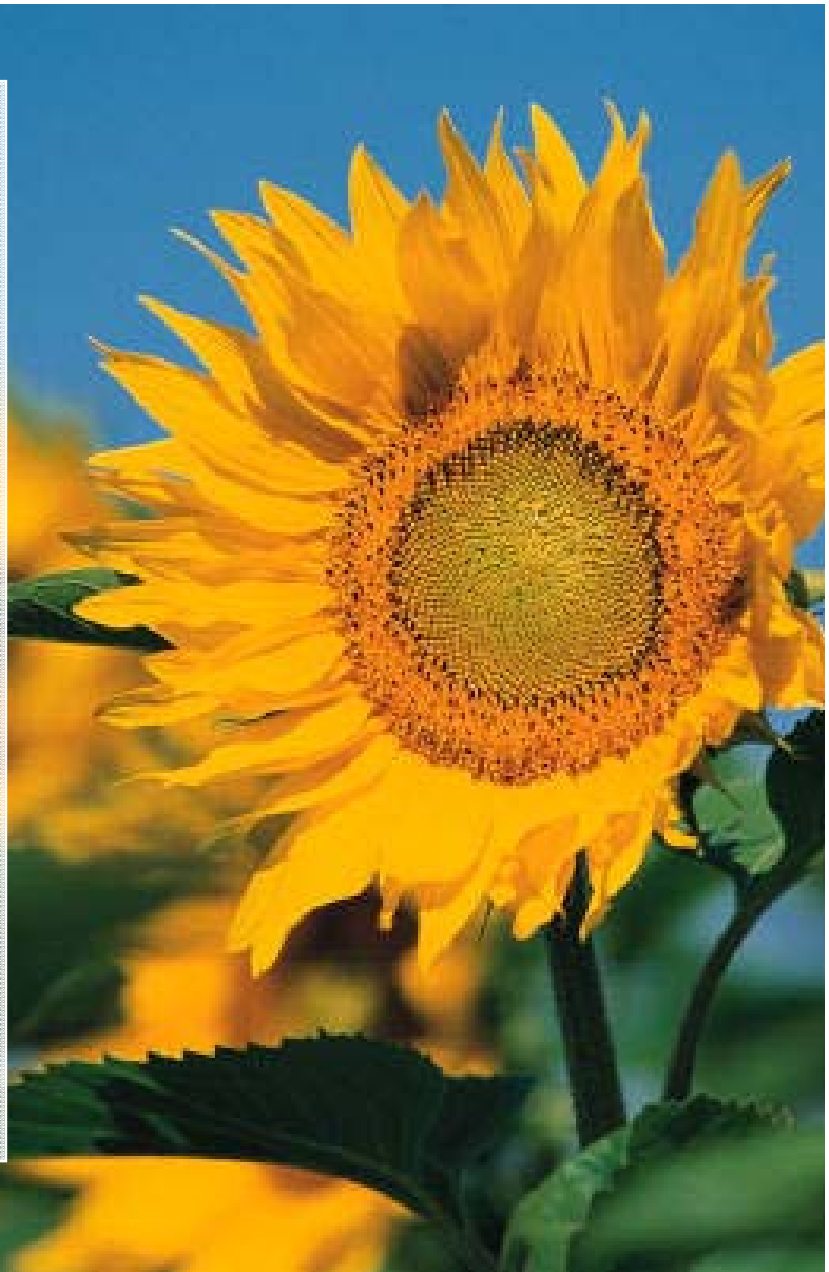


**Poverty Alleviation Program  
Exclusive Targeting - Underprivileged**

# **GHAPE Annual Report**

# **2008**



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[This report highlights the non-financial and financial services of the organization for the period January to December 2008. It also summarizes the 2009 planned activities and estimated budget for pressing organizational needs]

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## **ABBREVIATIONS AND DEFINITIONS**

**EF** means Emergency fund. EF is a limited time TC-free loan given to borrowers as first aid to meet the cost of emerged contingency. This fund is often granted for one period. Depending on the situation failure to repay within stated time attracts penalty.

**TC** means Thanks-Charge. TC is a service fees charge for administering revolving credit funds to our target clientele, the underprivileged.

**EC** means Empowerment Credit. EC is a package containing credits, functional training and social education. The term EC has been used interchangeable to mean the same as credits and loans.

**ECB** stands for Empowerment credit beneficiaries. ECB has been used interchangeable with borrowers and members

**Ann Enc** means Annual Encouragement. These are monetary motivations paid to borrowers for their savings/deposits made in the course of the year.

**W/D** means withdrawal from deposit.

## **INTRODUCTION**

### ***About this Organization***

Grounded and Holistic Approach for People's Empowerment (GHAPE) is a registered non-profit and apolitical Association in Cameroon established in 1998. It was registered on August 3, 2000 in conformity with law N° 99/014 of 22/12/99 and registration Ref N° 0014/E.29/1111/Vol.8/APPB. GHAPE is a poverty alleviation program targeting the poor. It provides simultaneously multiple services; financial and non-financial.

### ***About this Report***

This report is divided into four broad areas; non-financial services, financial series, financial statements for the period January to December 2008, and strategy and estimated budget for 2009 for pressing organizational needs. It also contains a list of abbreviations and definitions and a letter from the Board members. It further highlights difficulties encountered at field and institutional levels.

### ***About our Clientele***

Our target clientele are the poor especially women and young people. We have defined the poor as those who cannot afford the basic needs of life in a sustainable manner. The ugly face of poverty can be visualized in the hundreds of thousands of distressed women and men who sometimes suddenly find all the doors of life shut on them at no fault of theirs. The number of poor people in our community has continued to increase as a result of divorce, death of bread-winner, denial of access to family resources, inaccessibility to credit facilities and capacity development opportunities or national cake or tax payer money and unemployment.

