

Social Capital Stichting
located, Claude Debussylaan 46
1082 MD AMSTERDAM

Report on the annual accounts 2017

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Management Board's report

Management Board's report

The objective

The object of the Social Capital Stichting is:

- to reduce global poverty and inequality in a sustainable manner through the creation of opportunities, encouraging self-reliance for individuals and communities in the broadest sense of the word;
- to cooperate with and support other social organisations that pursue the same objectives as described above; and
- to perform all and everything that is conducive thereto.

The policy to meet the objective

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

- supporting partner organizations through a combination of mentoring, grants, investments and active participation in these organizations;
- providing multiyear grants for organizations which are capable of driving long term systematic changes, however do not lend themselves to earned income models;
- offering financial support which allow the partner organizations to continue to grow and improve;
- remaining in close contact with partner organizations to better understand their challenges, successes and methodology and to determine where the foundations' resources both financial and non-financial can be most useful;
- identifying interesting social businesses with which the foundation could partner and are capable of generating positive social and financial returns;
- investing in impact funds with a proven history of field level success in the areas in which the foundation strives to make a difference;
- expanding resources and learning through participating in global foundations and impact investor networks, amplifying their best practices.

The foundation does not intend to make a profit.

Financial information

Fundraising

Social Capital Stichting is not actively engaged in searching for funds of its activities. The annual donations are expected from the network of the board.

Expenditure of funds

In principle, all received donations are directly used to promote and support the objectives of the Social Capital Stichting. However, the Social Capital Stichting can make reservations when the foundation decides to support long-term projects, which need financial support over several years. Further, the foundation could make reservation to ensure its long-term sustainability.

Management of funds

Social Capital Stichting will receive donations on /do donations from a bank account (checking account). In time, it might be possible that a savings account is opened in order to yield interest from the donations Social Capital Stichting receives. Please note that the additional yielded interest will be used to fulfill the Stichting's primary objective.

In accordance with article 1a, section d in conjunction with article 1b of the Uitvoeringsregeling Algemene Wet inzake Rijksbelastingen 1994, Social Capital Stichting will not retain more assets than in the opinion of the board is reasonably necessary to guarantee the continuity of the Stichting's work in pursuit of its objective as referred to above. Furthermore, the Stichting will state in its financial accounts the purpose for which assets are retained, as well as a reason for the amount of capital retained. Returns on the investments of the Stichting will be used to make future grants to charitable organizations.

Financial policy

Once per year, the annual accounts will be published within six months after the end of the calendar year. This is in accordance with the articles of Social Capital Stichting. In general, the annual accounts are prepared compliant with article 640 of the degree for annual reporting (de Richtlijn van de Raad voor de Jaarverslaggeving voor organisaties zonder winststreven). The annual account will be approved and confirmed by the board of the Social

Capital Stichting.

Communication on the remuneration policy of managing and supervisory directors and how this was put to practice

The board of the Social Capital Stichting does not receive any remuneration for their services as board members of the board. A reimbursement of expenses is possible.

References to and additional information about financial statements line items

As 2017 has ended we reflect on the actions pursued this year, some new directions and some in continued support of existing partners. Our Social business partners now include our first Impact Investment fund, Goodwell III, Mali Biocarburant, ICT4D, Brighter Investments, JIBU and Penda Health. Our grantees continue to be organizations (charities) working in the field of education, income generation and job training.

Social Businesses and Funds

Goodwell III Fund

As an organization we formally decided to participate in our first professionally managed fund, Goodwell III which is investing in companies in Africa. We particularly chose this fund based on their excellent track record and management depth. We are looking forward to seeing this fund continues to perform over the long term, so far their updates have been positive.

ICT4D

A social business providing mobile ICT training to Kenyan youth. The young people or sometimes the government pays for training in basic computer skills for employment. ICT4D has been profitable and growing since inception and SCF has provided loans to build a fixed classroom and a van for moving equipment. This past year has been very challenging in Kenya as the political situation around presidential elections slowed and stopped the government payments for trainings that had been delivered. So this year we also provided a grant to help in their cash flow challenges. The business is running smoothly now and continues to grow rapidly.

