

It is the aim of the following form to provide us with a comprehensive overview of the ongoing progress of your activities as well as your financial situation. We have realized over the past that every project or Partner MFI has a different working method. The following form is designed to address all kinds of different points – in order to meet the different situations of our partners. For this reason some points may not apply to your case. Please provide the information that is available to you leaving the other fields blank. Also, if any categories do not fit to your monitoring method, you may define your own more useful changing the definition of the table. Please mark these categories in a different color.

### 1. General Information

|  |  |
|--|--|
| Date of Report                           |  |
| Name of Organization                     |  |
| Project Name                             |  |
| Date of disbursement of Up's credit      |  |
| Duration of Up's credit                  |  |
| Amount of the credit                     |  |
| Name of Project Supervisor               |  |
| Complete address<br>(incl. Country Name) |  |
| Phone (incl. Country Code)               |  |
| Fax                                      |  |
| E-mail address                           |  |
| Website                                  |  |

### 2. Business plan and competition

If you already have a **Business plan** for the expansion of your activity in the next years, please attach it to this application.

|   | Competitor 1 | Competitor 2 | Competitor 3 |
|---|--------------|--------------|--------------|
| Who are your 3 main competitors on the market? (if any)                   |              |              |              |
| How many clients do they have?  |              |              |              |
| What is their position on the market? What kind of product do they offer? |              |              |              |
| What are the strengths of your competitors?                               |              |              |              |

### 3. Outreach & impact

This Information concerns the current activity of the organization.

|   | 2008 |
|---|------|
| Number of Personnel of the MFI for this Project   |      |
| Percentage of Women employed  |      |
| Number of loan officer  |      |
| <b>Loan</b>   |      |
| Monthly interest Rate   |      |
| Number of Active Borrowers  |      |
| Average Loan Balance per Borrower (US\$)  |      |
| Minimum Loan  |      |
| Average Loan Balance per Borrower/ GNI per Capita (%)   |      |
| <b>Savings</b>  |      |
| Number of Savers  |      |
| Average Savings Balance per Saver (US\$)  |      |
| Average Savings Balance per Saver/ GNI per Capita (%)   |      |
| <b>General information about the borrowers</b>  |      |
| Women Borrowers (%)   |      |
| Average size of the households of the borrowers   |      |
| Average age of borrowers  |      |
| % of clients living in Rural areas  |      |
| <b>Income of borrowers (you can also use your own more useful categories, please mark it in a different color)</b>      |      |
| Clients below poverty line (%)  |      |
| Clients in households earning less than US\$2/day per household member (%)  |      |
| Clients in households earning less than US\$1/day per household member (%)  |      |
| Clients starting micro-enterprise for the first time (%)  |      |
| <b>Activity of borrowers (You can also define your own more useful categories, please mark it in a different color)</b> |      |
| Handcraft/ Industry/ Production (%)   |      |
| Service and Trade (%)   |      |
| Agriculture (%)   |      |
| Animal Husbandry (%)  |      |
| Consumption (%)   |      |

#### 4. Social Impact

(You can also define your own more useful categories, please mark it in a different colour)

| <b>Impact on the clients income</b>                      | After the first credit  | After the second credit | After the third credit  |
|--|-------------------------|-------------------------|-------------------------|
| % of clients who increased their income                  |                         |                         |                         |
| Average growth of revenue of the clients (%)             |                         |                         |                         |
| <b>Impact on School enrolment of children</b>            | Before the first credit | After the first credit  | After the second credit |
| % of children in age of primary school visiting school   |                         |                         |                         |
| % of children in age of secondary school visiting school |                         |                         |                         |

#### 6. Funding Information

| <b>Funding Institution (Loans)</b> | Amount of the loan | Loan Duration | Interest Rate | Repayment date |
|------------------------------------|--------------------|---------------|---------------|----------------|
|                                    |                    |               |               |                |
|                                    |                    |               |               |                |
|                                    |                    |               |               |                |
|                                    |                    |               |               |                |
|                                    |                    |               |               |                |
|                                    |                    |               |               |                |

| <b>Funding Institution (Subsidies)</b> | Amount of Subsidies | Project duration | Advantage in nature (description) | Project duration |
|--|---------------------|------------------|-----------------------------------|------------------|
|  |                     |                  |                                   |                  |
|  |                     |                  |                                   |                  |
|  |                     |                  |                                   |                  |
|  |                     |                  |                                   |                  |

