



# Annual Report 2018

# NOTS Foundation

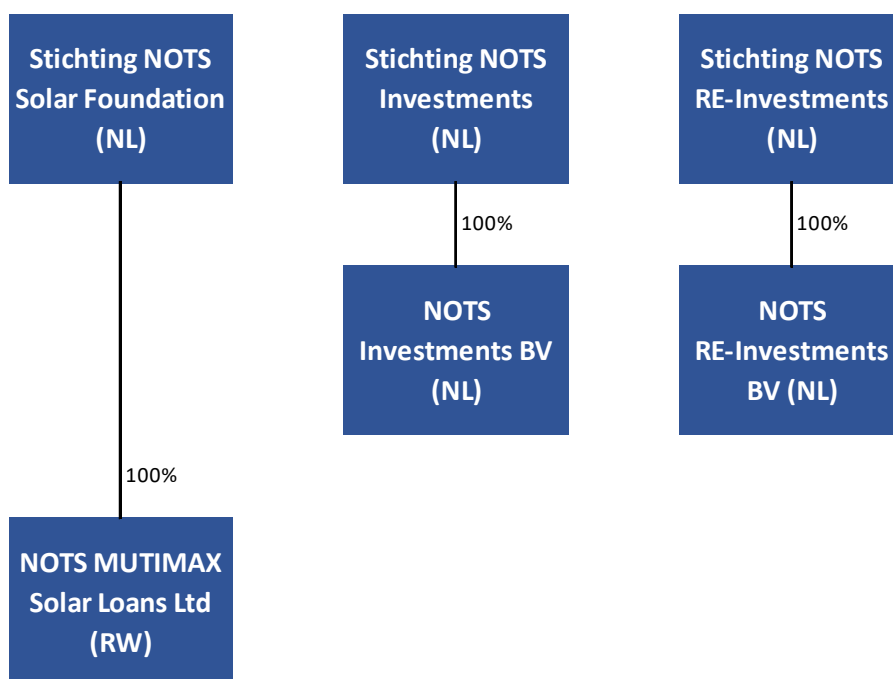
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## Stichting NOTS Foundation Related Parties



## 1.2 Board of NOTS Foundation

The board of NOTS Foundation consists of:

NAME	POSITION ON THE NOTS FOUNDATION BOARD	DATE OF COMMENCEMENT OF DUTIES AS A BOARD MEMBER
Bart Hartman	Chairman	13-10-2003
Eric Rahusen	Member	05-02-2010
Paul Bijleveld	Member	26-09-2012

Board meetings are held on a quarterly basis. Besides the formal board meetings, the board members have conference calls on a regular basis. None of the board members receive a remuneration for their activities for NOTS. For profiles of the Board members see: <http://www.nots.nl/en/our-team>.

## 1.3 Employees

In the course of 2018 we formed a Management Team for NOTS Solar Lamps BV, consisting of:

- Bart Hartman, CEO
- Bas Maassen, CFO
- Martin Bauman, Controller
- Roland Tabor, Chief Marketing and Data Officer
- Miguel Stief, Chief Manufacturing & Supply Chain Officer

All MT members are very qualified for the work they do for NOTS. At [www.nots.nl/about/team](http://www.nots.nl/about/team) you can find the background of the MT members. Bart is full-time working for NOTS. The other MT members part-time,









# 1. Balance Sheet as at 31 December 2018

(after profit appropriation)

		<u>31 December 2018</u>	<u>31 December 2017</u>
		€	€
<b>ASSETS</b>			
<b>Fixed Assets</b>			
Financial fixed assets	4.1	9.343.909	8.653.130
<b>Current Assets</b>			
<b>Receivables and accruals</b>			
Receivables from group companies	4.2	874.457	726.080
<b>Total receivables</b>		<u><b>10.218.366</b></u>	<u><b>9.379.210</b></u>
Cash	4.3	159.184	333
<b>Total receivables</b>		<u><b>10.377.550</b></u>	<u><b>9.379.543</b></u>
		<u>31 December 2018</u>	<u>31 December 2017</u>
		€	€
<b>LIABILITIES</b>			
<b>Reserves</b>			
General reserve	4.4	2.181.622	1.747.091
Legal reserve	4.5	1.975.439	1.819.873
<b>Total reserves</b>		<u><b>4.157.061</b></u>	<u><b>3.566.964</b></u>
Long term liabilities	4.6	4.993.056	4.643.193
Short term liabilities	4.7	1.227.433	1.169.386
<b>Total Liabilities</b>		<u><b>10.377.550</b></u>	<u><b>9.379.543</b></u>

## 2. Statement of Income and Expenses 2018

		<u>2018</u>	<u>2017</u>
		€	€
<b>Income</b>			
Income from fundraising	5.1	350.000	408.800
Income from investments	5.2	286.293	493.017
Financial income and expenses	5.3	-42.313	-66.321
		<hr/>	<hr/>
<b>Total Income</b>		<b>593.980</b>	<b>835.496</b>
<b>Expenses</b>			
Expenses	5.4	3.883	1.534
Management and administration charges by NOTS Support B.V.	5.5	-	79.778
		<hr/>	<hr/>
<b>Total Expenses</b>		<b>3.883</b>	<b>81.312</b>
		<hr/>	<hr/>
<b>Result</b>		<b><u>590.097</u></b>	<b><u>754.184</u></b>
<b>Allocation of result:</b>			
<b>Legal reserve</b>			
Share result Triple Jump B.V.		286.293	493.017
<b>General reserve</b>		303.804	261.167
		<hr/>	<hr/>
<b>Total</b>		<b><u>590.097</u></b>	<b><u>754.184</u></b>









statements and based on fiscal accounting principles the participation is valued at cost price. NOTS Foundation is not liable for the debts of this participation.

