



# SHARED INTEREST

INVESTING IN SOUTH AFRICA'S FUTURE

**2012**

**“...We therefore make a clarion call to all South Africans to work with us to make the dream of a united, democratic, non-racial, non-sexist and prosperous South Africa a reality in our lifetime. We call on all the progressive forces in our continent to work tirelessly for the regeneration, renewal and renaissance of Africa in our lifetime. We call on all progressive people in the world to spare no energy and effort in fighting for a better Africa and more humane world...”**

**—Statement of the African National Congress National Executive Committee  
on the occasion of the Centenary Celebration of the ANC  
January 8, 2012**

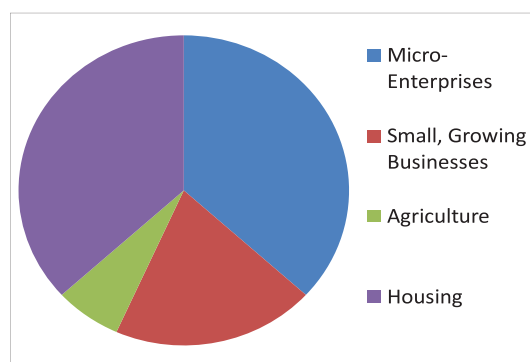
## Impact Report: January 1 – December 31, 2012

Shared Interest and its partner, Thembani, guarantee loans by Southern Africa’s financial institutions and commercial lenders to low-income borrowers who would otherwise be considered unbankable.

### 2012 Beneficiaries\*

<b>145,473</b>	
New Individuals Benefited	<b>79,657</b>
New clients previously excluded from credit	<b>99%</b>
Jobs Created and Maintained	<b>43,429</b>
New Microfinance and Small Business Clients	<b>36,219</b>
Houses Built/Improved	<b>1,779</b>
Rural Clients	<b>99.6%</b>

### Sector Breakdown



### Since Inception: Three Levels of Impact

Individuals Benefited	<b>2,169,855</b>
Beneficiaries Receiving Technical Support	<b>100%</b>
Financial Institutions Strengthened by Technical Support	
Grassroots Lenders and Businesses	<b>27</b>
Major Financial Institutions	<b>8</b>
Mainstream Finance Catalyzed	
Amount Guaranteed†	<b>\$16,340,746</b>
Commercial Loans Issued†	<b>\$96,468,826</b>
Capital Leverage Ratio	<b>1:5.9</b>
Guarantee Funds Called	<b>3%</b>
Investor Funds Lost	<b>0%</b>

\*Includes loan recipients, households benefitting from improved housing, and jobs created. †Based on exchange rate as of December 31, 2012: ZAR8.4725 = US\$1



Dear Friends,

In 2012, South Africa celebrated the 100th anniversary of the birth of the African National Congress (ANC) – one of the continent's oldest liberation movements. It marked what many South Africans and their friends and partners around the world saw as the culmination of one “century of selfless struggle” – and the beginning of the next.

The calendar year was bookended by two gatherings in Mangaung – the ANC's 100th anniversary celebration in January and the party congress in December. In between a series of triumphs and tragedies, including the Marikana mine massacre, underscored the unfinished agenda of economic justice that remains before us.

During this period, Shared Interest and its South African partner, Thembani, extended access to credit, services and jobs to 145,473 low-income black South Africans – 79,657 for the first time. This brings the total of our beneficiaries to date to 2,169,855.

South Africa continues to face an intractable legacy of inequality, with official unemployment pegged at 24 percent, more than 40 percent of the population living in poverty, and 65 percent of that poverty concentrated in rural areas. We focused on several of the country's most pressing priorities: rural livelihoods, value chain development and job creation – and unlocking the commercial finance to address them.

Beyond benefiting individual emerging farmers, entrepreneurs and new workers, we reshaped and strengthening our relationships with several of the country's largest banks in the wake of the global economic crisis.

The year also saw the acceleration of our Next Generation Campaign, which played a significant role in boosting our loans from investors by \$2,562,042 and our unrestricted net assets by \$519,615 at year's end. The campaign continues to reaffirm our recognition that transforming South Africa – and the region to which it belongs – will take at least another generation, and our commitment to that task.

We are tremendously grateful to our colleagues, investors and donors, and look forward to your continuing support in seeding the next century of this work – and partnership in building a more just world.



A handwritten signature in blue ink that reads "Timothy Smith".

