

Oikocredit International Support Foundation Financial statements 2021

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Board report

Developments during 2021 and outlook for 2022

Oikocredit International Support Foundation (Support Foundation) is situated in Amersfoort, the Netherlands. The main purpose of the Support Foundation is to promote and support the development of individual and organisational capacities of people on low incomes in developing countries and to enable them in gaining access to necessary resources to help them improve their quality of life. The Support Foundation does this, for example, by (i) receiving and providing donations and subsidies, (ii) promoting standards and best practices that are aimed at the protection and promotion of low-income people and their communities' well-being and (iii) providing resources for innovative solutions to the challenges/needs of low-income people and their communities, with the potential for scale-up and replication.

The following people were members of the board of directors as at 31 December 2021:

- Ms M. L. Hilado Ledesma (the Netherlands)
- Ms M. 't Lam (the Netherlands)
- Mr M. A. van Eyk (the Netherlands)
- Mr P. O. Stutvoet (the Netherlands)

Thos Gieskes and Petra Lens resigned from the board as per 1 August 2021.

Bart van Eyk will leave the board as per 17 February 2022.

Jeroen van Scheelbeek joined the Support Foundation board as Statutory Director per 17 February 2022.

Response to Covid-19

For much of 2021, as in 2020, the Covid-19 pandemic restricted the Share Foundation's capacity building support for organisations to online encounters. In the second half of the year, however, we carefully returned to providing capacity building support on site and in person. As organisations and their clients increasingly resumed business as usual despite the pandemic, fewer organisations required our support with special measures, and during the year only two organisations needed financial assistance from the coronavirus solidarity fund.

Our Innovation in Response to Covid-19 programme, which we launched in 2020 with unused coronavirus solidarity funds, has continued. The programme helps organisations develop adaptive client-appropriate solutions to problems generated by the pandemic. Open to applications from all regions and sectors where Oikocredit Ecumenical Development Cooperative Society U.A. (Oikocredit) works, the programme has enabled digital training and solutions for rural clients, livelihoods diversification, organisational strengthening, a financial education campaign and community cooperative stores.

Other capacity building initiatives

During the year the Support Foundation supported 21 capacity building projects and welcomed 14 new projects, spending a total of € 407,225, of which € 343,793 was from donor funds and € 63,432 contributed by the Support Foundation. The Support Foundation allocated this capacity building finance between partners and prospective partners working in agriculture (60.8%), financial inclusion (37.4%) and other sectors (1.8%) and shared it regionally between Africa (47.7%), Asia (19.0%), Latin America & the Caribbean (24.1%) and global programmes (9.3%). In addition to the Share Foundation, other donors to, and strategic partners in, our capacity building work included Act Church of Sweden, Oikocredit Stiftung Deutschland, Oikocredit Nederland, Plan International Canada, The Primate's World Relief and Development Fund, the Swedish International Development Cooperation Agency (Sida) and USAID.

In 2021 we completed the Price Risk Management (PRM) training for Latin American coffee cooperatives. Preparations are underway to replicate the PRM programme in Rwanda. With our participation in the new Smallholder Safety Net Upscaling Programme (SSNUP), coordinated by the Swiss Agency for Development and Cooperation, the Luxembourg Directorate for Development Cooperation and Humanitarian Affairs, and ADA Microfinance, we have begun preparation with Oikocredit partner

Chamroeun to train Cambodian smallholder farmer cooperatives in strengthening organisational capacity and in financial accounting, to improve their investment readiness. Through SSNUP, we are also supporting Inclusive Guarantee in combining client-centric weather index microinsurance with financial literacy training for thousands of West African smallholder farmers and their households.

Further capacity building initiatives include: working in Rwanda with the Karongi tea factory and its partner cooperatives to produce and distribute high-quality tea seedlings and provide training to hundreds of smallholder cooperative members; supporting the Women's Innovation for Sustainable Enterprises (WISE) project in Ghana to foster the growth of women-led enterprises; the Innovative Financing for Improved Livelihoods project with the Church of Sweden and Sida, combining small loans and capacity building for farmer-based cooperatives in Kenya and Uganda; enabling microfinance partner ADRA in Peru to give digital communications and health training to more than 8,000 clients; and facilitating a Cambodian partner's production of financial literacy videos for clients.