### ***Mission***

Our mission is to provide the highest quality adaptable holistic empowering tools in a caring and supportive environment to the underprivileged.

To realize this mission, GHAPE:

- Offers a broad range of services; functional trainings adaptable to the needs of borrowers
- Financial services; loans and savings
- Emergency funds
- Funeral dues
- Social education on daily emerging issues
- Strong social-net
- Engages borrowers and household members as active, responsible architects of their own destiny.

### ***About our Culture***

We share in the belief that few will have the greatness to bend history; but each of us can work to change small portion of events. At GHAPE we have instituted and upholding a culture of commitment, punctuality, transparency, hard-work, team-work, accountability, discipline, one hundred percent loan repayment rate, presence at grass root and active participation of borrowers in decision-making.

## **MESSAGE FROM BOARD MEMBERS**

We are pleased to make available GHAPE 2008 Annual Report. We take pride in providing sustainable empowerment tools of functional trainings, credits and social education to underprivileged women and men living below the poverty line.

This report will acquaint you with our innovative holistic approach; financial and non-financial services. We encourage you to become familiar with the contents of this report. It might be your guidebook as you consider getting involved as a donor, partner, staff, volunteer, beneficiary, supporter and sympathizer or in other capacity.

Our vision for GHAPE is to have a viable and sustainable organization that could reach out with services to any individual and household eligible for our program that has made the decision to improve its life through self-employment in income-generating activities. In doing this will enhance the quality of live of individuals, communities and make the world a better place.

We're proud to count on our committed staff and volunteers who work relentlessly to brighten each day; working wonders, giving, sharing, helping, and caring with warmth and heart. They take the time to make the world a better place for our target clientele, poor households. Thanks in making a difference in all that you do.

Sincerely,

Nfi Caroline  
Acting Chairperson

## Part 1: NON-FINANCIAL SERVICES REPORT

GHAPE began as a creeping tap-root plant sowed at two centers in 1998. It has been growing slowly because of insufficient funds, but steadily. 2008 marked ten years of dedicated community service with laudable impact on the lives of our primary target clientele, the underprivileged and the community at large. We became a “large” not-for-profit and apolitical organization with eighteen centers located in villages in Mezam and Momo Divisions, and ten centers in Boyo Division, precisely in Belo Sub-Division of the North West Region of Cameroon. Although our financial insufficiency restricted our activities we were able to reach out to 1,438 borrowers with credits, trainings and social education. At GHAPE we strive to provide the highest quality holistic services in a caring and supportive environment to our borrowers who have already been inflicted by poverty and its negative consequences. We earned national and international admiration from individuals, organizations and government departments, elites and our target clientele. We increased borrower’s enrolment, quality and quantity of services provided; staff strength, collaboration and we maintained leadership and our history of one hundred percent repayment of loans borrowed.

### ENROLLMENT PROFILE 2008

**Table 1.1: GHAPE Enrollment Profile 2008**

Centre	N <sup>o</sup> of Active Borrowers Jan 1, 2008	N <sup>o</sup> of Active Borrowers Dec. 31 2008	N <sup>o</sup> of Borrowers Dropped out	N <sup>o</sup> of New Borrowers	N <sup>o</sup> of Deceased Borrowers
C07	46	48	6	10	2
C02	40	40	2	2	0
C01	28	30	2	4	0
C06	42	44	4	6	0
C04	38	37	4	3	0
C03	40	35	10	5	0
C08	49	34	16	2	1
C12	34	36	2	4	0
C05	38	34	5	1	0
C05M	44	34	10	0	0
F01	39	44	2	7	0
C01M	20	23	2	5	0
C04M	27	36	12	21	0
F02	25	21	3	1	2
C02M	26	26	0	0	0
C09	31	38	2	9	0
C11	52	50	4	3	1
C03M	43	45	3	6	1
Belo	215	469	58	315	3
<b>Total</b>	<b>877</b>	<b>1124</b>	<b>147</b>	<b>404</b>	<b>10</b>

In the course of the year the total number of active borrowers increased by 31%. This increment was due to additional loan funds. The drop out rate as a percentage of active borrowers at the end of the year was 11%. Borrowers left the program for reasons including moving out of city/region to baby sit for their children, sickness, discouraged by the long waiting time to be given loans and long distances to trek to the nearest center meeting place. The cold hands of dead snatched some of our borrowers. These deaths inflicted multiple

losses. Our revolving credit fund was further reduced by the amount of loans held by deceased borrowers; as it's our policy to declare all outstanding installments not due for payment on the date of a borrower's dead bad-debt, see table 2.1. The numbers of orphans to attend to have increased especially as some of the deceased were single mothers and bread-winners. What ever the medical and traditional diagnosis of the causes of this deaths poverty has a big hand in each of them.