Tim Smith  
Board Chair

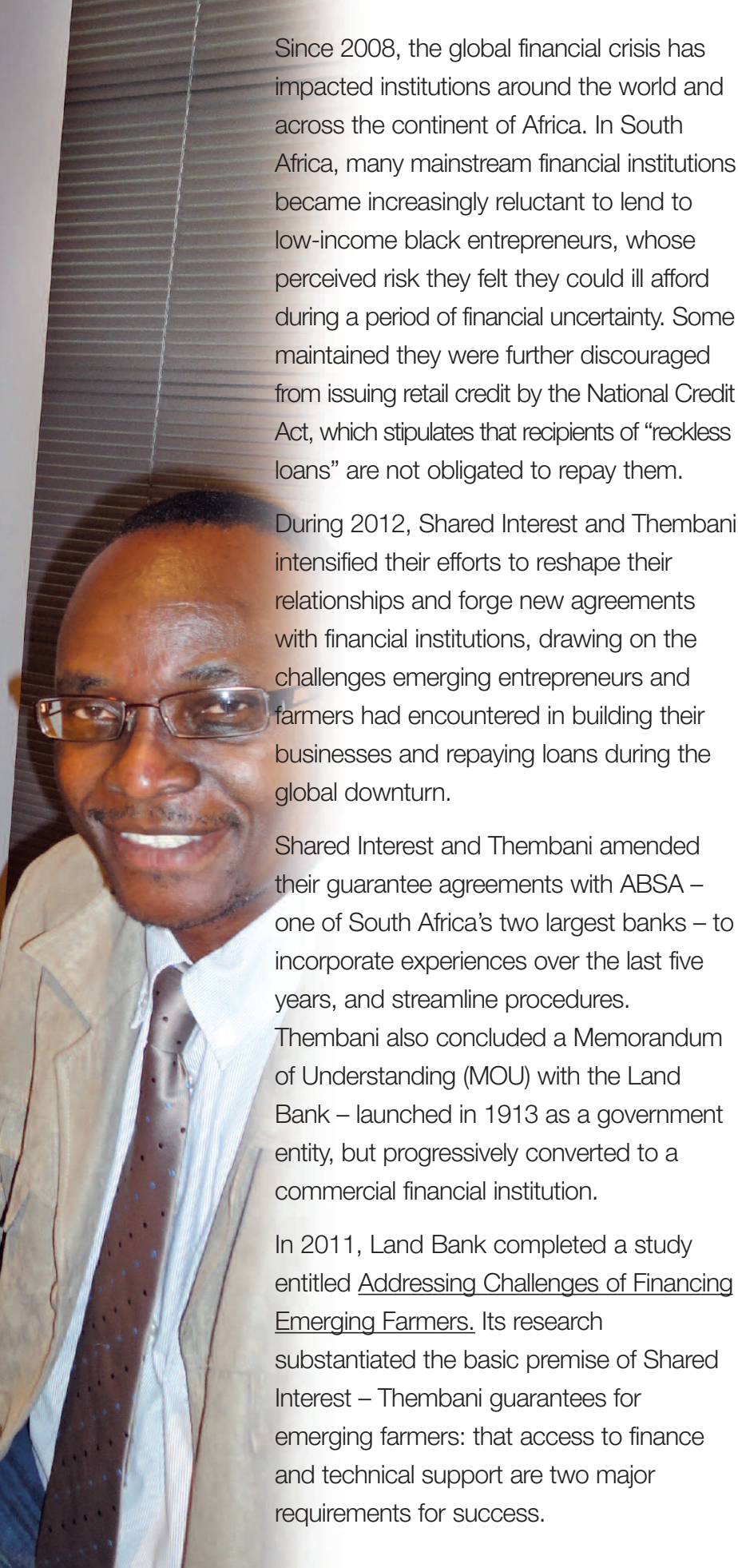


A handwritten signature in blue ink that reads "Donna Katzin".

Donna Katzin  
Executive Director

With Appreciation





Since 2008, the global financial crisis has impacted institutions around the world and across the continent of Africa. In South Africa, many mainstream financial institutions became increasingly reluctant to lend to low-income black entrepreneurs, whose perceived risk they felt they could ill afford during a period of financial uncertainty. Some maintained they were further discouraged from issuing retail credit by the National Credit Act, which stipulates that recipients of “reckless loans” are not obligated to repay them.

During 2012, Shared Interest and Thembani intensified their efforts to reshape their relationships and forge new agreements with financial institutions, drawing on the challenges emerging entrepreneurs and farmers had encountered in building their businesses and repaying loans during the global downturn.

Shared Interest and Thembani amended their guarantee agreements with ABSA – one of South Africa’s two largest banks – to incorporate experiences over the last five years, and streamline procedures. Thembani also concluded a Memorandum of Understanding (MOU) with the Land Bank – launched in 1913 as a government entity, but progressively converted to a commercial financial institution.

In 2011, Land Bank completed a study entitled Addressing Challenges of Financing Emerging Farmers. Its research substantiated the basic premise of Shared Interest – Thembani guarantees for emerging farmers: that access to finance and technical support are two major requirements for success.

Lindiwe Mdlalose, Land Bank’s Chief Risk Officer and Douglas Mughogho, Thembani General Manager, celebrate signing of new memorandum of understanding.



While extension services and tailored financial products were available to white farmers during apartheid, they were discontinued during the 1990's when South Africa's economy was liberalized and many state subsidies and services were eliminated. Without such support and lending practices adapted to their needs, enabling them to produce and scale their production effectively, approximately half the banks' clients had difficulty repaying their loans.

The new Land Bank MOU is based on guarantees facilitated by Shared Interest and technical support supplied by Thembani. These guarantees are designed to move the bank to increase the credit it supplies to small producers and enterprises by sharing and reducing its risk.

During the year, Thembani also developed an agreement with Women's Development Bank Investment Holdings (WDBIH) to guarantee a pilot portfolio of loans to women commercial farmers and participants in rural value chains. After specializing in issuing microloans for more than two decades, Women's Development Bank is developing financial and non-financial services under the umbrella of its for-profit subsidiary, WDBIH. The resulting partnership between WDBIH, Thembani, and TechnoServe, which will provide the initial technical assistance, will address the inequitable irony that while women subsistence farmers grow the lion's share of their families' food, their initiatives tend to pass to men's hands the moment they become "businesses." The new partnerships will structure a portfolio of loans to rural women and establish the historic precedent of black South African women as commercial and bankable – farmers.

Emerging farmer, Rofihwa Tsialatshitsa plans to double her production in Limpopo Province.