Amersfoort, 14 March 2022

Mirjam t' Lam

Managing Director

Ging Ledesma

Director of Social Performance Innovation

Jeroen Scheelbeek

Interim Director of Finance & Risk

Patrick Stutvoet

Director of IT & Operations

Balance sheet as at 31 December 2021

(After appropriation of net income)

Notes		31/12/21	31/12/20
		€ ,000	€ ,000
	ASSETS		
	Non-current assets		
1	Term investments	-	539
	Current assets		
2	Receivables	3,873	4,016
	Cash and banks	2,509	1,733
	Total current assets	6,382	5,749
	Total assets	6,382	6,288
	TOTAL RESERVES AND FUNDS		
	General reserve	3	3
	Result for the year	-	-
3	Other funds (available to cover costs and activities)	5,697	5,822
	Total reserves and funds	5,700	5,825
	LIABILITIES		
4	Long-term liabilities	48	-
5	Current liabilities	634	463
	Total reserves and funds	682	5,825
	Total reserves, funds & liabilities	6,382	6,288

Income statement for the year 2021

Notes		2021	2020
		€ ,000	€ ,000
INCOME			
6	Grants	402	484
	Interest income/(expense)	(55)	35
7	Other Income	130	-
	Revaluation term investments	-	(298)
Total income		477	221
EXPENSES			
8	Capacity building expenses	411	659
	Office expenses	72	212
	Charged (addition) to the guarantee funds	122	244
	Exchange rate differences	(4)	115
Total expenses		601	1,230
RESULT FOR THE YEAR		(124)	(1,009)
9	Additions (-) to and releases (+) from funds	124	1,009
RESULT AFTER ADDITIONS TO FUNDS		-	-

Notes to the financial statements

Description of the organisation

The Support Foundation was established in 1995, in Amersfoort, the Netherlands, in accordance with Dutch law. The duration of the Support Foundation is unlimited. The main purpose of the Support Foundation is to promote and support the development of low-income people and communities' capacities on an individual and organisational basis and to enable them in gaining access to necessary resources to help them improve their quality of life. The Support Foundation does this, for example, by (i) receiving and providing donations and subsidies, (ii) promoting standards and best practices that are aimed at the protection and promotion of low-income people and their communities' well-being and (iii) providing resources for innovative solutions to the challenges/needs of low-income people and their communities, with the potential for scale-up and replication.

Due to the changes in the Articles of Association and the Master Service Agreement between the Society and the Support Foundation, the 'model costs' and the Category A and B costs that were in place were removed as of 2021.

Two guarantee funds were established in the Support Foundation to enable institutional donors and individuals to participate in a fund that insures part of the counterparty risk (equity or loan and accumulated interest) of partners to be financed by Oikocredit. The guarantee funds are available to cover the partners deemed to carry higher risks than on average.

Accounting policies

General information

The financial statements are prepared in accordance with the statutory provisions of Part 9, Book 2, of the Netherlands Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board. Assets and liabilities are stated at historical cost, unless stated otherwise.

The financial statements are denominated in euro. The balance sheet and income statement include references to the notes. Income and costs are recognised on an accrual basis. These financial statements have been prepared under the going concern assumption.

Estimates

The preparation of the financial statements requires management to form opinions and to make estimates and assumptions that have an impact on the application of principles and the reported values of assets and liabilities and of income and expenses. The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods for which the revision has consequences.

Foreign currencies

The financial statements are presented in euro, which is the functional and presentation currency of the Support Foundation. Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date. As at 31 December 2021, 1.0% (2020: 0.6%) of the balance sheet total is denominated in United States dollars. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement.

Translation differences on non-monetary assets held at cost are recognised using the exchange rates prevailing at the dates of the transactions (or the approximated rates).

Exchange rate differences arising upon the settlement of monetary items are recognised in the income statement in the period that they arise.

Term investments

The term investments that are listed on regulated markets are measured and recognised at fair value as these are not held to maturity. Changes in the fair value are taken directly to the income statement.

Non-listed term investments (only equity investments) are stated at cost less impairment. The impairment is tested on an annual basis.

Grants

Grants are included as income in the year in which such grants are realised.

Taxes

The Support Foundation has been exempted from paying corporation tax, value added tax as well as gifts and inheritance taxes by the tax authorities of the Netherlands.

