

The logo for ELBA Charitable Foundation. It features the letters 'ELBA' in a large, bold, light pink font centered on a solid blue rectangular background. Below the letters, the words 'CHARITABLE' and 'FOUNDATION' are written in a smaller, white, sans-serif font, arranged in a slight upward curve.

ELBA

CHARITABLE
FOUNDATION

Stichting The Elba Charitable Foundation

**REPORT OF THE BOARD of DIRECTORS
2017**

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Chairman's foreword

We are proud to present the first annual report of Stichting The Elba Charitable Foundation (hereafter, the "Foundation"), which reflects both on our activities and accomplishments over the year 2017 and elaborates on our (future) purpose.

The Foundation was established at the beginning of 2017 and was granted the task of providing means and measures to make cohesive, sustainable and beneficial conditions to people to achieve their full potential and for the societies in which they live to thrive. By supporting organizations and projects that commit themselves to achieve these conditions by way of giving children of more deprived areas possibilities and access to higher education, by giving those in need access to shelter, food, life skills and healthcare, the Foundation wants to play a part in creating equal chances for everyone.

We are lucky to already have found organisations with great and ambitious initiatives which can fulfil the primary purpose of our Foundation. Absolute Return for Kids (Ark) is absolutely one of them and we intend to “partner up” with Ark for the coming years. Further there are those prestigious Universities and smaller community initiatives which really have inspired us and we are truly honoured to contribute to their goals. It goes without saying that the efforts, enthusiasm and believes of all involved in these various projects are catching and strengthen our believes that a difference can be made if we just reach out.

Oliver Plunkett

Chairman

June 29, 2018

Report of the Board of Directors

1.1 Objectives of the Foundation

The objectives as stipulated in the deed of incorporation of the Foundation are:

- i) The Foundation's objective is to advance for the benefit of the public the relief of poverty, the advance of education and the promotion of health and healthcare for communities in need throughout the world but in any case limited to those purposes which are charitable according to the laws of the Netherlands and which are also charitable according to the laws of England and Wales, by the making of grants or the provision of such other support that will assist this objective, and all other acts and things which may be conducive to the aforesaid objects;
- ii) The Foundation intends to be an ANBI and to be classified as such by the Dutch tax authorities;
- iii) The Foundation is a non-profit organization.
- iv) The Foundation is not allowed to repay any donations it has received.

The Foundation achieves these objectives by pro-actively identifying projects that fall within these objectives and its multi-year Policy Plan and to ensure that the project or donation is exclusively charitable for the public benefit and does not give rise to personal benefit. Same goes for any donation request. The donations shall in principle only be made to an organisation with a non-profit goal and the project plan or activities should provide sufficient insight into the content of the project and intended result.

1.2 Activities

During 2017 the Foundation has identified a UK based charity – Absolute Return for Kids (Ark) - which operates a number of schools and education related projects around the world with which it envisages making a medium term (5 years) funding commitment. Ark's primary activities and main focus now is to support the running and operation of academy schools in some of the most disadvantaged communities across England in order to ultimately offer the

strongest education provision for pupils. It is the intention to make several donations to Ark's projects once these activities have been further developed.

2. Future outlook

2.1 Focus

For 2018 the collaboration between the Foundation and Ark shall be made more concrete. It is expected that in the first half year of 2018 the identified projects will provide sufficient insight into their purpose and the intended results, which will make these eligible for donations by the Foundation.

The Foundation expects to receive additional significant sums by way of donation and investment returns. These will be allocated to the various – envisaged – activities of not only Ark, but also other initiatives that fall within the objectives of the Foundation and which serve the public interest in accordance with its purpose.

2.2 Activities

In the coming year the Foundation is expected to donate substantial sums to Ark to contribute to their ambitious projects which have an educational mission to help the most deprived children and communities to achieve their full potential. Next to Ark's activities, the Foundation will also look into possibilities to make donations to University Funds for scholarships and to outreach programs developed by Universities to lead children to higher education.

3. Organisation

3.1 Foundation details

The Foundation is registered with the Dutch tax authorities as a Charitable Stichting ("Algemeen Nut Beogende Instelling") under RSIN: 857437434 and is also granted the status of Charity by the HMRC (United Kingdom).

Please be informed regarding the contact details of the Foundation:

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The Foundation is registered with the Dutch Chamber of Commerce under number 68429576.

3.2 Board of Directors

The Board is charged with the management of the Foundation, and more in particular with the management and administration of the Foundation's means, the adoption of the budget of income, including distributions and funds to be made available in view of the realization of the Foundation's objectives. The Board is entitled to accept (and refuse) donations on behalf of the Foundation. No donations shall be accepted which are made under conditions contrary to the objectives of the Foundation or its Policy Plan.

During 2017 Anneka Treon resigned as member of the board and Tijn van Hooven was appointed as her replacement. The Board now consists of:

Chairman: Oliver Plunkett

Secretary and Treasurer: Melanie Smith

Member: Tijn van Hooven

Members of the Board do not receive any remuneration in return for performing their duties.

4. Source, management and destination of Funds

The Foundation relies on donations and investment returns to generate funds from which to pursue its public interest objectives. As such it does not pursue a policy of active public fundraising.

It is very difficult to forecast with certainty the amounts of contributions that the Foundation will receive. In 2018, the Foundation expects to receive a significant initial gift, made conditional upon retention of the initial capital. In years thereafter the Foundation expects to receive further significant sums by way of donation and investment returns. It anticipates generating up to EUR 2 million per annum in investment income and gain.

The Foundation expects to use between 25% and 75%% of its annual income and gains in pursuit of its objectives each year. The Foundation Board anticipates the level of giving will increase in future years as suitable projects are identified. All administrative costs are kept on a reasonable level in order to grant as much money as possible to the cause. The Foundation strives to spend less than 5% of the Foundation's income on administration.

The Foundation invites and welcomes members of the public to make donations to support its objectives.

5. Budget

As mentioned in chapter 2 Future outlook, in the coming period the Foundation shall focus on the activities of the Ark project and will explore other initiatives that fall within its objectives and which serve the public interest in accordance with its purpose. The Foundation is expected to receive further donations at the start of 2018. With the available sums the Foundation will further support the Ark project with a first payment of GBP 100,000 in January 2018 and further payments up to GBP 2,588,500 before the end of December 2018 and other activities for which no budget is available yet. The administrative expenses are expected to be less than 5% of the annual income and gains.

6. Statement of income & expenditure

	2017	
	€	€
Donations	[1] 29.538.848	
Result from securities	[2] <u>1.011.796</u>	
Income		30.550.644
General expenses	[3] <u>12.019</u>	
Expenditures		12.019
Result		<u><u>30.538.625</u></u>

Notes to the statement of income & expenditure

	2017
	€
Donations [1]	
Securities	<u><u>29.538.848</u></u>
Result from securities [2]	
Financial instruments	<u><u>1.011.796</u></u>
General expenses [3]	
Administrative expenses	<u><u>12.019</u></u>