Employees at  
One Vision

Small and growing businesses have received further acknowledgment from the National Development Plan 2030, which envisions that they will create most of the country's jobs during the next 20 years. With South Africa's unemployment officially pegged at 24 percent – a much higher number when workers who have given up looking for jobs are counted – employment remains a top priority. The challenge is particularly acute in the wake of the global financial crisis which is estimated to have cost South Africa roughly a million jobs, and left one in two job-seeking South Africans, and one in four between the ages of 15 and 24, unemployed. Shared Interest and Thembani's guarantee beneficiary, One Vision, a one-year old vegetable chip processing plant one hour from Cape Town, has used its guarantee for working capital first to open its doors, and then to increase its output and double its number of jobs from 20 to 39 in the first year.

As One Vision has produced a steady stream of chips with increasing efficiency, its major client, Woolworth's, has extended distribution of the product from Cape Town to its retail stores across the country – mapping a path for future growth. Moreover, the plant has enabled a number of its workers – primarily young women – to support their families, hard hit by massive unemployment in the area, and to begin to save to continue their education.

In the process, One Vision is also bolstering the rural value chain by providing a market for farmers by purchasing increasing quantities of vegetables. As producers in the surrounding area sell not only shelf-perfect squash, beetroot and carrots, but also vegetables that are over- or under-size, misshapen or even bruised, they are beginning to hire more farm workers to fill the growing numbers and quantities of orders.





The new business is also creating demand for workers to package and transport One Vision's product.

Increasingly such value chains are extending beyond South Africa's borders.

In 2011, Shared Interest launched its Next Generation Campaign, one of whose objectives was assisting emerging farmers and small enterprises in other Southern African nations. In 2012, with the support of the Ford Foundation, Thembani hired Elim Services – Mozambican consultants with special expertise in agricultural development – to begin to identify small producers in Mozambique, buyers for their products, and financial institutions to lend to them.

Elim conducted an initial needs assessment that underscored the lack of commercial credit for

agriculture in Mozambique, where small producers are often confined to subsistence farming for lack of working capital, technical support and contracts. Moreover, at their small scale, they are often unable to compete with South African (and even Chinese) farmers, whose produce floods Mozambican markets. The situation is further complicated by the fact that the country's nationally owned farm land cannot be put up as collateral – exacerbating bankers' concern about risks and demand for mitigants.

During the coming year, Shared Interest and Thembani are planning to facilitate guarantees, accompanied by the necessary technical support, to enable struggling Mozambican farmers to scale up their operations and compete with commercial producers. Their contracts may carry their goods to a variety of both local and international markets.

Delegation visits NORUFIN (first row left to right) Pearlene Leary, Kit Miller, (second row left to right) Amy Moorer, Alan Altschuler, Olivia Moody, Donna Katzin, Stephen Moody, NORUFIN Client, Linnie McLean, Penny Sue McClary, Marianne Montero, Jennifer Davis, Richard Tolliver.



Shared Interest has long held that women are the primary drivers of development. Since 1994, South Africa has made progress in combating the feminization of poverty, and prioritizing women's leadership in elected positions. Nonetheless, women still constitute a disproportionate percentage of impoverished South Africans.

In August, during the 10 days surrounding South African Women's Day (August 9), Shared Interest led a delegation to South Africa and Mozambique of 15 members from eight states – 12 of them women. The group took part in the national South African Women's Day celebration in Pretoria, which highlighted women's role during the country's last century of struggle, and the next chapter of their work to make a full reality of their rights.

They also examined Shared Interest's work to enhance women's economic rights and opportunities. In Mozambique, in the Matutuine District of Maputo Province, they visited Hluvuku-Adsema – one of the country's fast-growing microfinance institutions – and in South Africa's Limpopo province they participated in five village center meetings of the Small Enterprise Foundation (SEF).

SEF, which has utilized Shared Interest guarantees since 2004, is particularly effective in working with its members in remote rural communities to build both financial and social capital (in the form of community cohesion and leadership) through its group lending scheme.

It also educates and mobilizes members to prevent and combat HIV/AIDS in their communities, and train



# Celebrating



SEF Mandlakazi Village Center meeting

other women to do the same. Operating in four provinces, SEF has built its base to 95,143 clients (99.7 percent women), and maintains a 98 percent repayment rate.

The group also met staff, board members and a number of clients of the low-cost housing financier, Norufin, which is using a guarantee facilitated by Shared Interest to enable 6,891 rural families in North West Province to build and improve their homes. Credit for such housing is difficult for Norufin's clients to access from other sources, since many of them live on traditional land – which they have permission to occupy, but are not allowed to put up as collateral.

The group visited small and growing businesses creating jobs for women in the Western Cape (One Vision) and near Maputo (the Positive Youth Association - Associação Positiva Juvenil, or APOJ).

By enabling women to build their incomes and tangible assets, these partners enhance women's economic security, and provide them potential collateral for future loans.



**SHARED INTEREST**  
CELEBRATING WOMEN

Last August,  
Shared Interest  
celebrated the

56th anniversary of the 1956 march to the Union Buildings when more than 20,000 South African women protested apartheid pass laws. In celebration of this historic march and in honor of Women's Day each year, supporters and investors were given the opportunity to honor a woman they admire. Last year's **Women of Honor** were Maryellen Anderson, Mary Elliot, and celebrating 100 years of life, Elizabeth Palmer.