The net asset value of the participation in NOTS Sustainable Charcoal B.V. was € 808.262 as of 31 December 2018. The net result of 2018 amounted to € (7.458). In accordance with the unaudited financial statements and based on fiscal accounting principles the participation is valued at cost price. NOTS Foundation is not liable for the debts of this participation.

#### Movements in the participation in Triple Jump B.V.

	<u>2018</u>	<u>2017</u>
	€	€
Balance as at 1 January	1.785.355	1.392.269
Dividend payment	-130.727	-99.931
Adjustment 0,68% of shares	-	47.963
Result participation	<u>286.293</u>	<u>445.054</u>
<b>Balances as at 31 December</b>	<b><u>1.940.921</u></b>	<b><u>1.785.355</u></b>

The participation in Triple Jump B.V. are valued according to the equity method on the basis of net asset value. The net asset value is calculated on the basis of the Company's accounting policies.

#### NOTS Microcredit Bond

At the request of one of its beneficiaries one NOTS Microcredit Bond was bought with his donation in 2008. This NOTS Microcredit Bond has a lifetime of 10 years. The yearly donation from of this bond as well as from all the other donations from these bonds has Stichting NOTS Foundation as its beneficiary. NOTS Foundation will also be the beneficiary for the amount due from the repayment of the donated bond.

#### Loans

##### Movements in the loan to NOTS Solar Lamps B.V.

	<u>2018</u>	<u>2017</u>
	€	€
Balance as at 1 January	4.068.611	3.299.051
Increased fund	178.829	352.209
Interest rate of 6%	249.482	208.509
Management expenses NOTS Support B.V.	<u>106.902</u>	<u>208.842</u>
<b>Balances as at 31 December</b>	<b><u>4.603.824</u></b>	<b><u>4.068.611</u></b>

The loan to NOTS Solar Lamps B.V. has an interest rate of 6% and will mature on 1 January 2027 or earlier as soon as the liquidity balance permits. This loan is valued at nominal value in line with the fiscal valuation. If the loan was valued at lower fair value, the valuation would have been lower. There has been no warranties on this loan.









## Off-Balance sheet items

The NOTS Microcredit Bonds were launched in 2008 by Stichting NOTS Investments. All investors have committed themselves to donate the annual coupon of 6% to Stichting NOTS Foundation. Stichting NOTS Foundation receives this donation on an annual basis until 2018 from Stichting NOTS Investments.

The agreement of Disclosed Pledge and Loan Agreement, dated February 2018, between Party 1 and Stichting NOTS Foundation arranges the following:

- Party 1 receives the option right on Stichting NOTS Foundation to buy and acquire the shares of Stichting NOTS Foundation in Triple Jump B.V.,
- Party 1 grants a loan to Stichting NOTS Foundation in the amount of € 1.200.000,00 (one million two hundred thousand Euro) by the loan agreement dated February, 2018.  
The loan granted per 31 December 2018 amounts to € 339.500.
- Ultimate repayment date of this loan is December 31, 2020;
- Both parties can agree on extending the ultimate repayment date;
- The yearly interest rate of 6% will be paid following December 31.

In the course of 2016 the Dutch tax authority has started an investigation into the so called “ANBI-status” of Stichting NOTS Foundation. The Foundation, together with its external tax advisor, will reach an agreement with the Dutch tax authority about the continuation of the status as expected in the 4<sup>th</sup> quarter of 2019. The corporate structure of Stichting NOTS Foundation will be amended as expected in 2019, in consultation with the Dutch tax authority. This restructuring has no severe impact on the financial position of Stichting NOTS Foundation or the activities of Stichting NOTS Foundation.

NOTS Foundation has no further additional obligations or rights not visible in the balance sheet.

### Events after the balance sheet date

On July 2, 2019 NOTS Solar Lamps Ltd signed the agreement with the Government of Rwanda (GoR) for the delivery of Solar Home Systems (SHS) to GoR.

The main elements of this agreement are:

- a. NOTS sets up a plant in Rwanda for manufacturing SHS;
- b. NOTS provides the GoR with 100.000 Made-in-Rwanda 3-lamp SHS units;
- c. GoR raises SHS awareness among the population and implements places and regulations that stimulate the penetration of SHS in Rwanda;
- d. NOTS provides at least 840.000 Rwandan households with a Made-in-Rwanda SHS in the period until 2024;
- e. In 2021 NOTS starts exporting Made-in-Rwanda SHS units and exports at least 1 million units per year from 2024 onwards.

The budget for the period 2019-2023 shows a cumulative net profit in a base case scenario of substantial returns.

In 2019 the bonds, with the value of approximately € 700.000, are converted in loans granted to Stichting NOTS Foundation.



## 5.4 Expenses

	<u>2018</u>	<u>2017</u>
	€	€
Insurance	2.420	-
General expenses	1.463	1.534
<b>Total</b>	<b><u>3.883</u></b>	<b><u>1.534</u></b>

## 5.5 Management expenses

	<u>2018</u>	<u>2017</u>
	€	€
NOTS Support B.V.	<u>-</u>	<u>79.778</u>

Following the agreement with the Dutch tax authorities, the operational expenses of NOTS Support B.V. are recharged to the NOTS entities based on income of the NOTS entities.  
In 2018 Stichting NOTS Foundation had no income, therefore no management expenses were charged.

Loosdrecht, 13th September, 2019

**Stichting NOTS Foundation**

G.E. Hartman  
Chairman of the Board