Risk factors

Liquidity risk

Liquidity risk refers to the risk that the Support Foundation will encounter difficulty in raising funds to meet its commitments (funding liquidity risk) and/or that the Support Foundation will experience issues in mobilising the liquidity in cash accounts (asset liquidity risk) in the extreme scenario in which bank counterparties experience liquidity issues. The latter is highly unlikely due to the relative size and high credit standing of the bank counterparties with which the Support Foundation has open bank accounts.

Foreign currency risk

Foreign currency risk refers to the risk that the value of the Support Foundation will fluctuate due to changes in foreign currency exchange rates. The foreign currency risks related to the assets and liabilities of the Support Foundation are not hedged.

Credit risk

Credit risk refers to the risk of a change in the credit quality of a counterparty (in which the Support Foundation has invested in bonds or shares) affecting the value of the Support Foundation's position. Currently the Support Foundation holds all its assets in cash accounts, hence the credit risk on the balance sheet is extremely low.

Notes to the balance sheet

1 Term investments

<i>Can be specified as follows:</i>	2021	2020
	€ ,000	€ ,000
Opening balance as at 1 January	539	25,908
Divestments/redemptions during the year	(539)	(25,126)
Investments during the year at cost	-	55
Revaluation to market value as at 31 December	-	(298)
Balance as at 31 December	-	539
Breakdown of shares	31/12/21	31/12/20
	€ ,000	€ ,000
Donated investments in Oikocredit International Share Foundation	-	539
Shares	-	539
Total bonds and shares	-	539

The Buy and Maintain Environmental Social Governance (ESG) Credit Portfolio has been transferred from the Support Foundation to Oikocredit in the year 2020.

The donated investments consisted of donated depository receipts from Oikocredit International Share Foundation. The donated investments were transferred from depository receipts into cash and added to the general reserve of the Support Foundation.

2 Receivables

<i>Can be specified as follows:</i>	2021	2020
	€ ,000	€ ,000
Current account Oikocredit	3,873	3,981
Current account Oikocredit International Share Foundation ¹	-	35
Balance as at 31 December	3,873	4,016

¹ In the year 2021, the intercompany balances between Oikocredit, the International Support Foundation and the Share foundation were settled on a quarterly basis.

3 Other funds (available to cover Oikocredit costs and activities)

The funds mentioned below originate from grants received for the purposes as described per fund. The Support Foundation charges the related Oikocredit costs to the funds.

As per the year 2021, the funds for subsidised activities and model costs ceased to exist following the changes in the articles of Association of the Support Foundation.

<i>Can be specified as follows:</i>	2021	2020
	€ ,000	€ ,000
Funds for subsidised activities and model costs	-	3,245
Capacity building, partner financing and guarantee funds	5,697	2,577
Balance as at 31 December	5,697	5,822

Funds for subsidised activities and model costs				
	Donated investments ¹	Funds for subsidised activities and model costs ²	TOTAL 2021	TOTAL 2020
	€ ,000	€ ,000	€ ,000	€ ,000
Balance as at 1 January	539	2,706	3,245	3,245
Addition to / (released from) fund	(539)	(2,706)	(3,245)	-
Balance as at 31 December	-	-	-	3,245

¹ This fund was established to account for donated shares. In the year 2021 all the donated shares have been redeemed and the fund has been added to the capacity building fund in the table below.

² This fund was set up in 1999 to cover Oikocredit's subsidised activities and model costs. In 2019 the gain on the sale of the TCX shares amounting to € 2.1 million was added to this fund and will remain in this fund. As per 2021 this fund ceased to exist.

Capacity building and guarantee funds

	Capacity building funds ¹	Capacity building - Rwanda seedling fund ²	Capacity building - USAID ³	Capacity building - corona solidarity fund ⁴	Capacity building - – SSNUP project ⁵	Capacity building - – Outreach to Impact ⁶	Capacity building - The Primate World Relief ⁷	Capacity building - We Effect ⁸	Capacity building - Plan International ⁹	General guarantee fund & Guarantee fund for Africa ¹⁰	TOTAL 2021	TOTAL 2020
	€ ,000	€ ,000	€ ,000	€ ,000	€ ,000	€ ,000	€ ,000	€ ,000	€ ,000	€ ,000	€ ,000	€ ,000
Balance as at 1 January	384	-	-	-	-	-	-	-	-	2,194	2,577	3,576
Addition to / (released from) fund ¹¹	3,241	-	-	-	-	-	-	-	-	(122)	3,119	(1,010)
Allocation of prior year result	-	-	-	-	-	-	-	-	-	-	-	11
Balance as at 31 December	3,625				-	-			-	2,072	5,697	2,577

¹ This fund was set up for capacity building of existing and potential partners and feasibility studies of potential partners in all countries in which Oikocredit operates.