# With Appreciation

Photo Credit: Patrick Valentine Photography



Shared Interest Board of Directors with Finance Minister Pravin Gordhan (left to right) Mangedwa Nyathi, Jehiel Oliver, Lauretta Bruno, Minister Pravin Gordhan, Jennifer Davis, Linnie McLean, Adrienne Bailey, and Tim Smith.

## Anniversary Gala!

Shared Interest celebrated its 18th Anniversary on April 23, in New York City, at a gala dinner that attracted more than 350 distinguished U.S. and African leaders. Standard's Kennedy Bungane delivered an award to Pravin Jarnadas Gordhan, South African Minister of Finance, for moving South Africa towards stable, equitable growth during the global economic crisis. Gordhan thanked Shared Interest for "helping to create a South Africa that is able to execute its full potential."

Dinner chairs Sylvia and Byron Lewis honored New York business leaders Karen and Philip Berry for forging partnerships to expand opportunity in South Africa. Roseida Shabodien presented the corporate award to Merck & Co., Inc. for its commitment to building healthy communities in Southern Africa.

Corporate sponsors included BET International, The Nielsen Company, Prudential, South African Airways, Trillium Asset Management LLC, Standard Bank, Bloomberg and Walden Asset Management. Stanley Bergman, CEO of Henry Schein, was the Visionary Sponsor of the Minister's Reception.

## Around the country...

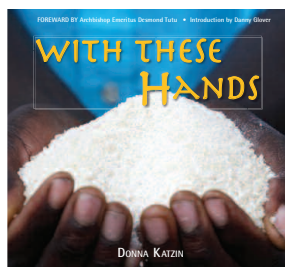
In January, Shared Interest hosted An Evening at the Mountaintop, generously sponsored by Prudential. The Broadway performance of

*Mountaintop*, starring Samuel L. Jackson and Angela Basset, was followed by an after-party at B. Smith's restaurant.

Robert Friedman and Kristina Kiehl graciously opened their California home in June for a Next Generation Campaign reception and poetry reading by Next Generation Campaign Co-Chair, activist and actor, Danny Glover, and author Donna Katzin. Special thanks to host committee members Shane Adler, Ann Burroughs, Muriel and Allan Brotsky, Tammy Haygood, John and Diana Harrington, June and Larry Litvak, Terry di Martini and Andrew Marshall, Kit Miller, Lincoln Pain and Susan Pritzker.

In November we held our inaugural Cocktails with the Board at the Contemporary African Art Gallery, hosted by owners Bill and Reese Karg. The event featured an exhibit by internationally acclaimed Nnenna Okore, and delectable menu prepared by Madiba Restaurant.

Old Mutual Asset Management sponsored the screening of *Dear Mandela* and an expert panel at the Lenox Hotel in Boston. This December event helped raise awareness of South Africa's housing and human rights challenges and demonstrated the urgency of our work. Thanks to host committee members Susan Shevitz and Lawrence Bailis, Gay and Richard Harter, Sally and Marc O'Brien, Linnie McLean, Helen Kraus and Stephen Moody, Josh Posner, Matthew Patsky, Amelie Ratliff, Timothy Smith, Trillium Asset Management LLC, Walden Asset Management and Robert Zevin.



Visit our website to order a copy.

Please give a living legacy gift – remember Shared Interest in your will!

For further information, please contact Jayna Tutino at 646-442-0186.

# In Recognition



Suzette Abbott and David Klafter  
Lilia Abron  
Shane Adler  
Alchemy Foundation  
Myra Alpersen  
Daniel Altschuler  
Alan Altschuler  
Tom and Donna Ambrogio  
Anchor Capital  
Penny Andrews  
Bill Apfel  
Peter and Lucy Ascoli  
Elsa Roberts Auerbach  
Adrienne Bailey  
Barnes O'Neale and Associates  
Harold and Paula Baron  
Thomas Barry  
Lydia Baumrind  
Dr. Paul Beach  
Karen Beadle  
Beate Klein Becker  
Bee Season Consulting  
Eddie Bergman  
Bergman Family Charitable Trust  
Paul Bernstein  
Laura Berry  
Philip and Karen Berry  
Bethany Community  
Bill and Mary Bliss  
Andrew Block  
BNP Paribas  
Nancy Bogen  
George and Eleanor Bollag  
Boston Common Asset Management  
Bill and Gerri Brauneis  
Broadridge Financial Solutions  
Daniel Bros  
Allan and Muriel Brotsky  
Andrew and Malaney Brown  
Lauretta Bruno  
Lawrence and Joan Budish  
Vidette Bullock-Mixon  
Ann Burroughs  
C. Edwin Baker 2001 Trust  
Len Caldwell  
Calvert Asset Management Co., Inc.  
Julie Davis Carran  
Daniel Casey  
Jocelyn Chait  
Kenneth and Kathryn Chenault  
Citigroup Private Bank  
Claremont United Church of Christ  
Roger and Ora Clay  
Beth Cobert and Adam Cloth  
Elizabeth Coker  
Chris and Linda Coleman  
Janet Conn  
Al Cooper  
Margaret Covert and Brian Eberman  
Rabbi Rachel B. Cowan  
Ruth Cowan  
Dave Cron  
Eloise Dale  
Jennifer Davis  
Willma Davis  
Mark and Jane Davis  
Gertrude Davis  
Sharon Davison

