A BOLD NEW WAY OF TACKLING POVERTY

TEN-YEAR REPORT

THAT WORKS
Acumen Fund’s mission is to create a world beyond poverty by investing in social enterprises, emerging leaders, and breakthrough ideas.

**Mission + Impact**

- **Third Party Follow-on Investment in Our Companies**: $206 million
- **Individuals Reached**: 86 million
- **Cumulative Investments by Acumen Fund**: $69 million
- **Invested Capital Returned to Acumen Fund**: $8 million
- **Jobs Created and Supported**: 55,000
- **Global & Regional Fellows**: 72
- **Social Enterprises Supported by Acumen Fund**: 63
- **Case Studies Taught at Business Schools and Universities**: 38

**Chitral, Pakistan**

This valley in rural northern Pakistan houses one of Acumen Fund’s newest investments in small-scale hydropower plants.
Dear Friends,

Ten years ago, we created Acumen Fund as a bold experiment to reinvent philanthropy. Aid and markets alone weren’t doing enough to solve the problems of poverty. The world needed a radically different approach— a way to foster innovation, scale solutions that meet critical needs, and support approaches that offer choice and dignity.

From the start, we’ve believed in investing in entrepreneurs who see the poor not as passive individuals waiting for handouts, but as agents who want to solve their own problems. We helped pioneer the idea that investing patient capital could help solve tough problems, provided it focused on long-term social impact rather than short-term financial gain. We understood that social entrepreneurs were creating market solutions in places where none had existed. They needed to fight government bureaucracy, corruption, and a lack of infrastructure while serving people earning very little income. These entrepreneurs would need the flexibility—and time—to experiment, fail, and quickly re-start efforts to innovate. So we developed a model of investing that is driven by impact, a model that looks to financial returns as a means of ensuring sustainability and scale. Because of the risks associated, philanthropy backs this capital. Because of the accountability required, we focus as well on seeing the capital returned.

Ten years later, we believe more strongly than ever that patient capital works.

Since 2001, Acumen Fund has invested $68.5 million in 63 companies. In places where low-income villagers in India had no access to safe drinking water, today more than half a million people are purchasing water at affordable prices. A decade ago, farmers in Kenya had limited access to quality seed varieties. Today, more than a quarter million of them are raising their farms’ productivity significantly with hybrid seeds. Our investments have helped provide high-quality hospital care to more than 200,000 mothers in urban India. Over 3.5 million low-income individuals now enjoy solar light in their homes. And we are just getting started.

In this past decade, we’ve learned that capital alone is not enough. In 2005, we launched the Global Fellows Program to build a corps of leaders with financial skills, operational know-how, and moral imagination. Today, Acumen Fund Fellows are emerging globally as architects of innovation for the poor. With a growing understanding of the power—and need—of supporting a new kind of leadership, we launched an East Africa Fellows Program and envision thousands of Acumen Fund-inspired leaders working to renew systems of capitalism and government. We also see the need to share insights and lessons from successes—and failures—to mainstream the ideas of patient capital and see Acumen Fund’s role, increasingly, as a true laboratory of innovation for the poor.

We’ve written this report to share our progress, major lessons learned, and our plans for the future. In it are “reality checks” we’ve included as part of our commitment to sharing failures, bumps in the road, and consequent insights that are critical to innovation. We hope it will inspire an open conversation about what it really takes to bring forth effective solutions to some of the toughest problems of poverty.

Ten years have left us more committed than ever to pursuing the dream of a world in which every human being has access to affordable, critical goods and services; has the opportunity to make his or her own decisions; and can solve his or her own problems. We know it will take many more investments in companies, leaders, and the spread of ideas. Ultimately, it will take each and every one of us. I thank everyone who has touched Acumen Fund over the past decade, from our dedicated Board of Directors, global and local Advisors, Partners, Chapter members, supporters from around the world, entrepreneurs and their customers, Fellows, interns, and friends, to every member of the Acumen Fund team. It is a privilege to work with you.

Here’s to the next decade, and to a world where dignity can thrive.