Brighter Investments

A social business in which SCF has provided a loan to fund scholarships for University students in Ghana. The students receive loans for their education and repay the loan with interest as a percentage of their future income until all is repaid in full. As per the organization's year end update "Students Outperforming (as expected) - At Brighter Investment our models are based on outcomes from average students. But thanks to our strict underwriting model we've known our students would perform better than average. Once again we are proud to see our students are outperforming all of our benchmarks." Based on their student data recently collected they expect the loans to be repaid in full with a ROI of 9%.

Mali Biocarburant

This social business has made progress but it is moving slowly. They have successfully secured some of the seed stock they require to fully utilize their oil presses however they also have strong headwinds slowing the business growth, we are watching their business with great interest and will be making plans to go visit their operations in country. We have an outstanding loan to this social business along with a number of other debt holders, all monitoring the company closely.

Penda Health Clinic

Penda runs and manages a series of health clinic in and around Nairobi, serving the working class people in the city. They encourage prevention, micro insurance and serve basic health care needs. The company has continued to grow and open new clinics. As they are securing new equity partners we are hoping to exit this investment this year.

JIBU water microfranchises

This is a social business which provides a source of income through creating Microfranchise water purification points, SCF provided several loans and we just received notice that these will be repaid early as the company has secured a less expensive source of funding. Jibu has launched more than 200 businesses (more than one per week) across Rwanda, Uganda, Kenya, and Zimbabwe since January 2015. Jibu franchisees have produced more than 45 million liters of drinking water during this time, serving consumers who on average earn less than \$5 / day.

Support for Non Governmental Organization (NGO)

Livelyhoods

Provides sales training for youth and women selling life changing products in the slums of Kenya. As per their end of year newsletter. "Breaking all records 2017 has by far been LivelyHoods' most successful year to date, with the highest impact, training, and distribution numbers in our history. We've also gone from covering three counties at the end of 2016 to covering 8 counties with 10 local community branches stretching from the tropical coast, up to Mount Kenya, Nairobi, and all the way across the Great Rift Valley. We've sold almost 7,000 clean cookstoves and trained 650 youth and women so far this year, making it our best year yet, and the year isn't even over!" SCF provided a matching grant in support of their work.

Shades

Shades is an NGO which in collaboration with Harvard University is training negotiating skills to the future decision makers within the governments of Israel and Palestine and related influential government officials. Acknowledging that this intractable problem in the Middle East creates vast instability and poverty in the region, it is our hope that by supporting concrete solutions we can make a difference in the outcome. We agreed to provide a three year grant to facilitate this work. We plan to meet the Join one of their workshops in Sweden in April.

Teach a Man to Fish

SCF provided grant funding for their SKY program which was "Skilling Young Ugandans" a program that worked with three Ugandan schools, 115 youth and 15 teachers in creating school businesses which teach entrepreneurial, business training and the profits go to pay school fees for the students. Many lessons were learned and the program further refined for future years. Detailed report is available.

Asante Africa

This is one of our longest term partners, supporting their Leadership Development program. Annually they bring scholarship students together from Kenya and Tanzania for one week to train them in becoming leaders, developing their dreams and giving back to their local communities. This organization has tracked and recorded their excellent results and now this is the final year we are providing grant funding as they have grown to the point that other sources of funding are available to them.

Livingstone Tanzania Trust

SCF has provided capital in a farmer loan program to this community development program for the past 5 years in addition to grants that have been provided for business training. The loans so far have been repaid on time however it is felt that it is time to exit this loan program and either formally turn it over to an existing MFI or transfer the loans into grants and allow the NGO to administer the loan capital as it best sees fit. This strategy will be further discussed in the upcoming board meetings in the coming months.