**Table 1.2: Membership Profile by Gender 2008**

Centre	GHAPE				Kiva			
	N <sup>o</sup> of Active Borrowers Dec 31, 2007	Females	Males	Female % Total Active Borrowers	N <sup>o</sup> of Active Borrowers Dec 31, 2008	Females	Males	Female % Total Active Borrowers
C07	31	25	6	81	17	11	6	64
C02	12	8	4	67	28	17	11	61
C01	12	11	1	92	18	14	4	78
C06	13	8	5	62	31	24	7	77
C04	19	15	4	83	18	15	3	83
C03	30	25	5	83	5	5	0	100
C08	33	25	8	76	1	1	0	100
C12	28	19	9	68	8	7	1	87
C05	15	11	4	73	19	15	4	79
C05M	19	15	4	79	15	11	4	73
F01	21	21	0	100	23	23	0	100
C01M	17	9	8	53	6	4	2	67
C04M	29	21	8	72	7	7	0	100
F02	11	11	0	100	10	10	0	100
C02M	10	7	3	70	16	7	9	43
C09	33	15	18	46	5	3	2	60
C11	26	21	5	81	24	19	5	79
C03M	33	16	17	49	12	8	4	67
<b>Belo</b>	<b>469</b>	<b>339</b>	<b>130</b>	<b>72</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>861</b>	<b>622</b>	<b>239</b>	<b>72</b>	<b>263</b>	<b>201</b>	<b>62</b>	<b>76</b>

Table 1.2 above highlights by gender how many female businesses were funded compared to total funded businesses either with kiva loans or by GHAPE funds. Because women in resource limited families generally use additional income for the benefit of the greater proportion of the family, GHAPE prioritized the funding of women businesses. Seventy two percent of businesses funded were women entrepreneurs.

### FUNCTIONAL TRAININGS OF BORROWERS

This year was characterized by a series of skills enhancing trainings in Mezam, Momo Divisions and Sub-Division. First phase training are designed for would-be first time borrowers joining the program. Second, third, fourth and fifth phase trainings as the name of the training indicates are for borrowers who have received and repaid loans a number of times. To ensure proper utilization and repayment of loans borrower's abilities and skills are constantly evaluated before subsequent loans are granted, see Table 1.3

Table 1.3: **Trainings.**

Trainings	Mezam		Momo		Belo	
	Female	Male	Female	Male	Female	Male
First phase	12	3	13	6	190	75
Second phase	32	6	3	6	123	26
Third phase	49	17	6	2	-	-
Fourth phase	23	9	14	6	-	-
Fifth phase	19	8	13	8	-	-
Leadership	25	14	0	0	11	7
<b>Total</b>	<b>160</b>	<b>57</b>	<b>49</b>	<b>28</b>	<b>324</b>	<b>108</b>

During these trainings the following topics were integrated

- GHAPE EC rules
- Business and marketing techniques
- Credit management,
- Leadership skills
- Sexual and reproductive health issues (HIV/AIDS),
- Nutrition (Balance diet)
- Business expansion and
- Business plan write-ups
- Self Esteem
- Safety measures and First Aid

These trainings were conducted in Pidgin English. In Belo a translator was on stand-by to explain to borrowers in Kom vernacular concepts that were not initially grasps. The methodology used during these training were lectures, role play, poems, riddles, story telling, jokes, singing and questions and answers. Staffs, board members, center chiefs, borrowers and external resource persons were facilitators. Women participation is always encouraged as additional money in the family through women benefits a larger proportion of the family. See Table 1.3 for participation by gender.

### **STAFF TRAININGS**

External workshops were attended by some staff and restitutions sessions were organized for all team members. Two staff Mercy-Bertha and Donald attended a workshop on Advocacy aimed at impacting knowledge on how to organize civil society organizations. A restitution session was organized to share knowledge from the Advocacy workshop. A number of workshops were organized at GHAPE head and branch offices.

- Using Photoshop: this workshop was facilitated by a kiva intern.  
It was aimed at increasing awareness of this software and how to use the soft ware to improve the images of ECBs attached alongside their business plans.
- Writing business plans and journals
- Navigating kiva website
- Centre Meeting Facilitation
- Work Place Policy seminar on HIV/AIDS

- Accounts Analysis
- Creating of CSV, Twitters and Facebook
- GHAPE values and rules
- GHAPE services

### **SOCIAL NET**

Exercising the golden rule of do on to others what you will want them do on to you urged members within and out of centers shared sad feelings with deceased borrowers' families. Yes! the spirit of being our neighbor's keeper is the reason for the social net activity at GHAPE. Borrowers passed away in Centers 7 Nsongwa, center 8 Ntamulung, center F02 Musang, center 11 Ntahsen and center 3 Momo. Centers 7 Nsongwa and center F02 Musang were double inflicted as they lost two members each see Table 1-1. In Belo centers 01 Acha, 04 Twangntam and 05 Bailam lost a borrower each. Assistance of raw and cooked food stuff, laundry soap and money changed centers. Staff, borrowers and interns assisted in the funerals.

Birth of new born babies' call "Born-House" in Pidgin English were celebrated by Center 08 Ntamulung, center 03 Momo, and centers 04 Twangntam, and 03 Biango whose members became parent or grand-parents. Borrowers offered gifts of Laundry soap, raw food item and money to the families.

Sick borrowers in all GHAPE centers were visited and similar assistances were offered to these sick members. During these visits they prayed together and distracted the sick with humor bringing them hope as they lay on their sick beds. The gifts shared included raw food items, cooked food, money and soap.

The impact of the social net activity has continued to be an attraction even to people considered wealthy in these communities. GHAPE activities within and beyond GHAPE center meetings are forums where bitter emotional, physical and psychological assault are addressed in a caring manner. These somehow therapeutic sessions takes away depression, boredom, solitude and helps members deal with loss and grief and restores hope. The participatory nature of this activity has continued to enhance skills, good values, good frame of mind and good health. The not-too-poor households in the community have continued to solicit membership on our program to benefit at least this single service, social-net activity one of the services contained in our innovative rich EC package. This is an issue we will have to deal with in the future.

### **PASS-ON-THE-GIFT AND BECOME A DONOR**

This year two women from Ndzong center earned the prestigious appellation donor as they donated piglets to three households. Pass-on-the-gift and become a donor is a project that was initiated to enable every household through women to benefit the advantage of pig farming and increase the number of women in livestock farming. Despite the African swine fever threatening this project we are happy to announce that it has been meeting its objectives.