With gratitude and renewed commitment,

[Signature]

Jacqueline Novogratz
Founder & CEO

WHAT IS PATIENT CAPITAL?

1. An investing approach that aims to maximize social impact and seeks return of capital. It is unwilling to sacrifice the interests of the end customer for the sake of shareholders; has a greater tolerance for risk than traditional investment; and has longer time horizons for return of capital.

2. A bold new way of tackling poverty that is about dignity, not dependence, and choice, not charity.

FMIA CLIENT, PAKISTAN

A client of First Microinsurance Agency, which provides life and health insurance for low-income customers in Pakistan.

FELLOWSHIP PROGRAMS

- Global Fellows Program
- East Africa Fellows Program

ACUMEN FUND IN THE NEWS

- Forbes: Acumen Fund: The Philanthropists Who Make a Difference
- The Economist: Acumen Fund: The Power of Patient Capital

TEN-YEAR REPORT
WORLD CLASS AMBULANCES IN INDIA

In 2007, India had almost no high-quality ambulances. If you had a medical emergency, there was no single phone number to call. Nine out of ten ambulances transported dead bodies. Today, Ziqitza Healthcare Limited (ZHL) is changing this with a business model based on an ethos of “Service for All.” When Acumen Fund invested $1.6 million in ZHL in 2007, they operated ten ambulances in Mumbai. Now they operate 635 in five states across India, providing affordable emergency care through Dial 108, a public-private partnership with state governments, and Dial 1298, a private provider. When customers dial 108 or 1298, an ambulance usually arrives in 15 minutes. That’s what transformational change looks like—and it’s saving lives.

REALITY CHECK THE SOURCE OF INNOVATION

Innovative products don’t make a difference if they can’t reach the market, or if businesses selling them don’t scale. Services and delivery models can be just as transformative as great products. ZHL shows how operational excellence coupled with existing technology can create a breakthrough business model.
BUILDING A BANK
IN RURAL PAKISTAN

In Pakistan, 120 million people depend on agriculture for their livelihoods and 86% of the country’s population lacks access to basic financial services. With Acumen Fund’s support, the National Rural Support Program (NRSP) Microfinance Bank has become the first financial institution in Pakistan to focus on serving rural farmers. The bank helps farmers grow their businesses with crop and livestock loans, insurance, and working capital, and they’ve pioneered a savings product that already serves more than 100,000 people. NRSP is showing how patient capital can help businesses achieve rapid scale, and deliver social impact in hard-to-reach markets.

- $1.9 million Total Acumen Fund Investment
- 120,000 Borrowers
- $6.7 million Deposited into Savings Accounts
- $30 million In Agriculture Loans Disbursed
Smallholder farmers risk everything each growing season in Kenya, where a failed harvest means serious hardship. Western Seed is helping farmers increase their crop yields with affordable hybrid maize seeds that are resistant to drought and disease and can quadruple yields.

Acumen invested $2.1 million in 2010 to help Western Seed expand production. Today, Western Seed has reached more than 307,000 farmers, and the company is the largest private seed company in Kenya— with big plans for growth.
SCALING THE FIGHT AGAINST MALARIA IN TANZANIA

Malaria kills 781,000 people every year. Acumen Fund helped build a world-class production facility for anti-malarial bednets in Tanzania when we provided a $325,000 loan to A to Z Textile Mills in 2004. Led by an incredible entrepreneur, Anuj Shah, A to Z is now one of the largest companies in Tanzania. They employ more than 7,000 people, produce 29 million bednets per year, and help to keep millions of people safe from malaria.

REALITY CHECK: WILLINGNESS TO PAY FOR BEDNETS

We sponsored a study to find out if distributing free bednets creates a cycle of dependency, and if end users would purchase nets. An Acumen Fund-supported research team led by economists Jessica Cohen and Pascaline Dupas discovered that people who need bednets the most usually can’t afford them. Most people won’t pay more than $1 per net, so free distribution is critical.

PROTECTING AGAINST MALARIA

Malaria is a leading cause of death for children under five and disproportionately affects pregnant women.

