

STICHTING TRIPLE JUMP ADVISORY SERVICES
Amsterdam

Financial Report 2016

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Report Management Board

The Management Board of Triple Jump Advisory Service Foundation hereby provides its financial statements for the financial year ended on December 31st, 2016. The Management Board in 2016 was formed by Mr. M.W. van Doesburgh, Mr. S.H.J. Evers and Mr. M.N. Mulder. The Supervisory Board oversees the policy of the Foundation and its implementation. In 2016 the Supervisory Board changed in composition. We want to express our sincere thanks to Mrs E. Van der Hulst-Haldar who stepped down after years of dedication. We welcome Mrs P. Mulder as new member. The Supervisory board now consists of Mr. A.J. Engelsman (Chairman), Mr. J. ter Haar and Mrs. P. Mulder.

The year 2016 has been used for the re-positioning and the transformation of TJAS services, hence the very low expenditure against budget, which will be further explained under note 6. Over the years, TJAS has actively contributed to developing the market by strengthening many Tier 3 MFIs. While this market development approach is still valid on a case-by-case basis, we've have seen that the gradual maturing of the market and the increased complexity of market development challenges merits a new approach. Furthering the finance frontier is not a matter of simply growing more MFIs, but rather work with existing MFIs – and other financial service providers - to support them in reaching underserved markets on a sustainable and scalable manner. This new approach implies a shift from many small projects, to less – but more complex and strategic - projects. TJAS has used 2016 to developed a series of new projects following this new format. The implementation of these projects has been largely postponed to 2017 due to the departure of our TJAS advisor.

Outlook

It is foreseen that the new TJAS advisor will become operational in Q2 2017 and will focus on acquisition of clients and implementation of the identified projects.

Management Board,

S.H.J. Evers

M.W. Doesburgh

M.N. Mulder

Statement of financial position as at December 31, 2016

(after profit appropriation)

		2016	2016	2015	2015
		€	€	€	€
Current assets					
Trade and other receivables	1	4.010		28.266	
Cash and bank balances	2	177.751		290.088	
		<hr/>		<hr/>	
			181.761		318.354
			<hr/>		<hr/>
			181.761		318.354
			<hr/>		<hr/>
Foundation capital					
Special purpose reserve	3		176.770		207.799
Current liabilities	4		4.991		110.555
			<hr/>		<hr/>
			181.761		318.354
			<hr/>		<hr/>

Statement of income and expenses for the year ended December 31, 2016

		Budget 2016	2016	2015
		€	€	€
Income from fundraising	5	0	-	145.759
Project expenses	6	100.000	19.603	281.546
		<u>(100.000)</u>	<u>(19.603)</u>	<u>(135.787)</u>
Other operating expenses	7	7.000	12.436	6.590
Total operating expenses		<u>7.000</u>	<u>12.436</u>	<u>6.590</u>
Operating profit		<u>(107.000)</u>	<u>(32.039)</u>	<u>(142.377)</u>
Interest income	8	3.000	1.010	3.018
Result		<u>(104.000)</u>	<u>(31.029)</u>	<u>(139.359)</u>

Details on the Income and Project expenses related to the budget can be found in the notes.

Cash flow statement for the year ended December 31, 2016

	2016	2016	2015	2015
	€	€	€	€
Result		(31.029)		(139.359)
Adjusted for:				
-Depreciation	-		-	
-Changes in trade and other receivables	24.256		(17.714)	
-Changes in current liabilities	(105.564)		(72.750)	
	<hr/>	(81.308)	<hr/>	55.036
Cash flow from operating activities		(112.337)		(84.323)
Cash flow from investing activities		-		-
Cash flow from financing activities		-		-
		<hr/>		<hr/>
Changes in cash and cash equivalents		(112.337)		(84.323)
		<hr/>		<hr/>

Notes to the 2016 financial statements

General

Activities

The activities of the Triple Jump Advisory Services Foundation, with registered office in Amsterdam, consist mainly of (financially) supporting, advising and guiding the development of microfinance institutions, which in turn aim among other things to:

- reach out to lower income target groups;
- contribute to reducing poverty in their society;
- improve the overall quality of life of their clients and their families, focusing on the sustainability and expansion of their financial services, respecting society and the environment.

Basis of preparation

The financial statements have been prepared in accordance with RJ640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

The cash flow statement has been drawn up in accordance with the indirect method, classifying cash flows as cash flows from operating, investing and financing activities. Cash flows arising from foreign currency transactions are translated into the functional currency using the exchange rates at the date of the cash flows.

The principles adopted for the valuation of assets and liabilities and determination of the result are stated at historical cost.

Accounting policies

General

Unless stated otherwise, assets and liabilities are shown at nominal value.

An asset is disclosed in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. A liability is recognised in the balance sheet when it is expected to result in an outflow from the entity of resources embodying economic benefits and the amount of the obligation can be measured with sufficient reliability.

Income is recognised in the statement of income and expenses when an increase in economic potential related to an increase in an asset or a decrease of a liability has arisen, the size of which can be measured reliably. Expenses are recognised when a decrease in the economic potential related to a decrease in an asset or an increase of a liability has arisen, the size of which can be measured with sufficient reliability.

If a transaction results in a transfer of future economic benefits and or when all risks relating to assets or liabilities transfer to a third party, the asset or liability is no longer included in the balance sheet. Assets and liabilities are not included in the balance sheet if economic benefits are not probable and/or cannot be measured with sufficient reliability.