### **ECONOMIC SUSTAINABILITY**

Making pay-roll and footing other operating cost in a not-for-profit organization is a challenge. Besides charging token service fees, we instituted some internal fundraising economic activities. At the head office we run a small poultry farm. At the Branch office we planted spices. These activities often become demonstration units to borrowers. Staffs have practical knowledge and can better help clients investing in similar activities.

### **PERSONNEL**

At GHAPE a committed team of twelve executed activities diligently. Of this, five are permanent staff and seven are would-be staff on training. The Head-office was manned by four of the permanent staff. The Branch office in Belo had two resident staffs with back-up from head office. The team was reduced by two; Sunde left for further education and Calister resigned. This increased the case load per staff. Aware of the fact that our work is labor intensive we are hoping that we will have the means to hire a program officer and chief of administration and finance (CAF).

### **VOLUNTEERS**

Our effort to provide opportunities for community services brought a total of eight national and international volunteers to work at GHAPE. Beatrice, Doris, Loveline and Lillian are wonderful young ladies volunteers. Thanks to our Kiva partnership we enjoyed invaluable services provided by Megan, David, Yuan, Lucy and Jennifer all Kiva fellows. Anne-laure, Kiva Partner Development Specialist for West Africa made a working visit at GHAPE. The volunteers brighten each day, helping, caring, and taking the time to make the world a better place.

### **BOARD MEMBERS**

On record we have twelve board members. They live and work in different cities, states and countries in Cameroon, Kenya, South Africa and America. Unfortunately we did not hear from four of our board members this year and all our efforts to get information on these great people have been in vain. The board members continued to hold their meetings by e-mail and conference calls. Those in Bamenda-Cameroon have continued to work relentlessly for the organization. The Founder has remained a source of inspiration. The board members fell back with contribution of annual dues perhaps as a result of the economic hardship. Our hope is that their financial situations will improve so that they will continue to provide to GHAPE.

### **COLLABORATION**

GHAPE maintained collaboration with government departments; Regional Delegation of Women Empowerment and the Family, Regional Delegation of Youth Affairs and Regional Delegation of Social Affairs. We continued to participate in the North West Association of Developmental Organization (NWADO). Staff of the Department of Social Welfare came to the head-office appraise the work conditions of GHAPE and its personnel.

We sustained our partnership with Kiva, a U.S based organization. We sought to established new partnership. Our quest for new affiliation led us to start completing application requirement for the Mix Market. As our search for valuable partnership continuous, wherever it will lead us in 2009 we will go.

### **REVOLVING CREDITS AND IMPACT**

There has been an increase in the volume of credits disbursed as seen in table 2.1 and table 2.4. Not only did the volume of funds increase the amount sanctioned as loans to individuals also increased. GHAPE has maintained historical records of 100% loan repayment of all loans disbursed since its inception in 1998. This recovery rate is attributed to efficient and effective monitoring of utilization of loans, the availability of Emergency Fund to respond to emerging pressing needs. The adaptable package of skill trainings, credit, social education, peer pressure and peer support and above all treating with the poor as human beings and not just statistics. We are grateful to our borrowers for making maximum use of this limited opportunity and for sustaining the program for others in similar circumstances.

The level of awareness on social ills among members is on the increase. The number of members testifying to a positive change in their attitudes towards laziness, massive drinking, sexual irresponsibility and general poor conduct is on the increase. Household incomes have

increased as well as household savings in the form of cash, crops and livestock. This increase in savings is attributed to effective management of loan capital. The welfare of the beneficiaries has improved. Changes in socio-economic status are glaring as they are affording their basic needs of clothing, drugs, improved nutrition, shelter and provision of basic school needs for their children. Environmental hygiene has also greatly increased as GHAPE beneficiaries organized and carried out human investment activities at their local areas- cleaning water sources, creating drainage among others.

## **DONATIONS**

In an information technology (IT) age GHAPE has been doing things manually for lack of equipments and skills. The gap was greatly narrowed this year thanks to our Kiva partnership and other well-wishers. We received 3 digital camera from kiva this year plus three donated in 2007 one of which was donated by Stephanou Yonkeu in the United States; making a total of 6 digital cameras in the Head and Branch offices. Two flat screen computers were donated by Marsha Richins and her friends. Jennifer, kiva fellow donated a camtel phone to ease communication with the Diaspora. We received Linksys wireless Access Point/Switch, Linksys switch, Linksys router, and \$100 which was use to buy cables/clips for networking, 3 mouse pads, one step-down transformer, a flash disk, pins ink cartridge and two mice from Ahmet Arsan and Mary Kuhn. We are equally indebted to the Chapman (couple) who traveled to Cameroon from Boston, MA in the U.S to help set up the donated net-work communication in our head office. Needless to say every cable was connected with love and the hope to see the system ease work and allow staff with more time to carry out field activities which is also hindered by lack of adaptable transportation means like 4x4 WD trucks and motor-bikes.

## **WEBSITE**

We agreed with GHAPE-USA to host us on its website: [www.ghape.org](http://www.ghape.org). Thanks also to Jennifer who designed the initial web pages. Today our activities and financial statements can be viewed online. Our hope is that in the near future we will be able to raise funds for our activities on-line. We believe it will reduce the difficulties that foreign donors especially those in America and Europe having been going through to fund our organization.

## **DIFFICULTIES ENCOUNTERED**

The flip side of success is short coming. We are aware that there will always be challenges and one of our values is to use lessons learnt to build a stronger program. Difficulties were encountered at both field and administrative or institutional levels.