Image by Maggie HallahansCaling

$1 MILLION
TOTAL ACUMEN FUND INVESTMENT

50%
OF GLOBAL PRODUCTION OF ANTI-MALARIAL OLYSET BEDNETS

$20 MILLION
ESTIMATED WAGES ADDED TO THE LOCAL ECONOMY

7,000
JOBS CREATED
Acumen Fund began actively exploring expansion into West Africa in late 2010, and set up an office in Accra, Ghana, in January 2011. This is our first expansion into a new geography since 2006, and it represents our commitment to spreading patient capital around the world. Like our Nairobi office, our office in Accra will be a regional hub, serving portfolio investees throughout West Africa, with an initial focus on Ghana and Nigeria.

In nine months, we have built a robust pipeline of investment opportunities and approved investments in health, housing, and agriculture with potential for global impact; recruited advisors and other strategic partners to support our work, including Databank’s Ken Ofori-Atta, who has joined our global Board of Directors; and built the foundation for a strong local team and community. Acumen Fund is positioning itself to make a significant impact in the region.

When Acumen Fund was founded in 2001, we worked from a single New York office. We learned the limits of this approach in terms of our ability to provide management support, share knowledge, and build community in-country. We opened our first international office in Karachi in 2006, and have focused on building local teams and solutions ever since.

Our first international office in Nairobi in 2007, building on a track record of investment in the region that began in 2003. Since then, we have built a world-class investment portfolio across Kenya, Tanzania, Uganda, and Rwanda.

Our portfolio is growing quickly with investments in large low-cost manufacturing companies; energy infrastructure; innovative healthcare products and services; and agricultural inputs and services. Insta Products Limited is a leading supplier of fortified food to aid agencies. Gulu Agricultural Development Company is helping more than 30,000 smallholder farmers reach international markets. Western Seed Company is increasing agricultural productivity, farmer incomes, and food security across western Kenya.

Acumen Fund works with partners in East Africa including Root Capital, the Grameen Foundation, and Gray Ghost Ventures. We have made an unparalleled commitment to leadership development by launching our East Africa Fellows Program, which will train leaders who can help solve East Africa’s toughest development challenges.

Our work in Pakistan has helped us to establish an exceptional model for change. Ansaar Management & Advisors, our investees are changing the conversation on a track record of investment in the region that began in 2003.

Acumen Fund established an office in Nairobi in 2007, building on a track record of investment in the region that began in 2003. Since then, we have built a world-class investment portfolio across Kenya, Tanzania, Uganda, and Rwanda.

Our portfolio is growing quickly with investments in large low-cost manufacturing companies; energy infrastructure; innovative healthcare products and services; and agricultural inputs and services. Insta Products Limited is a leading supplier of fortified food to aid agencies. Gulu Agricultural Development Company is helping more than 30,000 smallholder farmers reach international markets. Western Seed Company is increasing agricultural productivity, farmer incomes, and food security across western Kenya.

Acumen Fund works with partners in East Africa including Root Capital, the Grameen Foundation, and Gray Ghost Ventures. We have made an unparalleled commitment to leadership development by launching our East Africa Fellows Program, which will train leaders who can help solve East Africa’s toughest development challenges.

Our work in Pakistan has helped us to establish an exceptional model for change. Ansaar Management & Advisors, our investees are changing the conversation on a track record of investment in the region that began in 2003.

Acumen Fund established an office in Nairobi in 2007, building on a track record of investment in the region that began in 2003. Since then, we have built a world-class investment portfolio across Kenya, Tanzania, Uganda, and Rwanda.

Our portfolio is growing quickly with investments in large low-cost manufacturing companies; energy infrastructure; innovative healthcare products and services; and agricultural inputs and services. Insta Products Limited is a leading supplier of fortified food to aid agencies. Gulu Agricultural Development Company is helping more than 30,000 smallholder farmers reach international markets. Western Seed Company is increasing agricultural productivity, farmer incomes, and food security across western Kenya.