The income and expenses are allocated to the period to which they relate. Income from grants and recharged expenses is recognised in the statement of income and expenses when received.

The financial statements are presented in euros, the foundation's currency. All financial information in euros has been rounded to the nearest euro.

Transactions in foreign currency transactions

Transactions denominated in foreign currency are translated into Euro at the exchange rate applying on the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into Euro at the balance sheet date at the exchange rate applying on that date. Translation gains and losses are taken to the statement of income and expenses as expenditure.

Accounts receivables

Accounts receivable are recognized at nominal value, less any impairments for doubtful accounts. These impairments are determined by individual assessments of the receivables.

Special purpose reserves

Special purpose reserve of the foundation are committed to projects as decided by the Management Board. This special purpose reserve is deployed to develop flagship projects that allow us to step up our fundraising on a project by project basis. Actual expenses for these commitments will take place in subsequent financial year.

Revenue recognition

Income from grants and recharged project expenses is recognised in the statement of income and expenses when received.

Income tax

Based on the activities of the foundation and according to the rules of the Dutch tax authorities, the foundation is exempted from income tax.

1 - Trade and other receivables

	2016	2015
	€	€
Project expenses to be recharged	-	22.248
Triple Jump BV	3.000	3.000
Accrued interest	1.010	3.018
	<hr/>	<hr/>
	4.010	28.266
	<hr/>	<hr/>

The term of the receivables is shorter than one year.

2 – Cash and bank balances

Bank balances	177.751	290.088
	<hr/>	<hr/>
	177.751	290.088
	<hr/>	<hr/>

The cash and bank balances are at free disposal.

3 – Special purpose reserve

Balance as at 1 January	207.799	347.158
Appropriation result for the year	(31.029)	(139.359)
	<hr/>	<hr/>
Balance as at 31 December	176.770	207.799
	<hr/>	<hr/>

The special purpose reserve balance is after appropriation of the result for the year.

4 – Current liabilities

Accounts payable to suppliers and trade creditors	-	62.647
Oxfam Novib	-	34.241
Audit costs payable	4.991	6.000
Project expenses to be paid	-	7.667
	<hr/>	<hr/>
	4.991	110.555
	<hr/>	<hr/>

5 – Income from fundraising

	2016	2015
	€	€
Income grants and donations	-	145.759
	<hr/>	<hr/>
	-	145.759
	<hr/>	<hr/>

Income grants and donations.

The income from fund raising consists of the amounts received from grants and donations, to be spend on projects. No contributions were received in 2016. In 2015 the last contribution was received from a series of Oxfam Novib contributions (2015: € 180.000).

6 – Project expenses

	2016	2015
	€	€
Project costs for projects under advisory	19.603	308.141
Recharged project expenses	-	(26.595)
	<hr/>	<hr/>
	19.603	281.546
	<hr/>	<hr/>

Project costs for projects under advisory

These costs entail all projects costs incurred in 2016. The total project expenses were € 19.603 (2015: 281.546) which is € 80.397 below budget. The low level of project expense is caused by:

1. Hard-stop of all running projects at 31/12/2015 (because of the finalization of the ON grant support)
2. Extra time needed to re-position Triple Jump advisory services and develop more complex projects
3. departure of TJAS advisor per September 2016 and delayed replacement of the TJAS advisor

Recharged project expenses

These are the project contributions received from financial intermediary institutions.

7 – Other operating expenses

Consultancy and audit expenses	12.593	5.675
Other general expenses	-157	915
	<hr/>	<hr/>
	12.436	6.590
	<hr/>	<hr/>

Consultancy and audit expenses

These costs include audited fees 2015 of € 3.983, related to previous financial year.

8 – Interest income

Interest bank accounts	1.010	3.018
	<hr/>	<hr/>
	1.010	3.018
	<hr/>	<hr/>

Off-balance sheet assets and commitments

As of the 31 December 2016, there were no project related obligations outstanding any more.

Amsterdam, 21 april 2017

Management Board,

S.H.J. Evers

M.W. van Doesburgh

M.N. Mulder

Other information

Provisions in the Articles of Association governing the appropriation of result

According to article 10 of the company's Articles of Association, the financial report can be established by the management after approval of the supervisory board.

Proposal for profit appropriation

The Management Board after approval of the supervisory board of Triple Jump Advisory Service Foundation, has decided the following appropriation of the 2016 result after tax:

The whole net result (loss) of: € -31.029 to be added to the special purpose reserve and is included in the special purpose reserve presented on the Statements of financial position at year end and.

Subsequent events.

There are no subsequent events after balance date which affects the actual state at December 31, 2016.

Independent auditor's report

To: the management of Stichting Triple Jump Advisory Services B.V.

Report on the accompanying financial statements

Our opinion

We have audited the financial statements 2016 of Stichting Triple Jump Advisory Services B.V., based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Triple Jump Advisory Services B.V. as at 31 December 2016, and of its result 2016 in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board.

The financial statements comprise:

- 1 the balance sheet as at 31 December 2016;
- 2 the statement of income and expenses 2016; and
- 3 the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Triple Jump Advisory Services B.V. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Description of the responsibilities for the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 640 'Not-for-profit organisations' of the Dutch Accounting Standards Board. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during our audit.

Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company ceasing to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Utrecht, XX April 2017

KPMG Accountants N.V.

G.J. Hoeve RA