

Social Capital Stichting

Financial report 2014

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Social Capital Stichting

Van Ree Accountants en
Belastingadviseurs BV
Sitiopark 2-4
3941 PP Doorn
Postbus 294
3940 AG Doorn

Doorn, June 30th 2015

T (0343) 41 59 40
F (0343) 41 44 78
doorn@vanreeacc.nl
www.vanreeacc.nl

Dear directors,

Compilation report

Introduction

In accordance with your instructions we have compiled the annual report 2014 of Social Capital Stichting, Beaulieu-sur-Merwhich comprise the balance sheet as at 31 December 2014, the profit and loss statement for 2014 and the notes.

Management's responsibility

The distinctive feature of a compilation engagement is that we compile financial information based on information provided by the board of the entity. The board of the entity is responsible for the accuracy and completeness of the information provided and the financial statements based thereon.

Accountant's responsibility

Our responsibility as accountant is to perform our engagement in accordance with Dutch law, including professional and ethical requirements issued by our professional institute.

In accordance with the professional standard applicable to compilation engagements, our procedures were limited primarily to gathering, processing, classifying and summarizing financial information. Furthermore we have evaluated the appropriateness of the accounting policies which are used to compile the financial statements, based on the information provided by management. The nature of our procedures does not enable us to express any assurance on the true and fair view of the financial statements.

Confirmation

Based on the information provided to us, we have compiled the financial statements using the accounting policies.

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 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.

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

Yours sincerely,

Van Ree Accountants en Belastingadviseurs BV



drs. A.H.J. Kraaij
Registeraccountant

Social Capital Stichting

Balance sheet as at 31 december 2014

	<u>31 december 2014</u>		<u>31 december 2013</u>	
	€	€	€	€
ASSETS				
Non-current assets				
<i>Financial assets</i>				
Loans		96.859		57.854
Current assets				
<i>Receivables</i>				
Other receivables		1.636		146
<i>Cash and cash equivalents</i>		31.444		31.907
		<hr/>		<hr/>
		<u>129.939</u>		<u>89.907</u>

	<u>31 december 2014</u>		<u>31 december 2013</u>	
	€	€	€	€
EQUITY AND LIABILITIES				
Reserves				
Free reserves		128.320		87.607
Current liabilities				
Other current liabilities		1.619		2.300
		<u>129.939</u>		<u>89.907</u>

Profit and loss statement for 2014

	<u>2014</u>		<u>2013</u>	
	€	€	€	€
Income				
Income own fundraising		123.583		100.800
Financial income		1.498		146
		<u>125.081</u>		<u>100.946</u>
Lasten				
Grants	86.849		56.367	
Other costs	1.627		5.188	
			<u>61.555</u>	
Sum of losses		<u>88.476</u>		<u>61.555</u>
		36.605		39.391
Exchange result on loans		<u>4.108</u>		<u>-219</u>
Result		<u><u>40.713</u></u>		<u><u>39.172</u></u>
Allocation of result				
Free reserves		<u><u>40.713</u></u>		<u><u>39.172</u></u>

Principles of valuation and determination

Accounting policies for the balance sheet

General information

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.

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 profit and loss statement

General

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.

Social Capital Stichting

Notes to the balance sheet

Non-current assets

Financial assets

	<u>31-12-2014</u>	<u>31-12-2013</u>
	€	€
Loans		
Fairmail BV	-	10.000
Livingstone Tanzania Trust	19.258	6.025
Penda Health LTD	24.677	21.829
P.T. Holland for Water	20.000	20.000
Jibu	16.473	-
Medical Technology Transfer Services	16.451	-
	<u>96.859</u>	<u>57.854</u>
	<u>2014</u>	<u>2013</u>
	€	€

Fairmail BV

Value at 1 januari	10.000	10.000
Repayment	<u>-10.000</u>	<u>-</u>
Value at 31 december	<u>-</u>	<u>10.000</u>

This loan was provided on 1 November 2014 with a duration of 24 months. The interest rate is 0%.

Livingstone Tanzania Trust

Value at 1 januari	6.025	6.163
Provided	12.885	-
Exchange result	<u>348</u>	<u>-138</u>
Value at 31 december	<u>19.258</u>	<u>6.025</u>

The initial amount of this loan is 5.000 GBP. This loan was provided on 11 November 2011 with a duration of 30 months.

The second amount of this loan is 10.000 GBP. This loan was provided on 23 July 2014.

The interest rate is 0%.

Penda Health LTD

Value at 1 januari	21.829	-
Provided	-	22.160
Exchange result	<u>2.848</u>	<u>-331</u>
Value at 31 december	<u>24.677</u>	<u>21.829</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

	<u>2014</u>	<u>2013</u>
	€	€
P.T. Holland for Water		
Value at 1 januari	20.000	-
Provided	-	19.751
Exchange result	-	249
Value at 31 december	<u>20.000</u>	<u>20.000</u>

This loan shall be payable on 1 February 2015. The interest rate is 0%.

Jibu

Value at 1 januari	-	-
Provided	16.061	-
Exchange result	412	-
Value at 31 december	<u>16.473</u>	<u>-</u>

The initial amount of this loan is \$ 20.000.

Medical Technology Transfer Services

Value at 1 januari	-	-
Provided	16.131	-
Exchange result	320	-
Value at 31 december	<u>16.451</u>	<u>-</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%.

Social Capital Stichting

Current assets

Receivables

	<u>31-12-2014</u>	<u>31-12-2013</u>
	€	€
Other receivables		
Interest Penda Health	1.619	122
Interest Medical Technology Transfer Services	17	-
Other interest	-	24
	<u>1.636</u>	<u>146</u>

The receivables are due not exceeding one year.

Cash and cash equivalents

Barclays	19.744	23.894
Rabobank	11.700	8.013
	<u>31.444</u>	<u>31.907</u>

Equity and liabilities

	<u>2014</u>	<u>2013</u>
	€	€
Free reserves		
Balance at 1 januari	87.607	48.435
Result	40.713	39.172
Balance at 31 december	<u>128.320</u>	<u>87.607</u>

Current liabilities

	<u>31-12-2014</u>	<u>31-12-2013</u>
	€	€
Other current liabilities		
Accounting fees	<u>1.619</u>	<u>2.300</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>2014</u>	<u>2013</u>
	€	€
Income own fundraising		
Donations	<u>123.583</u>	<u>100.800</u>
Financial income		
Interest Penda Health	1.481	122
Other interest	-	24
Interest Medical Technology Transfer Services	<u>17</u>	<u>-</u>
	<u>1.498</u>	<u>146</u>
Grants		
Livingstone Tanzania Trust	26.439	6.608
Teach a man to fish	18.288	12.000
Asante Africa Foundation	17.811	10.230
Livelyhoods	14.967	27.529
Amade Mondiale	7.328	-
Akilah Institute	<u>2.016</u>	<u>-</u>
	<u>86.849</u>	<u>56.367</u>
Other costs		
Subscriptions and contributions	-	3.790
Accounting fees	1.256	1.150
Banking fees	<u>371</u>	<u>248</u>
	<u>1.627</u>	<u>5.188</u>
Exchange result on loans		
Exchange results	<u>4.108</u>	<u>-219</u>

June 30th 2015

L. DeVere
Director, Board member