### **Difficulties at Field Level**

At field level our continuous supervision of loan utilization revealed that some borrowers did not execute planned income-generating activities fully after receiving loans. Some of the reasons advanced for partial and non-implementation of planned activities include;

- Death of immediate family relations which affects their investment.
- Emerging and pressing children's educational needs demanding more money than the maximum that can be gotten from the emergency fund pool.
- Incapacitating sickness of the borrowers or their significant others.
- Natural Phenomenon e.g. African swine fever
- Choosing of wrong business activity.
- Delays in disbursement of loans which often affect business or activity season.

- Destruction of farms by stray cattle's.

**Difficulties at Institutional (Administrative) level**

At the level of the organization we have continued to encounter serious difficulties especially concerning:

- Insufficient credit funds. The number of poor household is on the increase as a result of economic hardship and layoffs. This additional demand increased the queue waiting on our meager revolving credit funds. Our inability to satisfy these needs leaves some of our borrowers discouraged and others effectively drop out of the program because of the long wait.
- Inadequate equipment like computers, photocopy machine, stationeries, scanner and others work easing devices.
- Limited working space
- Inadequate adaptable transportation means

## Part 2- FINANCIAL SERVICES REPORT

### EMPOWERMENT CREDIT

In addition to functional trainings credits were disbursed for self chosen income-generating activities. Borrowers invested credits in diversified activities including cultivation of food crops such as cassava, vegetables, yams, potatoes, sweet potatoes, plantains, beans, corn, groundnut, piggery, poultry, call-box, motorcycle transport, road side restaurants and groceries retailing. The biggest loan this year was 600,000 francs and the smallest was 40,000 francs. Most borrowers got loans of amounts between 200,000 and 400,000 francs. Table 2.1 highlights total loan portfolio, loans by gender and loan amounts declared bad debt center. Although Belo has been listed under centers it represents the ten centers in Belo branch office.

**Table 2.1: Loan Portfolio (Amounts are in Franc CFA)**

Centers	Kiva Loans	GHAPE Loans	Total Loan Portfolio	Female Loans	Male Loans	Loans Declared Bad debt	Total Loan Repayment
C01	10,084,740	2,580,000	12,664,740	10,693,550	1,971,190	0	4,668,355
C02	12,950,290	3,239,660	16,189,950	8,983,530	7,206,420	0	5,070,470
C08	234,910	1,791,290	2,026,200	1,704,610	321,590	0	1,680,080
C12	5,545,880	1,400,760	6,946,640	5,436,290	1,510,350	0	4,115,640
C06	11,929,715	1,595,710	13,525,425	9,561,150	3,964,275	0	5,660,375
F01	9,900,925	3,912,495	13,813,420	13,813,420	0	0	7,753,015
C05	7,374,685	2,497,910	9,872,595	7,627,675	2,244,920	0	5,479,850
C04	3,280,095	3,171,870	6,451,965	5,299,835	1,152,130	0	2,016,225
C02M	3,077,500	1,513,150	4,590,650	2,297,500	2,293,150	0	663,670
C07	4,568,580	3,519,110	8,087,690	5,283,560	2,804,130	0	2,516,875
F02	3,467,135	1,623,410	5,090,545	5,090,545	0	200,000	2,757,325
C01M	2,709,990	892,905	3,602,895	1,900,000	1,702,895	0	438,335
C04M	1,250,000	1,971,920	3,221,920	2,736,910	485,010	0	707,765
C03	1,253,760	2,350,770	3,604,530	3,404,530	200,000	0	2,067,025
C11	8,193,245	6,239,605	14,432,850	11,486,975	2,945,875	200,000	9,260,070
C05M	3,953,720	1,462,910	5,416,630	3,315,175	2,101,455	0	4,400,780
C03M	4,615,215	2,619,150	7,234,365	4,757,860	2,476,505	0	3,796,815
C09	1,040,000	4,087,150	5,127,150	2,158,820	2,968,330	0	1,658,725
Belo	0	19,296,130	19,296,130	13,749,970	5,546,160	49,860	11460960
<b>TOTAL</b>	<b>95,430,385</b>	<b>65,765,905</b>	<b>161,196,290</b>	<b>119,301,905</b>	<b>41,894,385</b>	<b>449,860</b>	<b>76,172,355</b>

More women businesses were funded compared to loans given to male entrepreneurs. Encouraging women who are still being discriminated against when it comes to access to empowerment tools is ingrained in our policy. Of the total loans declared bad debt kiva lenders suffers a loss of 200,000 francs. These are loan installments not due payment at the death of a borrower. All loan installments due payment were paid in full. We have continued to uphold our history of one hundred percent (100%) repayment of loans.

### EMERGENCY FUND

Emergency Fund is a service free loan given to members to handle unforeseen financial contingencies. These include issues like health, school and vocational training needs within borrowers' household. This service free loan is stipulated to be repaid within a period of one month. This fund is administered by head and branch office. Allocated amounts are carried to every centre meeting. Because emergencies strike without warning, no notice is required for disbursement of emergency funds.