Financial statements

Balance sheet as at 31 December 2017
(Before distribution of result)

	<u>31-12-2017</u>		<u>31-12-2016</u>	
	€	€	€	€
Assets				
Fixed assets				
<i>Financial fixed assets</i>		430.795		206.871
Current assets				
<i>Receivables</i>				
Other receivables, prepayments and accrued income		95.084		6.588
<i>Cash</i>		127.363		127.410
		<u>653.242</u>		<u>340.869</u>

	<u>31-12-2017</u>		<u>31-12-2016</u>	
	€	€	€	€
Liabilities				
Equity				
Reserve for depreciation of loans	127.025		103.436	
Other reserve	437.717		236.401	
		<u>564.742</u>		<u>339.837</u>
Current liabilities, accruals and deferred income				
Other liabilities and accrued expenses		88.500		1.032
		<u>653.242</u>		<u>340.869</u>

Statement of activities for the year 2017

	<u>2017</u>		<u>2016</u>	
	€	€	€	€
Benefits				
Donations and benefits from fundraising		371.107		301.486
		<u>371.107</u>		<u>301.486</u>
Expenses				
Grants	122.432		131.410	
Other operating expenses	1.878		2.378	
		<u>124.310</u>		<u>133.788</u>
Total operating expenses				
		246.797		167.698
Operating result				
Revenues of receivables from fixed assets and securities	3.455		4.197	
Other interest and similar income	-		7	
Value changes of receivables from fixed assets and securities	-1.097		-456	
		<u>2.358</u>		<u>3.748</u>
Financial income and expense				
		249.155		171.446
		<u><u>249.155</u></u>		<u><u>171.446</u></u>
Appropriation of result				
Reserve for depreciation of loans		47.839		103.436
Other reserve		201.316		68.010
		<u>249.155</u>		<u>171.446</u>
		<u><u>249.155</u></u>		<u><u>171.446</u></u>

	2017	2016
	€	€
Cash flow statement for the year 2017		
Cash flow from operating activities		
Operating result	246.797	167.698
<i>Adjustments for</i>		
Corrections	-24.250	-
Value changes of receivables from fixed assets	-1.097	-456
Exchange rate differences	24.250	-1.326
	<u>-1.097</u>	<u>-1.782</u>
<i>Changes in working capital</i>		
Other accounts receivable	-88.496	-2.458
Current liabilities, accruals and deferred income (excluding banks)	87.468	-474
	<u>-1.028</u>	<u>-2.932</u>
Cash flow from business activities	<u>244.672</u>	<u>162.984</u>
Interest received	3.455	4.204
Cash flow from operating activities	<u>248.127</u>	<u>167.188</u>
Cash flow from investment activities		
Investments in financial fixed assets	-279.786	-110.298
Disposal of financial fixed assets	31.612	24.034
Cash flow from investment activities	<u>-248.174</u>	<u>-86.264</u>
Movements cash	<u>-47</u>	<u>80.924</u>
	<u><u>-47</u></u>	<u><u>80.924</u></u>
	<u>2017</u>	<u>2016</u>
	€	€
Turnover movement cash and cash equivalents		
Balance as at beginning of financial year	127.410	46.486
Movements during financial year	-47	80.924
Balance as at financial year end	<u>127.363</u>	<u>127.410</u>
	<u><u>127.363</u></u>	<u><u>127.410</u></u>

Notes to the financial statements

Entity information

Registered address and registration number trade register

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

General notes

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.

The location of the actual activities

The actual address of Social Capital Stichting is Claude Debussylaan 46, 1082 MD in Amsterdam.

General accounting principles

The accounting standards used to prepare the financial statements

The financial statement is drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

Accounting principles

Financial assets

Participations, over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

If the valuation of a participation based on the net asset value is negative, it will be stated at nil. If and insofar as Social Capital Stichting can be held fully or partially liable for the debts of the participation, or has the firm intention of enabling the participation to settle its debts, a provision is recognised for this.

Newly acquired participations are initially recognised on the basis of the fair value of their identifiable assets and liabilities at the acquisition date. For subsequent valuations, the principles that apply for these financial statements are used, with the values upon their initial recognition as the basis.

The amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the net result achieved by the participation is recognised in the statement of activities.

Participations over which no significant influence can be exercised are valued at historical cost. The result represents the dividend declared in the reporting year, whereby dividend not distributed in cash is valued at fair value.

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In the event of an impairment loss, valuation takes place at the recoverable amount; an impairment is recognised and charged to the statement of activities.

Receivables recognised under financial fixed assets are initially valued at the fair value less transaction costs. These receivables are subsequently valued at amortised cost price, which is, in general, equal to the nominal value. For determining the value, any depreciation is taken into account.

