

## **Social Capital Stichting**

Financial report 2015

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Social Capital Stichting

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Doorn, July 19th 2016

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Dear directors,

## Introduction

### Accountant's compilation report

The financial statements of the Social Capital Stichting have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at 31 December 2015 and the profit and loss account for the year 2015 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410H, "Compilation engagements", which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with accounting policies selected and disclosed by the entity. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct. Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of Social Capital Stichting.

During this engagement we have complied with the relevant ethical requirements prescribed by the "Verordening Gedrags- en Beroepsregels Accountants" (VGBA). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

## **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;

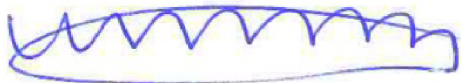
b. leverages best practices across organisations and eventually across geographies.

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**



drs. A.H.J. Kraaij  
Registeraccountant

## Social Capital Stichting

### Balance sheet as at 31 December 2015

(after profit appropriation)

	31 December 2015		31 December 2014	
	€	€	€	€
<b>Assets</b>				
<b>Non-current assets</b>				
<i>Financial assets</i>				
Loans		119.281		96.859
<b>Current assets</b>				
<i>Receivables</i>				
Other receivables		4.130		1.636
<i>Cash and cash equivalents</i>		46.486		31.444
		<u>169.897</u>		<u>129.939</u>

	<u>31 December 2015</u>		<u>31 December 2014</u>	
	€	€	€	€
<b>Equity and liabilities</b>				
<b>Reserves</b>				
Free reserves		168.391		128.320
<b>Current liabilities</b>				
Other current liabilities		1.506		1.619
		<u>169.897</u>		<u>129.939</u>

## Social Capital Stichting

### Profit and loss statement for 2015

	<u>2015</u>		<u>2014</u>	
	€	€	€	€
<b>Income</b>				
Income own fundraising		129.080		123.583
Financial income		<u>2.330</u>		<u>1.498</u>
		<u>131.410</u>		<u>125.081</u>
<b>Lasten</b>				
Grants	96.597		86.849	
Other costs	<u>3.379</u>		<u>1.627</u>	
<b>Sum of losses</b>		<u>99.976</u>		<u>88.476</u>
		31.434		36.605
Exchange result on loans		<u>8.637</u>		<u>4.108</u>
<b>Result</b>		<u>40.071</u>		<u>40.713</u>
<b>Allocation of result</b>				
Free reserves		<u>40.071</u>		<u>40.713</u>

## **Social Capital Stichting**

### **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>31-12-2015</u>	<u>31-12-2014</u>
	€	€
<b>Loans</b>		
Livingstone Tanzania Trust	31.174	19.258
Penda Health LTD	27.459	24.677
P.T. Holland for Water	-	20.000
Jibu	18.307	16.473
Medical Technology Transfer Services	18.307	16.451
Livelyhoods	24.034	-
	<u>119.281</u>	<u>96.859</u>
	<u>2015</u>	<u>2014</u>
	€	€

##### Livingstone Tanzania Trust

Value at 1 January	19.258	6.025
Provided	11.372	12.885
Exchange result	544	348
Value at 31 December	<u>31.174</u>	<u>19.258</u>

The initial amount of this loan is 5.000 GBP. This loan was provided on 11 November 2011.  
The second amount of this loan is 10.000 GBP. This loan was provided on 23 July 2014.  
The third amount of this loan is 8.000 GBP. This loan was provided on 23 November 2015.  
Each of the loans has a duration of 30 months. The interest rate is 0%.

##### Penda Health LTD

Value at 1 January	24.677	21.829
Exchange result	2.782	2.848
Value at 31 December	<u>27.459</u>	<u>24.677</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%.

##### P.T. Holland for Water

Value at 1 January	20.000	20.000
Repayment	<u>-20.000</u>	<u>-</u>
Value at 31 December	<u>-</u>	<u>20.000</u>

This loan has been repaid in 2015.

## Social Capital Stichting

	<u>2015</u>	<u>2014</u>
	€	€
<b>Jibu</b>		
Value at 1 January	16.473	-
Provided	-	16.061
Exchange result	<u>1.834</u>	<u>412</u>
Value at 31 December	<u><u>18.307</u></u>	<u><u>16.473</u></u>

The initial amount of this loan is \$ 20.000.

### Medical Technology Transfer Services

Value at 1 January	16.451	-
Provided	-	16.131
Exchange result	<u>1.856</u>	<u>320</u>
Value at 31 December	<u><u>18.307</u></u>	<u><u>16.451</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%.

### Livelihoods

Value at 1 January	-	-
Provided	23.459	-
Exchange result	<u>575</u>	-
Value at 31 December	<u><u>24.034</u></u>	<u><u>-</u></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%.

## Social Capital Stichting

### Current assets

#### Receivables

	<u>31-12-2015</u>	<u>31-12-2014</u>
	€	€
<b>Other receivables</b>		
Interest Penda Health	3.448	1.619
Interest Medical Technology Transfer Services	568	17
Interest Livelyhoods	114	-
	<u>4.130</u>	<u>1.636</u>

The receivables are due not exceeding one year.

#### Cash and cash equivalents

Rabobank	32.578	11.700
Barclays	13.908	19.744
	<u>46.486</u>	<u>31.444</u>

## Social Capital Stichting

### Equity and liabilities

	<u>2015</u>	<u>2014</u>
	€	€
<b>Free reserves</b>		
Balance at 1 January	128.320	87.607
Result	<u>40.071</u>	<u>40.713</u>
Balance at 31 December	<u><u>168.391</u></u>	<u><u>128.320</u></u>
<b>Current liabilities</b>		
	<u><u>31-12-2015</u></u>	<u><u>31-12-2014</u></u>
	€	€
<b>Other current liabilities</b>		
Accounting fees	<u><u>1.506</u></u>	<u><u>1.619</u></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.

## Social Capital Stichting

### Notes to the profit and loss statement

	<u>2015</u>	<u>2014</u>
	€	€
<b>Income own fundraising</b>		
Donations	<u>129.080</u>	<u>123.583</u>
<b>Financial income</b>		
Interest Penda Health	1.648	1.481
Other interest	19	-
Interest Medical Technology Transfer Services	549	17
Interest Livelyhoods	<u>114</u>	<u>-</u>
	<u>2.330</u>	<u>1.498</u>
<b>Grants</b>		
Teach a man to fish	26.401	18.288
Asante Africa Foundation	19.784	17.811
Livingstone Tanzania Trust	11.520	26.439
Livelyhoods	17.843	14.967
Medical Technology Transfer Services	8.222	-
Action Tutoring	5.501	-
Mission Enfance	5.010	-
Akilah Institute	2.316	2.016
Amade Mondiale	<u>-</u>	<u>7.328</u>
	<u>96.597</u>	<u>86.849</u>
<b>Other costs</b>		
Accounting fees	900	787
Banking fees	435	371
Consultancy fees	249	469
Other general costs	<u>1.795</u>	<u>-</u>
	<u>3.379</u>	<u>1.627</u>
<b>Exchange result on loans</b>		
Exchange results	<u>8.637</u>	<u>4.108</u>

June 30th 2015

L. DeVere  
Director, Board Member