² In Rwanda, the Support Foundation has begun working with Karongi and Muganza Kivu tea factories to produce two million high-quality tea seedlings. The project will distribute the seedlings and provide training in tea cultivation to Rwandan smallholder farmers via two cooperatives.

³ A follow-up to the PRM project mentioned above was initiated with USAID's support to further develop and consolidate the parts of the PRM programme dealing with information management. Another project was our disaster risk reduction initiative for Southeast Asian partners.

⁴ The Support Foundation created the coronavirus solidarity fund with an initial € 25,000 from Oikocredit. This was augmented by contributions from members and investors.

⁵ The Society has been selected to participate in the Smallholder Safety Net Upscaling Programme (SSNUP), coordinated by the Swiss Agency for Development and Cooperation, the Luxembourg Directorate for Development Cooperation and Humanitarian Affairs, and Ada Microfinance. This is a 10-year public-private partnership intending to support at least 10 million smallholder farmers in Africa, Asia and Latin America by boosting the development of agricultural value chains.

⁶ Oikocredit initiated a digital survey project with five partner organisations in inclusive finance to investigate the changes their clients have experienced over the year 2021 and the requirements in the regions. The result of the project is to produce a report detailing the most significant insights relating to income, savings, business development, access to basic facilities and ability to cover health and medical needs. The aim to expand the project has been realised in the form of grant funding worth € 137,000.

⁷ **The Primate World Relief Fund (PWRDF)** is aimed to form partnerships and relationships of mutual support rooted in a shared commitment to a more just and peaceful world. The purpose of this fund is to ensure data driven decision making and digital inclusion.

⁸ The objective of the Innovative Finance Pilot Project is to address capacity weaknesses of Farmer based organisations (FBOs) by recognising the diversity of challenges faced by FBOs in Kenya and Uganda. By providing debt finance, the project aims for FBOs to gauge their readiness for commercial loan and identify capacity gaps.

⁹ The Women's Innovation for Sustainable Enterprises (WISE project) was established to enhance the economic empowerment, well-being and inclusive economic growth for the women in Ghana. By addressing the root causes of gender inequality, the project will achieve the set objectives.

¹⁰ The two guarantee funds were established to enable institutional donors and individuals to participate in a fund that insures part of the counterparty risk (equity or loan and accumulated interest) of partners to be financed by Oikocredit. The guarantee funds are available to cover the partners deemed to carry higher risks than on average.

¹¹ For the additions to and releases from these funds, we refer to note 9.

4 Long-term liabilities

<i>Can be specified as follows:</i>	2021	2020
	€ ,000	€ ,000
We Effect – Small Credit Facility	-	-
	48	-
Balance as at 31 December	48	-

The Support Foundation and We Effect formed the Small Credit Facility project in 2021. The objective is to provide innovative finance for improved livelihoods in Kenya and Uganda over a five-year period. The project aims to address the capacity weaknesses of farmer based organisations (FBOs,) recognising the diversity of challenges faced by FBOs in Kenya and Uganda. The € 48,000 is the first tranche made towards the project, which will commence operationally in 2022. The long-term facility is due for the full term of the project (i.e. five years) and is interest free.

5 Current liabilities

<i>Can be specified as follows:</i>	2021	2020
	€ ,000	€ ,000
Non-allocated grants	585	434
Other current liabilities	49	29
Balance as at 31 December	634	463

Non-allocated grants		
<i>Can be specified as follows:</i>	2021	2020
	€ ,000	€ ,000
Appui au Développement Autonome	277	306
Oikocredit Westdeutscher Förderkreis (Outreach to Impact)	137	-
Act Church of Sweden	96	96
Fintrac Inc. (USAID)	54	-
Evangelical-Lutheran Church in Württemberg	57	57
The Primate's World Relief and Development Fund	19	-
Oikocredit Westdeutscher Förderkreis (Rwanda tea project)	(6)	(25)
Plan International Canada Inc.	(49)	-
Balance as at 31 December	585	434

The table is showing the balance of the non-allocated grants of 2021 compared to 2020. The non-allocated grants at 31 December 2021 increased by an amount of € 151,000 compared to 2020.