Nancy Decker  
Maria Delgadillo  
Christina Desser  
Deutsche Bank Americas Foundation  
Steven Dubin  
Peggy Dulany  
Pyser and Susan Cole Edelsack  
Scott Eisele  
Stephen Ellman  
Emerging Markets Traders  
Association  
Jean Entine  
Exxon Mobil Corporation  
Michael Fahey  
Gene and Anne Feldman  
Bruce and Lucia Field  
Basil and Calliope Fine  
Steven and Nancy Fischman  
Robert and Laura Fleder  
Margaret Flynn  
Lee and Isabel Foster  
Fred and Betty Frankel  
Cheryl Franks  
David and Ellen Freeman  
Marion Fremont-Smith  
Phyllis Friedman  
Mark Friedman  
Adam Friedman  
Robert Friedman and Kristina Kiehl  
Friedman Family Foundation  
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Normandie Fulson  
The Funding Exchange  
Lewis Futterman  
Darchelle M. Garner  
Kenneth Gaskins  
Marilyn Gelber  
Ellen Gesmer and Alan Hyde  
Saul Gitlin  
Sarah and Seth Glickenhau  
Foundation  
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Carol Gorelick  
Sara Anne Gottesman  
Karen Greenberg -Perkus  
James Greer  
Morton Grosz  
Albert and Virginia Hale  
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Mark Halvorson and Lisa Nilles  
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John and Diana Harrington  
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Barbara Heisler  
Linda Hill and Roger Breitbart  
Adam and Arlie Hochschild  
Mimi Hollister  
Janet and Carl Hooper  
Gail Hovey and Patricia Hickman  
Rosa Hunter  
Inverness Counsel, Inc.  
Chung Ja Jadwat  
Jane Smith Turner Foundation  
Keith Johnson  
Johnson & Johnson  
Joy Jones

Rhonda Jones  
David and Rory Jones  
Carol Kaplan  
Thomas Karis  
Donna Katzin  
Roger Kaufman  
Gerri Kay  
Diane Keefe  
Rosemary Kelly  
John and Ada Kennedy  
Kimberly-Clark  
Donald Kirshbaum  
Enza Kitongo  
Kesa Kivel  
Dr. Helen Kivnick and Gary Garner  
Sara Kleinberg  
Linda and Silas Kopf  
Brian Kopperl  
Victor and Sarah Kovner  
Kresge Foundation  
Patricia Lambert  
Louise Lamphere  
Richard Lapchick and Ann Pasnack  
David Laughlin  
Tilden and Margaret Le Melle  
Pearlene Leary  
Carol Lee  
Robert and Leslie Leighninger  
Richard W. Leonard  
Sarah Leshner  
John and Jill Levi  
Levi Strauss Foundation  
Charles Levin  
Daniel and Fay Levin  
Charles Levin  
Sander Levin and Pamela Cole  
Joseph Levinger  
Rev. Harold and Claudette Lewis  
Libra Foundation  
Allan Lichtenstein  
Robert Lifton and Carol Rosefsky  
Elizabeth Lindsley  
Larry Litvak and June Cooperman  
Local Independent Charities  
America  
Vanessa Lowe  
Barbara Lowenstein  
Daniel and Carol Luthringhauser  
M. Brinton Lykes  
Lorraine Lyman  
Jeff MacDonagh and Kendra  
Stensven  
Alan and Myriam Magdovitz  
Vincent and Anne Mai  
Inger Maier  
Martine Makower  
Peter and Frances Marcuse  
Mary and Bob Marshall  
Andrew Marshall and Terry de  
Martini  
Marco Masotti  
Stephen Matseoane  
Randall McCathren  
Penny Sue McClary  
Susana McDermott  
Melanie and David McDonald  
Lorraine McKenna  
Linnie McLean

Rev. Andrew Mead  
Robert and Ellen Meeropol  
Merck & Co  
Frank and Ellen Michelman  
Kit Miller  
Myra Miller  
Ricardo Millett  
Art Milliken  
Kathleen Miraflores  
Marianne Montero  
Stephen Moody  
Catherine Mooney  
Pam Moore  
Sean Morris  
Robert Morris  
William Moses and Leitia Lee  
Susan Naimark  
Allan Nelson  
The Nielsen Company  
Michael Nimkoff  
Nkechi Nneji  
Barbara North  
Michael and Audrey Norwich  
Trevor and Shannon Norwitz  
Marc and Sally O'Brien  
Old Mutual Asset Management  
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Orasure Technologies  
Orchard House Foundation  
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Robert North and Pamela Palanque-  
North  
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Piediscalzi  
Susan B. Plimpton  
Joshua Posner  
Nicholas and Susan Pritzker  
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Archley and Hugh Prudent  
Prudential Financial  
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Alan and Andrea Rabinowitz  
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Jill and Ron Rohde  
Frank and Jinx Roosevelt  
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Daniel and Sue Rothenberg  
JoAnn Rothschild and Lewis  
Rosenberg  
Emmanuel Sabiti  
Tedd Saunders

