 and 2015.
For 3,600 GBP, this loan was provided in November 2016.
Each of the loans has a duration of 30 months. The interest rate is 0%.

	<u>2016</u>	<u>2015</u>
	€	€

Penda Health LTD

Value at 1 January	27.459	24.677
Exchange result	1.066	2.782
	<u>28.525</u>	<u>27.459</u>

The initial amount of this loan is \$ 30.000. This loan was provided on 27 November 2013 with a duration of 24 months. The interest rate is 6%.

**Social Capital Stichting
te Amsterdam**

	<u>2016</u>	<u>2015</u>
	€	€
Jibu		
Value at 1 January	18.307	16.473
Provided	8.883	-
Exchange result	1.336	1.834
Value at 31 December	<u>28.526</u>	<u>18.307</u>

The initial amount of this loan is \$ 20.000. This loan was provided in 2014.
\$ 10,000 is provided April 2016.

	<u>2016</u>	<u>2015</u>
	€	€
Medical Technology Transfer Services		
Value at 1 January	18.307	16.451
Exchange result	710	1.856
Value at 31 December	<u>19.017</u>	<u>18.307</u>

The initial amount of this loan is \$ 20.000. This loan was provided in 2014 with a duration of 24 months.
The interest rate is 2%.

	<u>2016</u>	<u>2015</u>
	€	€
Livelihoods		
Value at 1 January	24.034	-
Provided	-	23.459
Exchange result	-1.752	575
Repayment	-22.282	-
Value at 31 December	<u>-</u>	<u>24.034</u>

The initial amount of this loan is \$ 25.000. This loan was provided on 24 April 2015 with a duration of 12 months. The interest rate is 1%.

	<u>2016</u>	<u>2015</u>
	€	€
ICT4D Kenya		
Value at 1 January	-	-
Provided	42.397	-
Exchange result	391	-
Value at 31 December	<u>42.788</u>	<u>-</u>

The initial amount of this loan is \$ 20.000 on 28 April and \$ 25.000 on 18 November 2016. This loan has a duration till 15th of May 2018 respectively 1st of April 2018. The interest rate is 1%.

**Social Capital Stichting
te Amsterdam**

	<u>2016</u>	<u>2015</u>
	€	€
Brighter Investment		
Value at 1 January	-	-
Provided	59.018	-
Exchange result	2.787	-
Value at 31 December	<u>61.805</u>	<u>-</u>

The initial amount of this debt obligation is \$ 35,000 on the 2nd of August 2016 and \$ 30,000 on the 19th of October 2016.

Current assets

Receivables

	<u>31-12-2016</u>	<u>31-12-2015</u>
	€	€
Other receivables		
Interest Penda Health	5.293	3.448
Interest Medical Technology Transfer Services	1.161	568
Interest Livelyhoods	-	114
Interest ICT4D Kenya	134	-
	<u>6.588</u>	<u>4.130</u>

The receivables are due not exceeding one year.

Cash and cash equivalents

Rabobank	89.862	32.578
Barclays	37.548	13.908
	<u>127.410</u>	<u>46.486</u>

**Social Capital Stichting
te Amsterdam**

Equity and liabilities

	<u>2016</u>	<u>2015</u>
	€	€
Reserve for depreciation of loans		
Balance at 1 January	-	-
Result	103.436	-
Balance at 31 December	<u>103.436</u>	<u>-</u>

This reserve is formed for future possible depreciations on outstanding loans. The amount of the reserve is 50% of the outstanding loans.

	<u>2016</u>	<u>2015</u>
	€	€
Free reserves		
Balance at 1 January	168.391	128.320
Result	68.010	40.071
Balance at 31 December	<u>236.401</u>	<u>168.391</u>

Current liabilities

	<u>31-12-2016</u>	<u>31-12-2015</u>
	€	€
Other current liabilities		
Accounting fees	<u>1.034</u>	<u>1.506</u>

Off-balance sheet rights and commitments

Convertibility loan Penda Health

If Penda Health closes funding(s) totaling in aggregate at least USD \$500,000 in the form of equity (a Qualified Equity Financing), Social Capital Stichting shall convert all outstanding principal and accrued interest into the equity securities issued in the Qualified Equity Financing at a 20% discount to the per share price.

Grant pledge Akilah

Social Capital Stichting pledges a total of \$2,500 of grant to be paid yearly to Akilah, ending 12th of October 2017.

Notes to the profit and loss statement

	<u>2016</u>	<u>2015</u>
	€	€
Income own fundraising		
Donations	<u>301.486</u>	<u>129.080</u>
Financial income		
Interest Penda Health	1.712	1.648
Interest Medical Technology Transfer Services	1.281	549
Dividend Jibu	909	-
Interest Livelyhoods	161	114
Interest ICT4D Kenya	134	-
Other interest	7	19
	<u>4.204</u>	<u>2.330</u>
Grants		
Teach a man to fish	49.235	26.401
Asante Africa Foundation	28.732	19.784
Livingstone Tanzania Trust	17.347	11.520
Livelyhoods	18.429	17.843
Medical Technology Transfer Services	3.772	8.222
Action Tutoring	4.704	5.501
Mission Enfance	-	5.010
Akilah Institute	-	2.316
Laboratoria	9.191	-
	<u>131.410</u>	<u>96.597</u>
Project costs		
Other project costs	<u>1.127</u>	<u>-</u>
Other costs		
Accounting fees	776	900
Banking fees	475	435
Consultancy fees	-	249
Other general costs	-	1.795
	<u>1.251</u>	<u>3.379</u>

**Social Capital Stichting
te Amsterdam**

	<u>2016</u>	<u>2015</u>
	€	€
Exchange result on loans		
Exchange results	<u>-456</u>	<u>8.637</u>

Beaulieu-sur-Mer, June 30th 2017

Amsterdam, 30 June 2017
Social Capital Stichting

L. DeVere
Director, Board Member

J.J. Schuijf
Board Member