Acumen Fund works with partners in East Africa including Root Capital, the Grameen Foundation, and Gray Ghost Ventures. We have made an unparalleled commitment to leadership development by launching our East Africa Fellows Program, which will train leaders who can help solve East Africa’s toughest development challenges.
In our first ten years, we have learned that none of us has all the answers, and that all of us are needed to discover what works. Our opportunity today is to deepen the questions we ask, to be audacious in our aspirations but humble in the way we walk through the world, and to work together to find solutions that create a world where the full dignity of each and every person can be realized.

**TO READ THE FULL CONTENT OF 10 THINGS, VISIT** [WWW.ACUMENFUND.ORG/TEN](http://WWW.ACUMENFUND.ORG/TEN)

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Dignity is more important to the human spirit than wealth.</strong></td>
<td><strong>Neither grants nor markets alone will solve the problems of poverty.</strong></td>
<td><strong>Poverty is a description of someone’s economic situation; it does not describe who someone is.</strong></td>
<td><strong>We won’t succeed in the long term without cultivating local leaders, local money, and strong local communities.</strong></td>
<td><strong>Great people, every time, no exceptions.</strong></td>
<td><strong>Great technology alone is not the answer.</strong></td>
<td><strong>If failure is not an option, you’ve ruled out success as well.</strong></td>
<td><strong>Governments rarely invent solutions, but they can scale what works.</strong></td>
<td><strong>There is no currency like trust, and there are no shortcuts to earning it.</strong></td>
<td><strong>Patient capital investing is built upon a system of values; it is not a series of steps to be followed.</strong></td>
</tr>
</tbody>
</table>
It takes great people to change the world. Whether in our investees, the Acumen Fund team, or our Global and Regional Fellows programs, Acumen Fund prioritizes and invests in leadership. The vision for our Fellows Programs is to build a cohort of leaders with the financial skills, operational experience, and moral imagination to create more inclusive markets and social systems. Our Fellows are emerging leaders from all geographies and walks of life, and we bring them together for intensive training and hands-on work in some of the most challenging markets in the world. Fellows learn from each other, our investees, and the Acumen Fund community. They are already emerging as the next generation of architects for our sector and beyond.

### Global Fellows

In 2006 Acumen Fund had 7 Global Fellows. In 2011 we have 53 Global Fellows and 19 Regional Fellows. By 2015 we will have 100 Global Fellows and 300 Regional Fellows.

**Jocelyn Wyatt**

**Global Fellow 2007**

Executive Director and Co-Lead, IDEO.org

Jocelyn founded IDEO.org to bring human-centered design to the social sector. IDEO.org launched its first fellowship class in September 2011.

**Ramakrishnan Hariharan**

**Global Fellow 2009**

Director of Operations, Bridge International Academies

Ram is bringing high-quality, ultra-low-cost education to children in slums across Kenya.

**Yehia Houry**

**Global Fellow 2010**

COO, Tasmeen Middle East

Yehia is addressing the Middle East’s unemployment crisis by developing one of the first agencies focused on supporting creative talent in the region.

**Abubaker Musuuzu**

**East Africa Fellow 2011**

Co-Founder & Director, Village Energy

Abu is increasing access to renewable energy by bringing affordable solar-powered lighting systems to off-the-grid communities in Uganda.

**Joan Wangui Karanja**

**East Africa Fellow 2011**

Regional Director, Cooperation for Fair Trade in Africa (COFTA)

Joan leads COFTA’s work to empower African entrepreneurs and businesses by promoting fair trade principles.

### Regional Fellows

Building on the success of our Global Fellows Program, Acumen Fund launched our first Regional Fellows Program in East Africa in 2011. We recruited Fellows from Kenya, Rwanda, Tanzania, Uganda, and South Sudan. Our Regional Programs train entrepreneurs and intrapreneurs who drive social change initiatives in their own communities. The year-long program is structured like an executive MBA: Regional Fellows participate in five intensive seminars while continuing to work at their organizations, and they hold a culminating innovation conference as a capstone for the year. In the next three years, we plan to launch Regional Fellows Programs in all of our geographies.