Gordon Schiff  
David Schilling  
School Sisters of Notre Dame  
Elizabeth Schott  
Linda Scott  
Ken Scott and Carla Bernardes  
Margaret Seeger  
Ron and Yvette Shiffman  
Donald Shriver  
Wayne Silby  
Hildy Simmons  
Timothy Smith  
Cheryl Smith  
Society of the Holy Child Jesus  
Michele Sola  
Heidi Soumerai  
Ruby Sprott  
Alana St Aude  
Standard Americas, Inc.  
Reggie Stanley  
Ahouva Steinhaus  
Caroline Stewart  
Brett Stewart  
Byron and Elizabeth Stookey  
Lally Stowell  
Lucy and Daniel Stroock  
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Susan Weinstein  
Alan and Susan Weisenberg  
Marc Weiss and Nancy Meyer  
West Foundation  
Karen Wikstrom  
Tom Wilcock  
Dave Wiley and Christine Root  
James Williams Jr.  
Women's Division-United Methodist  
Church  
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Doris D. Wooten  
Jordan and Susan Yarett  
Mary Powell Yorke  
Janis Zadel  
Pat and Dennis Zerega  
Robert Zevin  
Jaquelyn Zevin  
Jeffrey and Mary Zients

**In Memoriam**  
Howard Frank  
Annie Page King  
Anthony Lewis



# Investing in Transformation

Shared Interest's work would be impossible without the investments of individuals and institutions that it uses to capitalize its guarantee fund. During 2012, Shared Interest increased its guarantee fund from \$12,228,814 to \$14,381,018, and built its guarantee loss reserve fund (to help cushion its guarantees from possible losses) from \$977,524 to \$1,314,520. This is in addition to the risk protection afforded by a \$3 million subordinated facility from the Overseas Private Investment Corporation. Since inception, no Shared Interest investor has lost interest or principal.

In 2012, Shared Interest increased the size of its guarantee fund by 18 percent. This was largely the result of loans by The Ford Foundation and The Global Fund for Women. Moreover, when Wespath, the investment arm of the United Methodist Church's General Board of Pension and Health Benefits, renewed its \$1 million loan this year, it pledged an additional \$4 million over the next four years if Shared Interest continues to comply with covenants.

Shared Interest was recognized by its listing on Impact Base and Impact Assets ([www.impactassets.org/impactassets-50](http://www.impactassets.org/impactassets-50)) – two platforms that provide information about opportunities for impact investors – and [www.microplace.com](http://www.microplace.com), a site maintained by MicroPlace for microfinance retail investors.

## **For Investor M. Brinton Lykes — a mosaic in motion**

For more than three decades, Brinton Lykes has worked as a psychologist with local communities and survivors of war and in countries emerging from state-sponsored violence. From 1999-2001, she taught at the University of the Witwatersrand,

and collaborated with the Center for the Study of Violence and Reconciliation and, subsequently, with the International Journal on Transitional Justice.

After returning to the US, Brinton established her connection with Shared Interest and has remained an avid supporter. "For me, Shared Interest is a



M. Brinton Lykes

mosaic in motion," she explains. "Partnerships across the chasms of gender, race, class, nationality and language are challenging and I have been deeply impressed by the deep roots that

Shared Interest has within South Africa and their long-term commitments to local communities. My commitment to Shared Interest draws on my understanding of what is needed if the people of South Africa are to realize their dreams – and if the many individuals and communities who continue to bear the scars of apartheid are to develop the capacities to transform their country towards a more equitable and just future for themselves and their children." Seventy-seven percent of Shared Interest's investors renewed their loans when they came due during the year. Four investors forgave all or a portion of their loans, while eight increased their loans by a total of \$840,000.

Shared Interest's most recent video, financed and produced by BET International (with additional support from Levi Strauss Foundation) is available on our website ([www.sharedinterest.org](http://www.sharedinterest.org)). It documents the organization's work and interviews two beneficiaries within the context of our Next Generation Campaign.

# Shared Interest Investors



Adorers of the Blood of Christ  
Adrian Dominican Sisters  
Alice E. Kidder Living Trust  
American Baptist Home Mission Society  
Kenneth Ansin  
Atlantic-Midwest Province Endowment Trust  
Ed and Sheridan Bartlett  
Basillian Fathers of Toronto  
Paul Beach  
Bon Secours Health System Inc  
Boston Province Sisters of Notre Dame  
Broadway United Church of Christ  
Brothers of the Holy Cross - Eastern Province of the U.S.A.  
Calvary Episcopal Church- Women of Calvary  
Calvert Social Investment Foundation  
Carlisle Shared Interest  
Catholic Health Initiatives  
Claremont United Church of Christ  
Stephen and Christine Clemens  
Clients of Boston Trust and Investment Management  
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Dominican Sisters of Hope  
Mary Dugan  
Mark Dyen and Elsbeth Reisen  
Episcopal Diocese of Iowa  
Episcopal Diocese of Michigan - Loan Executive Council  
Everence Community Investments  
First Church in Cambridge, Congregational UCC  
Ford Foundation  
Franciscan Sisters of Little Falls Minnesota  
Franciscan Sisters of Mary  
Carter Garber  
Geese Capital Partners  
General Synod of the Reformed Church in America  
Kitty Gladstone  
Glenmary (The Home Missioners of America)  
Global Fund for Women - Legacy Fund  
Global Fund for Women - Permanent Endowment Fund  
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Christopher Henley  
Anne Hess  
Elaine Hickman  
Adam Hochschild  
David Hoffman  
Kesa Kivel Trust  
Michael J. Komba  
Jerry and Jennifer Lazarus  
Lawrence Litvak  
Linnie McLean  
Mercy Investment Program  
Arthur Milliken  
Missionary Oblates of Mary Immaculate, US Province