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

Receivables

Receivables are initially valued at the fair value of the consideration to be received. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

Cash and cash equivalents

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

Current assets

Current assets are initially valued at the fair value of the consideration to be received. Trade receivables are subsequently valued at the amortised cost price. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. Provisions for bad debts are deducted from the carrying amount of the receivable.

Provisions

Provisions are measured at the best estimate of the amount that is necessary to settle the obligation as per the balance sheet date. Provisions for pension are valued on the basis of actuarial principles. The other provisions are carried at the nominal value of the expenditure that is expected to be necessary in order to settle the obligation, unless stated otherwise.

If obligations are expected to be reimbursed by a third party, such reimbursement is included as an asset in the balance sheet if it is probable that such reimbursement will be received when the obligation is settled.

Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

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.

General and administrative expenses

General and administrative expenses comprise costs chargeable to the year that are not directly attributable to the cost of the goods and services sold.

Notes to the balance sheet

Fixed assets

	<u>31-12-2017</u>	<u>31-12-2016</u>
	€	€
Financial fixed assets		
Participations	176.744	-
Loans	254.051	206.871
	<u>430.795</u>	<u>206.871</u>

Participations

Participation Goodwell Microfinance Development Company III B.V.	176.744	-
	<u>176.744</u>	<u>-</u>

	<u>2017</u>	<u>2016</u>
	€	€

Participation Goodwell Microfinance Development Company III B.V.

Book value as at 1 January	-	-
	<u>-</u>	<u>-</u>

Movements

Investments	176.744	-
	<u>176.744</u>	<u>-</u>

Balance as at 31 December

Participation	176.744	-
	<u>176.744</u>	<u>-</u>

Book value as at 31 December	176.744	-
	<u>176.744</u>	<u>-</u>

Social Capital Stichting entered a deed of adherence with Goodwell Microfinance Development Company III B.V. Amsterdam, stating Social Capital Stichting shall take a participation in Goodwell Microfinance Development Company III B.V. of € 250.000 in capital contribution and € 15.578 in subscription premium. In 2017 € 162.500 capital contribution and € 14.244 premium were paid. The remaining capital contribution will be paid upon capital call by the company. Per 31-12-2017 Social Capital Stichting holds 1,00% of the nominal capital.

	<u>31-12-2017</u>	<u>31-12-2016</u>
	€	€
Loans		
Livingstone Tanzania Trust	17.374	26.212
Jibu	24.349	28.525
Medical Technology Transfer Services	-	19.017
ICT4D Kenya	36.524	42.788
Brighter Investment	81.164	61.804
Penda Health LTD	24.349	28.525
Livelyhoods	20.291	-
Mali Biocarburant S.A.	50.000	-
	<u>254.051</u>	<u>206.871</u>

	<u>2017</u>	<u>2016</u>
	€	€
Livingstone Tanzania Trust		
Balance as at 1 January		
Principal value	31.174	30.630
Accumulated currency translation differences	-4.962	544
	<u>26.212</u>	<u>31.174</u>
Movements		
Additions in financial year	4.481	-
Currency translation differences	-724	-4.962
Amortization in financial year	-12.595	-
	<u>-8.838</u>	<u>-4.962</u>
Balance as at 31 December		
Principal value	23.060	31.174
Accumulated currency translation differences	-5.686	-4.962
	<u>17.374</u>	<u>26.212</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>2017</u>	<u>2016</u>
	€	€
Jibu		
Balance as at 1 January		
Principal value	27.190	16.473
Accumulated currency translation differences	1.335	1.834
	<u>28.525</u>	<u>18.307</u>
Movements		
Additions in financial year	-	8.883
Currency translation differences	-4.176	1.335
	<u>-4.176</u>	<u>10.218</u>
Balance as at 31 December		
Principal value	28.525	27.190
Accumulated currency translation differences	-4.176	1.335
	<u>24.349</u>	<u>28.525</u>

The initial amount of this loan is \$ 20.000. This loan was provided in 2014. Additional \$ 10,000 is provided April 2016. The interest rate is 0%.