Notes to the income statement

6 Grants

<i>Can be specified as follows:</i>	2021	2020
	€ ,000	€ ,000
Grants received from Fintrac Inc. (US AID)	81	-
Grants received from Appui au développement autonome a.s.b.l.	61	-
Grants recognised from Oikocredit Westdeutscher Förderkreis	28	77
Grants received from Plan International Canada Inc. (WISE)	49	-
Grants recognised from the coronavirus solidarity fund	-	185
Grants recognised from Evangelical-Lutheran Church in Württemberg	-	61
Grants recognised from Act Church of Sweden	-	19
Other grants recognised	183	142
Total grants	402	484

Grants are received either according to contractual agreements with organisations with which the Support Foundation collaborates on capacity building projects, or from other parties, such as donations from dividends or legacies. Grants recognised from collaborating organisations means that the funds were spent during the year. Unused grants are accounted for under current liabilities. Grants recognised from other parties are immediately recognised in the year received, as these grants have no specific spending requirements. In 2020 the corona solidarity fund was created. Donations to this fund were from existing Oikocredit donors, like Act Church of Sweden and Oikocredit support associations. From the Evangelical-Lutheran Church in Württemberg, the Support Foundation received € 110,000 in 2020. In 2020 the Price Risk Management programme and the agriculture project in East Africa funded by Bread for the World came to an end. The Inter-American Development Bank disbursed US\$ 94,720 for the Price Risk Management programme in Central and South America, which was implemented in cooperation with Fair Trade USA and Catholic Relief Services. In 2020 Ada Microfinance disbursed € 306,360 to a new programme called Smallholder Safety Net Upscaling Programme (SSNUP).

7 Other Income

<i>Can be specified as follows:</i>	2021	2020
	€ ,000	€ ,000
Management Fee – We Effect ¹	27	-
Write-off expenses owing to Central Europe ²	103	-
Total other income	130	-

1 The Support Foundation earned management fees related to work performed on the Small Credit Facility project in 2021.

2 In 2021, an Oikocredit administrative office in Central and Eastern Europe was dissolved and the amount owing from the Support Foundation was written off. The € 103,000 (one-off transaction) related to expenses incurred in prior periods.

8 Capacity building expenses

<i>Can be specified as follows:</i>	2021	2020
	€ ,000	€ ,000
Africa	200	276
South and Southeast Asia	104	181
South and Central America	107	202
Total capacity building costs	411	659

9 Additions to and releases from funds

In the table below the additions to and the releases from the capacity building funds are disclosed. The funds were established based on donations from organisations and members and are shown in the table as grants received.

Regarding the capacity building and guarantee funds, the movements shown in the table are the movements due to costs incurred and grants received within the funds over the year. The funds receive support from donors. For an overview of the grants income, refer to Note 6.

	2021	2020
	€ ,000	€ ,000
Revolving Fund		
Transfer between funds	539	-
Released from/addition to fund	539	-
Subsidized activities and model costs		
Transfer between funds	2,705	-
Released from/addition to fund	2,705	-
Capacity building funds – other		
Grants received	(87)	(19)
Non-allocated grants	8	562
Transfer between funds	(3,244)	-
Management Fee	(27)	-
Other costs	108	179
Released from / (addition) to fund	(3,242)	722
Capacity building Evangelical-Lutheran Church in Württemberg outcome fund		
Grants received	-	(110)
Non-allocated grants	-	49
Other costs	-	61
Released from / (addition) to fund	-	-
Capacity building Bread for the World – Protestant Development Service		
Grants received	-	-
Non-allocated grants	-	(10)
Other costs	-	10
Released from / (addition) to fund	-	-

	2021	2020
	€ ,000	€ ,000
Capacity building Inter-American Development Bank		
Grants received	-	-
Non-allocated grants	-	(154)
Other costs	-	154
Released from / (addition) to fund	-	-
General guarantee funds		
Guarantee calls	-	-
Transfer between funds	-	-
Interest added	-	6
Released from / (addition) to fund	-	6
Guarantee fund for Africa		
Transfer between funds	-	-
Interest added	122	282
Released from / (addition) to fund	122	282
Capacity building - Act Church of Sweden geographic programmes		
Grants received	-	-
Non-allocated grants	-	(17)
Other costs	-	17
Released from / (addition) to fund	-	-
Corona solidarity fund		
Grants received	-	(165)
Non-allocated grants	(77)	94
Other costs	77	71
Released from / (addition) to fund	-	-