Missionary Sisters, Servants of the Holy Spirit  
Page Morahan  
Mount St. Scholastica Inc.  
Nazareth Literary and Benevolent Institution  
Katherine Norgard  
Silas Norman, Jr.  
North American Province of the Cenacle  
Oneida Tribe of Indians -Oneida Trust Enrollment Committee  
Meg O'Shaughnessy  
Our Lady of Victory Missionary Sisters  
Partners for Common Good  
Katherine Perls Trust  
Phoenix Community Services  
Pilgrim Place Group  
Sandra Polishuk  
Joshua C. Posner and Eileen M. Rudden  
Progressive National Baptist Convention  
Religious Action Center of Reform Judaism  
Religious Communities Investment Fund  
Riverside Church  
Susan S. Roberts  
Gregory A. Rocco, Jr.  
Robert A. and Lisa H. Rosenbloom  
Catherine M. Salser  
Gordon Schiff and Mardge Cohen  
Betty Scholten  
School Sisters of Notre Dame of St. Louis  
Kenneth Scott and Carla Bernardes  
Adam Seitchik and Pamela Wickham  
Seton Enablement Fund  
Donald Shriver  
Sinsinawa Dominicans  
Sisters of Charity of St. Elizabeth  
Sisters of Charity of St. Vincent De Paul of New York  
Sisters of Charity of the Blessed Virgin Mary  
Sisters of Loretto  
Sisters of Notre Dame - Toledo, OH  
Sisters of Notre Dame de Namur, Generalate  
Sisters of Notre Dame De Namur, Ohio Province  
Sisters of Providence  
Sisters of St. Dominic of Racine  
Sisters of St. Dominic, Congregation of the Most Holy Name  
Sisters of St. Francis of Philadelphia  
Sisters of St. Joseph of Carondelet, St. Louis Province  
Sisters of St. Joseph of Carondelet, St. Paul  
Sisters of the Holy Cross  
Sisters of the Humility of Mary  
Sisters of the Order of St. Dominic, Amityville  
Sisters of the Presentation of the Blessed Virgin Mary  
Sisters of the Sorrowful Mother  
Sisters, Servants of the Immaculate Heart of Mary  
Joseph Brooks Smith  
Society of the Holy Child Jesus  
Marilyn Stern and Elaine Reily  
Alice Stowell  
Lucy Stroock  
Tides Foundation  
Andrew Tobias  
Trinity Health Corporation  
Unitarian Universalist Association of Congregations  
United Methodist Church - Benefit Board  
Ursuline Sisters of Tildonk  
Joan Vermeullen  
Philippe Villers

Investors listed do not include MicroPlace investors and those preferring to remain anonymous.



# 2012 Financials

## Statements of Financial Position As Of December 31

	2012	2011
<b>Assets</b>		
Cash	\$1,877,549	\$625,988
Investments	14,384,769	12,616,858
Accrued interest receivable	97,952	111,077
Contribution income receivable	683,956	618,340
Other receivables	206,327	107,728
Prepaid expenses	54,009	32,303
Computer Equipment & Leasehold Improvements (net of accumulated depreciation of \$43,043 and \$42,122 respectively)	17,430	13,013
Other assets	8,993	8,693
<b>Total Assets</b>	<b>\$17,330,985</b>	<b>\$14,134,000</b>
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$302,119	\$158,388
Accrued interest payable to noteholders	57,719	58,101
Promissory notes payable	14,381,018	12,015,627
Loan payable	-50,000-	-0-
<b>Total Liabilities</b>	<b>\$14,790,856</b>	<b>\$12,232,116</b>
<b>Commitments And Contingencies</b>		
<b>Net Assets</b>		
Unrestricted	657,687	475,068
Unrestricted Board Designated Guarantee Loss Reserve	1,314,520	977,524
Temporarily restricted	567,922	449,292
<b>Total Net Assets</b>	<b>2,540,129</b>	<b>1,901,884</b>
<b>Total Liabilities and Net Assets</b>	<b>\$17,330,985</b>	<b>\$14,134,000</b>

## Statements Of Activities For The Year Ended December 31

	2012			2011		
	Unrestricted Net Assets	Temporarily Restricted	Total	Unrestricted Net Assets	Temporarily Restricted	Total
<b>Public Support And Revenue</b>						
Contributions	\$1,003,235	\$325,887	\$1,329,122	\$789,565	\$341,245	\$1,130,810
Special events revenue, net of direct expenses	122,812	500	123,312	180,199	5,000	185,199
In-kind contributions	202,494	-0-	202,494	25,066	-0-	25,066
Interest and dividend income	55,829	-0-	55,829	36,740	-0-	36,740
Miscellaneous income	6,180	-0-	6,180	4,455	-0-	4,455
Net assets released from restrictions	207,757	(207,757)	-0-	186,000	(186,000)	-0-
Sub-Total	1,598,307	118,630	1,716,937	1,222,025	160,245	1,382,270
Net realized gain (loss) on investments	1,851	-0-	1,851	(3,504)	-0-	(3,504)
Net unrealized gain (loss) on investments	136,518	-0-	136,518	(219,427)	-0-	(219,427)
<b>Total Public Support and Revenue</b>	<b>1,736,676</b>	<b>118,630</b>	<b>1,855,306</b>	<b>999,094</b>	<b>160,245</b>	<b>1,159,339</b>
<b>Expenses</b>						
Program services:						
Grant to TIGF and others	230,000	-0-	230,000	176,667	-0-	176,667
Other program services	794,170	-0-	794,170	500,387	-0-	500,387
Fund raising	134,524	-0-	134,524	98,397	-0-	98,397
General and administrative	58,367	-0-	58,367	70,789	-0-	70,789
<b>Total Expenses</b>	<b>1,217,061</b>	<b>-0-</b>	<b>1,217,061</b>	<b>846,240</b>	<b>-0-</b>	<b>846,240</b>
<b>Increase (Decrease) In Net Assets</b>						
Prior to Guarantee Loss Exp	519,615	118,630	638,245	152,854	160,245	313,099
Provision for Defaulted Loan	-0-	-0-	-0-	(92,615)	-0-	(92,615)
<b>Increase in Net Assets</b>	<b>519,615</b>	<b>118,630</b>	<b>638,245</b>	<b>60,239</b>	<b>160,245</b>	<b>220,484</b>
<b>Net Assets – Beginning Of Year</b>	<b>1,452,592</b>	<b>449,292</b>	<b>1,901,884</b>	<b>1,392,353</b>	<b>289,047</b>	<b>1,681,400</b>
<b>Net Assets – End Of Year</b>	<b>\$1,972,207</b>	<b>\$567,922</b>	<b>\$2,540,129</b>	<b>\$1,452,592</b>	<b>\$449,292</b>	<b>\$1,901,884</b>