**ACUMEN FUND FELLOWS**
BUILDING A COMMUNITY TO CHANGE THE WORLD

We have spent the last ten years cultivating a community that believes in patient capital as an effective model of change. We work globally with thousands of people to realize our vision of a world in which all people have access to the critical goods and services they need – a world where all people can live with dignity.

PARTNERS*

Our work would not be possible without the generous support of our Partner community. In 2001, 20 Founding Partners helped to launch Acumen Fund when it was just an idea. Today, our Partner community consists of 350 individuals and institutions that span geographies and cultures, united by a shared commitment to changing the way the world tackles poverty.

CHAPTERS

Since 2009, our Partner community has been strengthened by volunteer-led Acumen Fund Chapters. Chapters organize events to cultivate an understanding of Acumen Fund’s values and raise funds to support our work. Through our Chapters, we hope to inspire hundreds of thousands, and eventually millions, of people to join and support the social sector, because this work will take all of us.

*See page 32 for a full list of our partners.
When Acumen Fund was launched in 2001, we were one of the few organizations in the world using an investment model to fight poverty in the developing world. We joined a handful of existing players in the nascent impact investing space, including pioneers like E+Co and Technoserve.

Today, there are at least 199 “impact investing” organizations. We are proud of the role we have played in our first ten years to build partnerships and share knowledge across the sector. As we look to the future, we are committed to building an even more dynamic ecosystem to drive social change around the world.

We developed PULSE in collaboration with Google to help organizations track and benchmark financial, operational, environmental, and social data. Today 53 organizations use this tool to track the impact of their work.

We are a founding member of the Aspen Network of Development Entrepreneurs (ANDE), a global network of 110+ organizations that work to propel entrepreneurship in the developing world.

We are a member of the Global Impact Investing network (GIIN), a not-for-profit organization dedicated to increasing the effectiveness of impact investing.

The Rockefeller Foundation, B Lab, and Acumen Fund initiated the Impact Reporting & Investing Standards (IRIS) initiative to create a common framework for organizations in the impact investing sector to describe and report the performance of their investments.
PORTFOLIO OVERVIEW

Our portfolio investments in enterprises that serve the poor are the foundation of our work. Our goal is to find breakthrough enterprises that serve the poor and that have the potential to reach a million or more customers with an innovative product or service that improves lives. Our portfolio of $68.5 million in cumulative investments spans geographies and sectors, with the unifying theme of uncovering new ways to unleash the energy and potential of low-income customers. Each of our investments is a long-term relationship, often eight to fifteen years, which is why we talk about “patient capital” investing: not because we are patient about results, but because building new markets where they have not worked before takes time. Twenty of our portfolio companies are serving a hundred thousand customers or more, and seven have reached more than a million people. Patient capital can scale. And we’re just getting started. We plan to grow our portfolio to $150 million in investments by 2015.

INVESTMENT OVERVIEW (AS OF 9/30/11)

- Cumulative Invested and Approved: $68.5M
- Current Active and Approved Investments: $52.9M
  - Debt/Loan Guarantees: $18.4M
  - Equity: $34.4M
  - Grants: $0.1M
- Cumulative Number of Companies: 63
- Number of Active Companies: 43
- Leverage on Capital (Non-Acumen Follow-on or Co-Investment): $206M

REALITY CHECK: LEARNING HOW TO FAIL

Acumen Fund believes in taking risks. That’s how we create new blueprints for social change. Taking risks means sometimes we, and our companies, fail. One of our companies, a pharmaceutical chain in India, went bankrupt in 2008, resulting in a $2.2 million write-off of our investment. In total, we have written off $2.9 million in investments. We never like to fail, and we always work to learn from our mistakes.
Financial Highlights 2010

2010 Financial Overview

Acumen Fund has a complex financial structure. We report our statement of activities as a nonprofit, reflecting contribution revenues and expenses – program and administrative – each year. Unlike most charities, however, we invest a substantial portion of our assets in entrepreneurial businesses that serve the poor. These investments, conceptually equivalent to the grants made by other nonprofits, stay on our balance sheet and are not reflected as part of our program expenses on our statement of activities.