	2021	2020
	€ ,000	€ ,000
Capacity Building - USAID		
Grants received	(94)	-
Non-allocated grants	54	(113)
Other costs	40	113
Released from/addition to fund	-	-
Capacity Building - Appui au Développement Autonome (ADA)		
Grants received	(64)	(306)
Non-allocated grants	(31)	306
Other costs	95	-
Released from / (addition) to fund	-	-
Capacity building – Plan International Canada (WISE)		
Grants received	(28)	-
Non-allocated grants	(48)	-
Other costs	76	-
Released from / (addition) to fund	-	-
Capacity building - Rwanda tea seedling project		
Grants received	(74)	(30)
Non-allocated grants	19	(25)
Other costs	55	55
Released from / (addition) to fund	-	-
Capacity building - We Effect (Small Credit Facility)		
Grants received	(48)	-
Long-term liability ¹	48	-
Other costs/income	-	-
Released from / (addition) to fund	-	-

	2021	2020
	€ ,000	€ ,000
Capacity building - The Primate World Relief		
Grants received	(34)	-
Non-allocated grants	18	-
Other costs	15	-
Released from / (addition) to fund	-	-
Capacity building – Outreach to Impact		
Grants received	(137)	-
Non-allocated grants	137	-
Other costs	-	-
Released from / (addition) to fund	-	-
TOTAL RELEASED FROM / (ADDITION) TO FUNDS	124	1,009

¹ See details under note 3 and 4.

10 Employees

In 2021 no employees were employed by the Support Foundation.

11 Audit fees

	2021	2020
	€ ,000	€ ,000
<i>The following audit fees were expensed in the income statement in the reporting period:</i>		
Audit of financial statements	13	13
	13	13

12 Related party transactions

Transactions with Oikocredit EDCS U.A. during the year

Oikocredit has charged an administration fee to the Support Foundation amounting to € 30,250 (2020: € 57,000).

In 2021 the Articles of Association of the Support Foundation and the service level agreement between the Support Foundation and Oikocredit was updated. A material change in these documents is that Oikocredit won't charge Category B costs (refer to *Description of the organisation* under the *Notes to the financial statements* section) to the Support Foundation and the Support Foundation will act more independently from Oikocredit. This means that only actual spending costs for capacity building were charged from Oikocredit to the Support Foundation. In addition, the management fee charged ceased in 2021.

Transactions with the Oikocredit International Share Foundation

Transactions relate to investors' donations to the Oikocredit International Support Foundation from dividends in depository receipts. Total donations in 2021 amount to € 129,000.

Transactions with members

The Support Foundation finalised the coronavirus solidarity fund activities by disbursing € 13,000. No new donations were received. Oikocredit Stiftung Deutschland donated € 137,000 to the Outreach to impact program commenced in 2021.

Other information

Allocation of results

The net result is allocated by the board of the Support Foundation to the funds. The net result that has been allocated to funds for 2021 amounts to negative € 124,000.

Subsequent events

There are no subsequent events.

Auditor's Report



Independent auditor's report

To: the Board of Directors of Stichting Oikocredit International Support Foundation

Report on the audit of the accompanying financial statements

Our opinion

We have audited the financial statements for the year ended as at December 2021 of Stichting Oikocredit International Support Foundation, based in Amersfoort.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Oikocredit International Support Foundation as at 31 December 2021, and of its result for the year 2021 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- 1 the balance sheet as at 31 December 2021;
- 2 the profit and loss account for the year 2021; 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 Oikocredit International Support Foundation 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Report on the other information included in the Financial Statements

In addition to the financial statements and our auditor's report thereon, the Financial Statements contains other information that consists of:

- board report;
- allocation of results; and
- subsequent events.

Based on the following procedures performed, we conclude that the other information:

— is consistent with the financial statements and does not contain material misstatements.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720.

The Board is responsible for the preparation of the other information.

Description of the responsibilities for the financial statements

Responsibilities of the Board for the financial statements

The Board is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board is responsible for such internal control as the Board 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, the Board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the Board should prepare the financial statements using the going concern basis of accounting unless the Board either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so. The Board 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.

The Board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement 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 among others:

- 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 the Board;
- 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 those charged with governance 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.

Amersfoort, 14 March 2022

KPMG Accountants N.V.

M.L.M. Kesselaer RA