#### 5. Financial Information in US\$

This information concerns the whole activity of the NGO and is based on the financial statement. This information is exactly the same as on the website [www.mixmarket.org](http://www.mixmarket.org). For transparency and credibility, we friendly encourage you to complete this information directly on the website. In this case you do not have to complete the following table.

| Information available on <a href="http://www.mixmarket.org">www.mixmarket.org</a> ? | (yes/no)             |                      |                      |
|---|----------------------|----------------------|----------------------|
|   | 2008                 | 2007                 | 2006                 |
|   | Local currency / USD | Local currency / USD | Local currency / USD |
| Exchange rate used for conversion   |                      |                      |                      |

| <b>Balance Sheet</b>                     |             |             |             |  |
|--|-------------|-------------|-------------|--|
|  | <b>2008</b> | <b>2007</b> | <b>2006</b> |  |
| Gross loan portfolio (in US\$)           |             |             |             |  |
| Total assets (in US\$)                   |             |             |             |  |
| Savings (in US\$)                        |             |             |             |  |
| Total equity (in US\$)                   |             |             |             |  |
| <b>Financing Structure</b>               |             |             |             |  |
| Total equity / asset ratio (%)           |             |             |             |  |
| Debt / equity ratio (%)                  |             |             |             |  |
| Deposits to loans (%)                    |             |             |             |  |
| Deposits to total assets (%)             |             |             |             |  |
| Gross ILoan portfolio / total assets (%) |             |             |             |  |
| <b>Overall Financial Performance</b>     |             |             |             |  |
| Return on assets (%)                     |             |             |             | <b>Return on assets (ROA) =</b><br><i>(Net operating income – Taxes) / Average assets</i>  |
| Return on equity (%)                     |             |             |             | <b>Return on equity (ROE) =</b><br><i>(Net operating income – Taxes) / Average equity</i>  |
| Operational self-sufficiency (%)         |             |             |             | <b>Operational self-sufficiency =</b><br><i>Operating revenue / (financial expense+ loan-loss provision expense + operating expense)</i> |
| <b>Revenues</b>                          |             |             |             |  |
| Financial revenue ratio (%)              |             |             |             | <i>Financial revenue/ average total assets</i>   |
| Profit margin (%)                        |             |             |             | <i>Net operating income/ financial revenue (total)</i>   |
| <b>Expenses</b>                          |             |             |             |  |
| Total expense ratio (%)                  |             |             |             | <i>(Financial expense + loan loss provision expense + operating expense) / average total assets</i>                                      |
| Financial expense ratio (%)              |             |             |             | <i>Financial expense/ average total assets</i>   |
| Loan loss provision expense ratio (%)    |             |             |             | <i>Loan loss provision expense/ average total assets</i>   |
| Operating expense ratio (%)              |             |             |             | <i>Operating expense/ average total assets</i>   |
| <b>Efficiency</b>                        |             |             |             |  |
| Operating expense / loan portfolio (%)   |             |             |             | <i>Operating Expense / Period Average Gross Loan Portfolio</i>   |
| Cost per borrower                        |             |             |             | <i>Operating Expense/ Period Average Number of Active Borrowers</i>  |
| <b>Productivity</b>                      |             |             |             |  |
| Borrowers per staff member               |             |             |             | <i>Number of Active Borrowers / Number of Personnel</i>  |
| Savers per staff member                  |             |             |             | <i>Number of Voluntary Savers/ Number of Personnel</i>   |
| <b>Risk</b>                              |             |             |             |  |
| Portfolio at risk > 30 days ratio (%)    |             |             |             | <i>Portfolio at Risk &gt; 30 days/ Gross Loan Portfolio</i>  |

|                             |  |  |  |   |
|-----------------------------|--|--|--|---|
| Loan loss reserve ratio (%) |  |  |  | <i>Loan Loss Reserve/ Gross Loan Portfolio</i>                                  |
| Risk coverage ratio (%)     |  |  |  | <i>Loan Loss Reserve/ Portfolio at Risk &gt; 30 Days</i>                        |
| Write off ratio (%)         |  |  |  | <i>Write Offs for the 12-month period / Period Average Gross Loan Portfolio</i> |