Operating Results

In 2010, Acumen raised $13.4 million in net philanthropic contributions, an increase of 11% over the prior year. In addition, we had non-cash revenue of $1.6 million in donated legal services, primarily to support our investing work, as well as donated office space.

In 2010, Acumen raised $13.4 million – a decrease of 18% over the prior year. Similar to a venture capital fund that raises cash upfront for a multi-year investing period, we have a strong cash position, largely the result of a significant capital raise we conducted in 2007-2008.

Operating expenses cover all the direct costs of running Acumen Fund programs as well as our management and general and fundraising costs. They do not reflect any of our program investments in our portfolio companies. Total expenses for the 2010 year were $10.1 million – a decrease of 18% over the prior year. The bulk of the decrease was the result of the conclusion of a large research initiative on water distribution conducted from 2008-2009 in collaboration with IDEO.org and the Gates Foundation.

Program work constitutes 77% of expenses. Portfolio expenses were $3.7 million, representing the cost of finding, diligencing and executing $1.3 million in new investment approvals as well as managing our active portfolio of 43 companies. Outreach, Knowledge and Communications expenses were $1.7 million, representing our work in metrics, research, and sharing our insights on patient capital investing. Our Global Fellows Program, in its sixth year, had the same costs as the prior year of $0.7 million. Fundraising costs and Management and General expense accounted for $2.3 million, a 7% decrease from 2009. These overhead costs continue to be funded entirely by Acumen Fund’s Board of Directors.

Statement of Position

Acumen Fund’s total assets were $95.3 million as of December 31, 2010, a 5% increase over the prior year. Similar to a venture capital fund that raises cash upfront for a multi-year investing period, we have a strong cash position, largely the result of a significant capital raise we conducted in 2007-2008.

2010 Financial Overview

Acumen Fund has a complex financial structure. We report our statement of activities as a nonprofit, reflecting contribution revenues and expenses – program and administrative – each year. Unlike most charities, however, we invest a substantial portion of our assets in entrepreneurial businesses that serve the poor. These investments, conceptually equivalent to the grants made by other nonprofits, stay on our balance sheet and are not reflected as part of our program expenses on our statement of activities.

Operating Expenses & Program Investments

Operating expenses cover all the direct costs of running Acumen Fund programs as well as our management and general and fundraising costs. They do not reflect any of our program investments in our portfolio companies. Total expenses for the 2010 year were $10.1 million – a decrease of 18% over the prior year. The bulk of the decrease was the result of the conclusion of a large research initiative on water distribution conducted from 2008-2009 in collaboration with IDEO.org and the Gates Foundation.

Program work constitutes 77% of expenses. Portfolio expenses were $3.7 million, representing the cost of finding, diligencing and executing $1.3 million in new investment approvals as well as managing our active portfolio of 43 companies. Outreach, Knowledge and Communications expenses were $1.7 million, representing our work in metrics, research, and sharing our insights on patient capital investing. Our Global Fellows Program, in its sixth year, had the same costs as the prior year of $0.7 million. Fundraising costs and Management and General expense accounted for $2.3 million, a 7% decrease from 2009. These overhead costs continue to be funded entirely by Acumen Fund’s Board of Directors.

Statement of Position

Acumen Fund’s total assets were $95.3 million as of December 31, 2010, a 5% increase over the prior year. Similar to a venture capital fund that raises cash upfront for a multi-year investing period, we have a strong cash position, largely the result of a significant capital raise we conducted in 2007-2008.

Total cash and short-term investments $89.6 million compared to $84 million net assets at the end of the year were $95.3 million as of December 31, 2010, a 7% increase from 2009. These overhead costs continue to be funded entirely by Acumen Fund’s Board of Directors.