	<u>2017</u>	<u>2016</u>
	€	€
Medical Technology Transfer Services		
Balance as at 1 January		
Principal value	18.307	16.451
Accumulated currency translation differences	710	1.856
	<u>19.017</u>	<u>18.307</u>
Movements		
Currency translation differences	-	710
Amortization in financial year	-19.017	-
	<u>-19.017</u>	<u>710</u>
Balance as at 31 December		
Principal value	-	18.307
Accumulated currency translation differences	-	710
	<u>-</u>	<u>19.017</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>2017</u>	<u>2016</u>
	€	€
ICT4D Kenya		
Balance as at 1 January		
Principal value	42.397	-
Accumulated currency translation differences	391	-
	<u>42.788</u>	<u>-</u>
Movements		
Additions in financial year	-	42.397
Currency translation differences	-6.264	391
	<u>-6.264</u>	<u>42.788</u>
Balance as at 31 December		
Principal value	42.788	42.397
Accumulated currency translation differences	-6.264	391
	<u>36.524</u>	<u>42.788</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%.		

	<u>2017</u>	<u>2016</u>
	€	€
Brighter Investment		
Balance as at 1 January		
Principal value	59.018	-
Accumulated currency translation differences	2.786	-
	<u>61.804</u>	<u>-</u>
Book value as at 1 January		
Movements		
Additions in financial year	25.116	59.018
Currency translation differences	-5.756	2.786
	<u>19.360</u>	<u>61.804</u>
Balance as at 31 December		
Principal value	86.920	59.018
Accumulated currency translation differences	-5.756	2.786
	<u>81.164</u>	<u>61.804</u>
Book value as at 31 December		
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. On 31 August 2017 \$ 35,000 was provided. Repayment after 12 years, expected return on investment is 9%.		

	<u>2017</u>	<u>2016</u>
	€	€
Penda Health LTD		
Balance as at 1 January		
Principal value	27.459	24.677
Accumulated currency translation differences	1.066	2.782
	<u>28.525</u>	<u>27.459</u>
Book value as at 1 January		
Movements		
Currency translation differences	-4.176	1.066
	<u>-4.176</u>	<u>1.066</u>
Balance as at 31 December		
Principal value	28.525	27.459
Accumulated currency translation differences	-4.176	1.066
	<u>24.349</u>	<u>28.525</u>
Book value as at 31 December		
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%.		

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	<u>2017</u>	<u>2016</u>
	€	€
Livelihoods		
Balance as at 1 January		
Principal value	-	23.459
Accumulated currency translation differences	-	575
	<u>-</u>	<u>24.034</u>
Book value as at 1 January	<u>-</u>	<u>24.034</u>
Movements		
Additions in financial year	23.445	-
Currency translation differences	-3.154	-
Amortization in financial year	-	-24.034
	<u>20.291</u>	<u>-24.034</u>
Balance movements	<u>20.291</u>	<u>-24.034</u>
Balance as at 31 December		
Principal value	23.445	-
Accumulated currency translation differences	-3.154	-
	<u>20.291</u>	<u>-</u>
Book value as at 31 December	<u>20.291</u>	<u>-</u>

The initial amount of this loan is \$ 25.000. This loan was provided on 20 January 2017 with a duration of 12 months. The interest rate is 1%.

	<u>2017</u>	<u>2016</u>
	€	€
Mali Biocarburant S.A.		
Book value as at 1 January	<u>-</u>	<u>-</u>
Movements		
Additions in financial year	<u>50.000</u>	<u>-</u>
Balance as at 31 December		
Principal value	<u>50.000</u>	<u>-</u>
Book value as at 31 December	<u>50.000</u>	<u>-</u>

The initial amount of this loan is EUR 50.000. This loan was provided on 15 January 2017 with a duration of 18 months. The interest rate is 2%. Type of Security: Subordinated Variable Payment Debt Obligation ("Demand Dividend").