**Table 2.2: Emergency Fund Analysis**

Centers	Outstanding EF 1-Jan-08	Cumulative EF Disbursed 2008	Total EF Disbursed 2008	Frequency of Request	Cumulative EF Repaid 2008	Outstanding EF Dec.31 2008
C01	15,000	31,000	46,000	4	31,000	15,000
C02	32,000	0	32,000	2	20,000	12,000
C08	0	249,900	249,900	38	210,000	39,900
C12	0	182,500	182,500	22	140,000	42,500
C06	0	45,000	45,000	3	30,000	15,000
F01	14,000	100,000	114,000	11	95,000	19,000
C05	0	0	0	0	0	0
C04	28,000	0	28,000	0	28,750	-750
C02M	14,500	20,000	34,500	3	16,000	18,500
C07	10,000	214,000	224,000	53	140,000	84,000
F02	10,215	104,000	114,215	21	79,200	35,015
C01M	19,500	145,000	164,500	18	125,000	39,500
C04M	36,000	156,000	192,000	23	132,000	60,000
C03	0	222,500	222,500	27	187,500	35,000
C11	5,000	0	5,000	1	0	5,000
C05M	29,000	40,000	69,000	5	15,000	54,000
C03M	75,800	135,000	210,800	17	141,500	69,300
C09	6,500	134,000	140,500	26	104,000	36,500
Belo	0	776,500	776,500	94	714,500	62,000
<b>Total</b>	<b>295,515</b>	<b>2,555,400</b>	<b>2,850,915</b>	<b>368</b>	<b>2,209,450</b>	<b>641,465</b>

Three hundred and sixty-eight requests for emergency funds were honored. Because the demand exceeded allocation and available funds, some centers exceeded their maximum of 40,000FCFA for one year. This is the situation with centers having outstanding emergency fund greater than 40,000 francs as of December 31, 2008. The funds were limited and there is need to increase the allocation and duration of repayment.

## INSURANCE OR FUNERAL DUES

Insurance is a fund that was initially instituted to help families of borrowers with the cost of funeral arrangement at the death of a borrower. Annual premium is one thousand francs. In recent times at the request of borrowers staff now also contributes into this non-refundable fund and some board members. Table 2.3 highlights the insurance analysis in 2008.

Table 2.3: **Insurance Analysis**

Centre	Expected	Actual	Prepaid 2009	Differences	2006 & 2007 premiums
C01	35,000	33,000	0	2,000	3,000
C02	42,000	81,000	40,000	1,000	0
C08	50,000	69,000	19,000	0	0
C12	38,000	37,000	0	1,000	0
C06	48,000	48,000	1,000	1,000	0
FO1	47,000	51,000	5,000	1,000	1,000
C05	40,000	38,000	1,000	3,000	1,000
C04	41,000	44,000	5,000	2,000	0
C02M	27,000	23,000	0	4,000	1,000
C07	56,000	57,600	1,600	0	0
F02	25,000	21,000	0	4,000	0
C01M	27,000	30,000	6,000	3,000	1,000
C04m	73,500	70,500	0	3,000	25,500
C03	46,000	42,000	0	4,000	1,000
C11	55,000	51,500	2,500	6,000	0
C05M	45,000	41,000	0	4,000	1,000
C03M	48,000	45,000	3,000	6,000	0
C09	41,000	40,000	4,000	5,000	0
Staff	14,000	14,000	0	0	0
<i>Board</i>	4,000	4,000	0	0	0
<i>Belo</i>	519,000	523,000	11,000	7,000	9,000
<b>Total</b>	<b>1,321,500</b>	<b>1,363,600</b>	<b>99,100</b>	<b>57,000</b>	<b>43,500</b>

This year two hundred and eighty thousand was paid from insurance fund as funeral dues to seven families. Three out of the ten borrowers who died were not up to date with insurance premium and their family each lost the 40,000francs benefit. Perhaps the level of awareness of the importance of this fund is the reason for prepaid insurance premium of 99,100 francs. Borrowers who owed 2006, 2007 insurance premium made payments of 43,500 francs. The amount stated as expected from board members is limited to the number of board members who have indicated their intention to contribute to this fund.

## SAVING ANALYSIS

Saving by borrowers to services their future needs is encouraged. First and Second time borrowers make minimum saving of 100 francs per month while third time borrowers and beyond make minimum saving of 500 francs. Saving more than the minimum amount is also an option for the borrowers. This year all individual borrowers' savings earned motivation called annual encouragement. Annual encouragement is 5% per annum which is calculated and paid at the end of a loan term. Borrowers are at liberty to withdraw from savings without prior notice to meet up with daily family needs. Table 2.4 shows a summary individual financial transaction per center.

**Table 2.4: Borrowers Deposits and withdrawals**

Centre	Cumulative	Female	Males	%	Total withdrawals
	Deposits	2008	2008	Female Deposits	
	2008				
C01	2,275,050	1,547,395	727,655	68	1,741,635
C02	5,032,305	1,463,895	3,568,410	29	3,197,710
C08	1,401,065	1,057,815	343,250	75	1,049,080
C12	2,798,405	2,016,975	781,430	72	2,407,875
C06	2,973,425	2,388,100	585,325	80	2,096,640
F01	2,545,920	2,545,920	0	100	1,863,625
C05	4,485,370	3,096,690	1,388,680	69	3,700,420
C04	2,217,790	1,917,635	300,155	86	1,542,970
C02M	619,145	367,110	252,035	59	260,080
C07	3,031,360	2,335,440	695,920	77	1,996,710
F02	2,464,640	2,464,640	0	100	2,287,265
C01M	1,292,475	644,655	647,820	49	721,180
C04M	1,522,885	1,255,660	267,225	82	737,480
C03	1,548,140	1,477,810	70,330	95	1,205,860
C11	3,457,630	2,562,275	895,355	74	2,442,805
C05M	1,759,000	1,229,670	529,330	69	1,318,790
C03M	2,277,475	1,419,420	858,055	62	1,579,870
C09	2,603,490	1,225,090	1,378,400	47	2,059,620
Belo	5,525,410	4,093,690	1,431,720	74	2,522,920
<b>Total</b>	<b>49,830,980</b>	<b>35,109,885</b>	<b>14,721,095</b>	<b>72</b>	<b>34,732,535</b>

The cumulative total deposits include balance of deposits carried forward from 2007, deposits made in 2008 and annual encouragement earned on total deposits. Female made more savings than male borrowers. It has been observed that women use additional income for the benefit of the entire family and save for rainy days. Total withdrawal includes daily withdrawals and savings paid out at the end of a loan term.