These financials were audited by Louis Sternbach and Company. Please contact Shared Interest for complete audited financials.

# Shared Leadership



## BOARD OF DIRECTORS

**H.E. Sheila Sisulu** (Honorary Chair), former Deputy Executive Director, U.N. World Food Programme  
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**Edward J. Bergman** Executive Director, Africa Travel Association, Co-Founder, Miracle Corners of the World, Inc.  
**Ann Burroughs** Executive Director, Taproot Foundation, Los Angeles  
**Iva E. Carruthers** Secretary-General, Samuel Dewitt Proctor Conference  
**Jennifer Davis** Retired Executive Director American Committee on Africa  
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**Chirfi Guindo** General Manager & Global Commercial Leader, HIV, Merck & Co. Chief Executive Officer, Themban International Guarantee Fund  
**Sarah Leshner** Senior Vice President, Latin America, HSBC Securities USA Inc  
**Linnie McLean** Former Vice President of Trillium Asset Management  
**Ricardo Millett** Strategic Philanthropy Consultant and former President, The Woods Fund of Chicago  
**Mangedwa C. Nyathi** Honorary Consul for South Africa in Michigan  
**Jehiel Oliver** International Development Consultant  
**Matthew W. Patsky** Managing Partner and CEO, Trillium Asset Management  
**Joshua Posner** Founder and CEO, Rising Tide Development  
**Ron Shiffman** Professor, Pratt Graduate Center for Planning and the Environment, School of Architecture  
**Richard L. Tolliver** Rector of St. Edmund's Episcopal Church in Chicago  
**David Wildman** Executive Secretary, Human Rights & Racial Justice GBGM, United Methodist Church  
**Joshua Woodard** Professor, Charles H. Dyson School of Applied Economics and Management, Cornell University

## BOARD OF ADVISORS

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Archbishop Emeritus of Cape Town  
**John Chalsty** Muirfield Capital Management, LLC  
**David N. Dinkins** 106th Mayor of New York City  
**Paul Crane Dorfman** Retired, Bank of America  
**Peggy Dulany** The Synergos Institute  
**Marion Fremont-Smith** Choate, Hall & Stewart  
**Robert Friedman** Corporation for Enterprise Development  
**Ron Gault** Retired J.P. Morgan Chase & Co, South Africa  
**Danny Glover** Actor  
**Michele Griffiths** Community Development & Consulting  
**H.E. Fikile Magubane** South African Ambassador to Spain  
**Vincent Mai** Crane Mere LLC  
**Marco Masotti** Paul Weiss Rifkind Wharton & Garrison  
**Susan L. Taylor** National Cares Mentoring Movement  
**Robert Brooke Zevin** Investment Advisor

## NEXT GENERATION LEADERSHIP CIRCLE

**Shane Adler**  
**Peter and Lucy Ascoli**  
**Christine Desser**  
**Isabel and Lee Foster**  
**Gay and Richard Harter**  
**Anne Hess and Craig Kaplan**  
**Rev. Harold T. Lewis**  
**Larry Litvak**  
**Vincent and Anne Mai**  
**Quintin and Diane Primo**  
**Susan Pritzker**  
**Timothy Smith**

## STAFF

**Donna Katzin** – Executive Director  
**Sandi Owens** – Director of Corporate and Foundation Relations

**Jayna Tutino** – Development Director  
**John Woodburn** – Finance Director  
**Sandra Zanele Zikalala** – Director of Administration

**Special thanks to:** Archley Prudent, Bea Anderson, Daniel Altschuler, James Basilone, Joshua Benjamin, Linda Cohen, Treasure Davidson, Alex Erquicia, Betsy Fader, Peter Freeman, Jeffrey French, Maureen Gallagher, Michelle Herrera, Adrienne Hughes, Emil Jönsson, Jonathan Lee, Katy Mitchell, Pamela Palanque North, Katy Raymond, Thabisa Rulumeni, Yvette Shiffman, Busi Sikosana, Styler Tammaea, Tauby Warriner, Chadbourne & Parke, Frederickson & Byron

# SHARED INTEREST

## INVESTING IN SOUTH AFRICA'S FUTURE

Shared Interest mobilizes the resources for Southern Africa's economically disadvantaged communities to sustain themselves and build equitable nations. Shared Interest envisions just and vibrant Southern African nations that eliminate disparities, uphold their peoples' basic human rights, and serve as models of economic justice.

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