Current assets

	<u>31-12-2017</u>	<u>31-12-2016</u>
	€	€
Other receivables, prepayments and accrued income		
Interest loans receivable	7.584	6.588
Receivable Goodwell Microfinance Development Company III B.V.	87.500	-
	<u>95.084</u>	<u>6.588</u>
	<u><u>95.084</u></u>	<u><u>6.588</u></u>
Interest loans receivable		
Penda Health	5.965	5.293
Livelyhoods	203	-
ICT4D	499	134
Mali Biocarburant	917	-
MTTS	-	1.161
Total	<u>7.584</u>	<u>6.588</u>
	<u><u>7.584</u></u>	<u><u>6.588</u></u>
Cash		
Rabobank	32.566	89.862
Barclays	94.797	37.548
	<u>127.363</u>	<u>127.410</u>
	<u><u>127.363</u></u>	<u><u>127.410</u></u>

Equity

Movements in equity were as follows:

	Reserve for depreciation of loans	Other reserve	Total
	€	€	€
Balance as at 1 January 2017	103.436	236.401	339.837
Change from net income	47.839	-	47.839
Appropriation of result	-	201.316	201.316
Costs charged to provision	-24.250	-	-24.250
	<hr/>	<hr/>	<hr/>
Balance as at 31 December 2017	127.025	437.717	564.742
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	2017	2016
	€	€
Reserve for depreciation of loans		
Balance as at 1 January	103.436	-
Appropriation of result	47.839	103.436
Withdrawal in favor of cost	-24.250	-
	<hr/>	<hr/>
Balance as at 31 December	127.025	103.436
	<hr/> <hr/>	<hr/> <hr/>

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

	2017	2016
	€	€
Other reserve		
Balance as at 1 January	236.401	168.391
Appropriation of result	201.316	68.010
	<hr/>	<hr/>
Balance as at 31 December	437.717	236.401
	<hr/> <hr/>	<hr/> <hr/>

Current liabilities, accruals and deferred income

	31-12-2017	31-12-2016
	€	€
Other liabilities and accrued expenses		
Audit and consultancy costs	1.000	1.032
Capital call Goodwell III B.V.	87.500	-
	<hr/>	<hr/>
	88.500	1.032
	<hr/> <hr/>	<hr/> <hr/>

Contingent assets and liabilities

Disclosure of off-balance sheet 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.

Notes to the statement of activities

	2017	2016
	€	€
Benefits		
Donations and benefits from fundraising	371.107	301.486
	<u>371.107</u>	<u>301.486</u>
Grants		
Livingstone Tanzania Trust	25.601	17.347
Ismart Kenya	22.383	-
Grassroots	22.163	-
ICT for Kenya	17.341	-
Teach a man to fish	17.121	49.235
Asante Africa Foundation	10.755	28.732
TRF/ Medical Technology Transfer Services	7.068	3.772
Laboratoria	-	9.191
Livelihoods	-	18.429
Action Tutoring	-	4.704
	<u>122.432</u>	<u>131.410</u>
	<u>122.432</u>	<u>131.410</u>
Other operating expenses		
Office expenses	1.352	776
General expenses	526	1.602
	<u>1.878</u>	<u>2.378</u>
	<u>1.878</u>	<u>2.378</u>
Office expenses		
Bookkeeping	1.252	776
Automation expenses	100	-
	<u>1.352</u>	<u>776</u>
	<u>1.352</u>	<u>776</u>
General expenses		
Bank expenses	526	475
Other general expenses	-	1.127
	<u>526</u>	<u>1.602</u>
	<u>526</u>	<u>1.602</u>
Interest other receivables		
Interest loans	3.455	4.197
	<u>3.455</u>	<u>4.197</u>
	<u>3.455</u>	<u>4.197</u>

**Social Capital Stichting
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	<u>2017</u>	<u>2016</u>
	€	€
Interest loans		
Penda Health	1.461	1.712
Medical Technology Transfer Services	-430	1.281
Jibu	940	909
Livelyhoods	203	161
ICT4D Kenya	365	134
Mali Biocarburant	916	-
Total	<u>3.455</u>	<u>4.197</u>
Other interest and similar income		
Received bank interest	<u>-</u>	<u>7</u>
Value changes of receivables from fixed assets and securities		
Value changes of other receivables	<u>-1.097</u>	<u>-456</u>

Amsterdam, 11 May 2018

Social Capital Stichting

L.O. DeVere
Director, Board Member

C.S.P. van Leeuwen
Director, Board Member

T.A. Rodrigues Pereira
Director, Board Member