**FIELD INCOME**

To sustain our revolving empowerment credit program, there are some minimal service charges and penalties for violation instituted as sources for internal fundraising in order not to over rely on external funding.

**Table 2.5: Field Income Analysis for 2008**

Centre	TC	CGC	Insurance	closing A/c	Training fees	Fines/ Penalties	unspeci income	sales forms	Total
C01	1,193,920	33650	30000	0	3,500	13,530	0	950	1,275,550
C02	1,355,765	46550	41,000	3,000	1,000	18,750	4,400	1,875	1,472,340
C08	244,375	54050	50,000	16,000	0	11,140	520	850	376,935
C12	755,705	40450	37,000	2,000	42,500	15,875	0	2,600	896,130
C06	1,384,315	49400	47,000	4,000	2,500	10,125	125	600	1,498,065
F01	1,508,725	48250	45,000	2,000	31,500	45,025	50	3,400	1,683,950
C05	1,048,185	43400	36,000	6,000	28,500	20,975	600	1,400	1,185,060
C04	574,370	44750	39,000	3,000	36,000	19,365	1,000	500	717,985
C02M	303,295	31200	22,000	0	39,000	4,400	0	250	400,145
C07	598,970	56850	56,000	7,000	34,000	6,930	65	2,050	761,865
F02	606,720	27400	21,000	3,000	21,500	59,050	10	500	739,180
C01M	210,050	26900	23,000	7,000	1,000	31,900	615	800	301,265
C04M	224,455	35400	45,000	11,000	0	15,040	655	1,500	333,050
C03	342,005	46450	41,000	10,000	11,000	21,375	0	2,645	474,475
C11	1,595,745	61400	49,000	3,000	14,500	44,800	1,325	1,200	1,770,970
C05M	827,255	46200	40,000	10,000	5,500	20,550	0	1,325	950,830
C03M	709,130	53300	42,000	3,000	26,825	14,150	5,265	2,775	856,445
C09	449,725	44100	36,000	1,000	10,000	12,350	0	725	553,900
Belo	1,717,000	443600	503,000	38,000	74,500	61,730	15	40,225	2,878,070
<b>Total</b>	<b>15,649,710</b>	<b>1,233,300</b>	<b>1,203,000</b>	<b>129,000</b>	<b>383,325</b>	<b>447,060</b>	<b>14,645</b>	<b>66,170</b>	<b>19,126,210</b>

Although these charges are too low as remarked by some partners, network organizations, community members and some of our supporters, we do not intend to displace our focus and the reason why this organization was created.

Table 2.5 above indicates the different rubrics of internal income sources which are:

**Thanks Charge (TC)**

Thanks charge is the service fees paid on Empowerment Credit (loan). At present this fee is set at a rate of 15% per annum that is 1.25% per month on the initial loan. To award hard work and encourage borrowers to save, borrowers' deposits earned 5% motivation called annual encouragement.

**Compulsory Group Contribution (CGC)**

Borrowers contribute twenty five (25) francs per week into this fund. This fund has multiple uses including funding community projects especially in communities where our borrowers reside.

**Training Fees**

Training fees is a minimal charge levy on borrowers attending some capacity/skill building trainings. It's true that the fee cannot cover the cost of these trainings but it serves as an indicator for various factors including clients' interest and commitment in wanting to acquire a given skill. The total training fees on table 2.5 above include fees for students from Universities and other programs coming to GHAPE for field experience.

**Fines and Penalties**

Strict discipline has been at the heart of our successful program. Violation of rules attracts fines and penalties. On table 2.5 above fines and penalties is a summation of various sanctions including: general fines, lateness, less than minimum, misplacing passbook, other fines and late payment of insurance and emergency fund. Some center with high amounts of fines and penalties could be rules abiding centers and not necessary troublesome centers and vice versa.

**Closing of Account**

Closing of account is a minimal administrative fee of one thousand francs (\$2.00) charged when a borrower leaves the program. This fee is only charge at discharge of borrowers. When client join the program they get everything virtually free.

**Sales of Forms**

To reproduce information sheets and forms printed material are minimally charged to cover production cost. The total for sales of Forms is constituted of sales of project-forms, EF-forms, financial sheets and calendars.

**Unspecified sources**

Total unspecified income is a summation of all monies that cannot be traced to précised/exact sources. This includes surpluses and deficits.

**ACCOUNT BALANCES**

Table 2.6 Outstanding Balances as of December 31, 2008

<b>Centre</b>	<b>Kiva Loans</b>	<b>GHAPE loans</b>	<b>Emerg. Fund Loans</b>	<b>Center Funds</b>	<b>ECB Deposits</b>
C01	6,438,725	1,557,660	15,000	204,150	533,415
C02	8,766,505	2,352,975	12,000	263,550	1,834,595
C08	1,590	344,530	39,900	70,000	351,985
C12	2,099,945	731,055	42,500	128,550	390,530
C06	6,782,790	1,082,260	15,000	66,400	876,785
F01	4,259,695	1,800,710	19,000	179,200	682,295
C05	2,924,605	1,468,140	0	248,300	784,950
C04	2,568,865	1,866,875	-750	94,900	674,820
C02M	2,716,285	1,210,695	18,500	8,900	359,065
C07	2,995,555	2,575,260	84,000	255,340	1,034,650
F02	1,324,400	808,820	35,015	1,750	177,375
C01M	2,494,030	670,530	39,500	200	571,295
C04M	1,079,965	1,434,190	60,000	4,700	785,405
C03	694,145	843,360	35,000	10,650	342,280
C11	2,773,560	2,199,220	5,000	99,500	1,014,825
C05M	558,500	457,350	54,000	13,500	440,210
C03M	1,691,410	1,746,140	69,300	104,100	697,605
C09	892,345	2,576,080	36,500	4,600	543,870
Belo	0	7,785,310	62,000	416,100	3,074,255
<b>Total</b>	<b>51,062,915</b>	<b>33,511,160</b>	<b>641,465</b>	<b>2,174,390</b>	<b>15,170,210</b>

The outstanding Loans are loan installments not due payment on the date of this report. Beside emergency fund all loans are repaid in fixed installments over an agreed period of time often 12, 18 and 24 months. Members are at liberty to repay more than calculated minimal fixed amounts.