Statement of Financial Position as of December 31

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASSETS</td>
<td></td>
</tr>
<tr>
<td>Unrestricted Cash</td>
<td>$20,545,612</td>
</tr>
<tr>
<td>Board Designated Operating Reserve</td>
<td>6,956,813</td>
</tr>
<tr>
<td>Restricted Cash from Grants</td>
<td>7,718,594</td>
</tr>
<tr>
<td>Committed for Approved Investments</td>
<td>12,900,000</td>
</tr>
<tr>
<td>Total Cash and Short-term Investments</td>
<td>48,121,019</td>
</tr>
<tr>
<td>Pledges Receivable</td>
<td>16,947,464</td>
</tr>
<tr>
<td>Other Assets</td>
<td>946,671</td>
</tr>
<tr>
<td>Program Related Portfolio Loans Receivable</td>
<td>9,049,394</td>
</tr>
<tr>
<td>Program Related Portfolio Equity Investments</td>
<td>18,995,103</td>
</tr>
<tr>
<td>Loan Guarantees and Other Portfolio Assets</td>
<td>1,280,563</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$95,340,214</strong></td>
</tr>
</tbody>
</table>

Liabilities and Net Assets

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term Liabilities</td>
<td>$4,488,258</td>
</tr>
<tr>
<td>Capital Contributions Received in Advance</td>
<td>-</td>
</tr>
<tr>
<td>Notes Payable and Accrued Interest</td>
<td>5,293,503</td>
</tr>
<tr>
<td>Net Assets and Minority Interest</td>
<td>89,598,453</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$95,340,214</strong></td>
</tr>
</tbody>
</table>

Statement of Activities Year Ended December 31

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue, Gains and Other Support</td>
<td></td>
</tr>
<tr>
<td>Contributions</td>
<td>$13,481,462</td>
</tr>
<tr>
<td>Provision and Reserve for Uncollectible Pledges</td>
<td>(71,000)</td>
</tr>
<tr>
<td>Donated Services</td>
<td>1,680,007</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>282,212</td>
</tr>
<tr>
<td>Interest Income - Program Related Portfolio Loans</td>
<td>774,834</td>
</tr>
<tr>
<td>Loss Provision on Portfolio Investments</td>
<td>(1,499,987)</td>
</tr>
<tr>
<td><strong>Total Revenue, Gains and Other Support</strong></td>
<td><strong>$14,647,528</strong></td>
</tr>
</tbody>
</table>

Expenses

<table>
<thead>
<tr>
<th>2010</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portfolio Management</td>
<td>$5,298,643</td>
</tr>
<tr>
<td>Outreach, Knowledge and Communication</td>
<td>1,770,667</td>
</tr>
<tr>
<td>Fellows Program</td>
<td>709,547</td>
</tr>
<tr>
<td><strong>Total Program Services</strong></td>
<td><strong>7,778,857</strong></td>
</tr>
<tr>
<td>Management and General</td>
<td>1,110,654</td>
</tr>
<tr>
<td><strong>Funding</strong></td>
<td><strong>1,168,351</strong></td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>10,057,862</strong></td>
</tr>
<tr>
<td>Foreign Currency Exchange Loss</td>
<td>(99,688)</td>
</tr>
<tr>
<td>Increase (Decrease) in Net Assets</td>
<td><strong>$4,489,978</strong></td>
</tr>
</tbody>
</table>
OUR VISION FOR 2015

15 COUNTRIES
8 TODAY

$150 MILLION
CUMULATIVE INVESTMENTS
BY ACUMEN FUND
$68.5 MILLION TODAY

400 GLOBAL & REGIONAL FELLOWS
72 TODAY

150 MILLION INDIVIDUALS REACHED
86 MILLION TODAY

photo by Maggie Hallahan
Acumen Fund founder and CEO Jacqueline Novogratz met Eliarehemu, a Tanzanian day laborer, in a village called Usa River in 2004. He was sick with malaria. Because of the disease, he often could not work, and he earned only $6 each month.

With an anti-malarial bednet from Acumen Fund investee A to Z Textile Mills, Eliarehemu recovered from malaria. With each passing year, his health has improved. He has had the energy to plant more crops and to increase his income. Eliarehemu is one of millions of people whose life has been transformed by a company supported by Acumen Fund.