Center Fund is money contributed by borrowers in a given center as first-aid resources to meet some of their urgent financial needs. Centers define fundraising sources and uses. Some of the uses of center funds include borrowing to members who do not have sufficient funds to cover minimum installment during a given center meeting, visiting bereaved and sick members. GHAPE offices provide safe-keeping services. Outstanding center fund is the amount of center money in GHAPE keeping.

ECB deposits are the total balance in GHAPE keeping and available to individual borrowers per center as of December 31, 2008.

**PART 3 - FINANCIAL STATEMENTS**

Figure 1: Income statement

Figure 2: Equity Account

Figure 3: Balance sheet

Figure 4: Cash flow statement

**PART 4 – PLANNED ACTIVITIES AND ESTIMATED BUDGET FOR 2009**

**PLANNED ACTIVITIES**

**Problem 1- INADEQUATE CREDIT FUNDS**

Inadequate credit funds are the lack of capital to disburse in a timely manner to borrowers who are already on the program and new eligible households that have indicated their intention to join the program.

***Goal***

To obtain US\$ 310,000 in additional funds

***Objectives***

- ✚ To provide credits to the existing borrowers
- ✚ To provide credits to at least 600 new households who have been on the queue

***Strategy***

- Write project proposals
- Identify new partners
- Joint networks
- Solicit donations and interest free loans from individuals and institutions
- Maintain internal fundraising sources

**Problem 2 – INSUFFICIENT FUNCTIONAL TRAINING FUNDS**

Insufficient functional training funds are the lack of training materials and facilitation fees when borrowers expressed capacity building needs within a reasonable time.

***Goal***

Acquired training materials, consultation and facilitation fees

***Objectives***

- ✚ To provide desired skills to new and old borrowers when needed
- ✚ To provide quality training by hiring/buying the services of experts

***Strategy/intervention***

- Solicit for donations in kind e.g. flip chart and cardboard papers, bold markers, overhead projector and experimental materials
- Solicit for donations in cash e.g. send out appeal letters, organize luncheon
- Provide opportunities for volunteer services to volunteers with required skills
- Encourage restitution amongst staff and borrowers and the use of nearby demonstration units

**Problem 3 – NO ACCOUNTING SOFT-WARE**

The lack of an adaptable an accounting software that will facilitate analysis of financial transactions and reduce manual computation of loan history

***Goal***

Purchased an accounting software

***Objectives***

- ✚ To sensitize stakeholders of the necessity and advantages of an accounting software

***Strategy***

- Solicit for donations from supporters of GHAPE
- Post this need on [www.ghape.org](http://www.ghape.org)

**Problem 4 - INADEQUATE OFFICE EQUIPMENT**

This is the lack of minimum work easing devices needed by staff daily to execute assignments, response to partners within reasonable time and provide borrowers with documentations and safe-keeping services of emergency funds and other petty cash.

***Goal***

Purchase eight computer, one photocopier and three money save

***Objectives***

- ✚ To sensitize stakeholders of the necessity and advantages of an accounting software

***Strategy***

- Lobby for donations in kind
- Solicit for donations in cash

**Problem 5 – LACK OF TRANSPORTATION MEANS**

This is the lack of adaptable transportation means by staff to reach geographical hard to reach communities and borrowers to transport their produce to the market.

***Goal***

Purchase one 4WD vehicle and five motorbikes

***Objectives***

- ✚ Provide transportation means for staff to reach geographical hard to reach communities
- ✚ Provide transport means for borrowers to transport produce to the market

***Strategy***

- Write project proposals
- Identify new partners
- Lobby for donations in kind
- Solicit for donations in cash

**Problem 6 – UNAUDITED ACCOUNTS**

This is financial inability to hire external auditors to audit the financial statements of the organization

***Goal***

Have audited financial statements

***Objectives***

- ✚ To have an audited Balance sheet and related statement of income, equity and cash flow for at least the past three years.
- ✚ To obtain management letter and an audit report

***Strategy***

- Lobby for donations in kind
- Solicit for donations in cash

**ESTIMATED BUDGET OF 2009 PRESSING NEEDS**

Table 4.1 Estimated Budgets of 2009 Pressing Needs

<b>Activities</b>	<b>Quantity/Unit Cost</b>	<b>Total Amount US\$</b>
Credit Funds	New Borrowers 600 x \$100 each Existing Borrowers 500 x \$500 each	310,000.00
Training funds	Center meetings 43x12sessions x \$20 Sundry trainings (lump-sum)	20,000.00
Accounting Software	New software 1 x \$3,000 each	3,000.00
Office equipment	Computers 8 x \$1,000 each Photocopier 1 x \$2,000 each Money Save 3 x \$2,500 each	17,500.00
Transportation means	Motorbikes 5 x \$900 4x4WD Vehicle 1 x \$30,000	34,500.00
External Auditors	Finances (lump-sum) Impact evaluation (lump-sum)	3,000.00
<b>Total Estimated Budget</b>		<b>US\$388,000</b>