## 6. Financial statements

Please attach the audited financial statements over the last 3 years.

|            |      |      |
|------------|------|------|
|            |      |      |
| 2008       | 2007 | 2006 |
|            |      |      |
| Audit Firm |      |      |
| 2008       | 2007 | 2006 |
|            |      |      |
|            |      |      |

## 7. Definition

Some terms and definitions from The Microfinance Consensus Guidelines (CGAP, The World Bank Group, 2003)

**Financial revenue\* from loan portfolio.** Revenue from interest earned, fees, and commissions (including late fees and penalties) on the gross loan portfolio only. This item includes not only interest paid in cash, but also interest accrued but not yet paid.

**Financial revenue\* from investments.** Revenue from interest, dividends, or other payments generated by financial assets other than the gross loan portfolio, such as interest-bearing deposits, certificates of deposit, and treasury obligations. This includes not only interest paid in cash, but also interest accrued but not yet paid.

**(Total) Financial revenue.\*** Includes I1 and I2—revenue generated from both the gross loan portfolio and investments.

**Interest and fee expense on funding liabilities.** All interest fees, and commissions incurred on deposit accounts of clients held by an MFI, as well as commercial or concessionary borrowings by an MFI that are used to fund all financial assets. It generally does not include interest expense on liabilities that fund fixed assets, such as mortgage or leasing interest. It includes accruals as well as cash payments.

**Financial expense.** All interest, fees, and commissions incurred on all liabilities (B14), including deposit accounts of clients held by an MFI (B11), commercial and concessionary borrowings (B12, B13), mortgages, and other liabilities. It may also include facility fees for credit lines. It includes accrued interest as well as cash payment of interest.

**Loan-loss provision expense.** A non-cash expense that is used to create or increase the loan-loss allowance (B5) on the balance sheet. The expense is calculated as a percentage of the value of the gross loan portfolio that is at risk of default. Usage of the terms “provision,” “allowance,” and “reserve” can be inconsistent and confusing. “Provision” and “allowance” are sometimes used to refer to the negative asset account on the balance sheet that is deducted from gross loan portfolio to calculate net loan portfolio; however, these same terms are sometimes used to refer to the associated expense on the income statement. To minimize confusion, it is suggested that the word “expense” always be included when referring to a charge for doubtful loans on the income statement. “Reserve” is sometimes used to refer to a negative asset account on the balance sheet that is offset against loan portfolio, but International Accounting Standards uses this term exclusively for equity-account items, such as appropriations of retained earnings or capital maintenance adjustments.

**(Total) Operating revenue.\*** Includes all financial revenue (I3) and other operating revenue. Other operating revenue is that which is generated from other financial services, such as fees and commissions for non-credit financial services that are not considered financial revenue. This item may include revenues linked with lending, such as membership fees, ATM card fees, transfer fees, or other financial services, such as payment services or insurance. Operating revenue may include net foreign currency gains/losses. (See section III for more information on recording this revenue.) Operating revenue does not include donations or any revenue that is not generated from an MFI core business of making loans and providing financial services, such as merchandise sales (see I12). However, if an MFI views training as an integral element of the financial service it provides, then training revenue would be included in operating revenue.

**Personnel expense.** Includes staff salaries, bonuses, and benefits, as well as employment taxes incurred by an MFI. It is also referred to as *salaries and benefits* or *staff expense*. It may also include the costs of recruitment and/or initial orientation. It does not include ongoing or specialized training for existing employees, which is an administrative expense.

**Administrative expense.** Non-financial expenses directly related to the provision of financial services or other services that form an integral part of an MFI financial services relationship with its clients. Examples include depreciation, rent, utilities, supplies, advertising, transportation, communications, and consulting fees. It does not include taxes on employees, revenues, or profits, but may include taxes on transactions and purchases, such as value-added taxes.

**(Total) Operating expense.** Includes personnel expense (I8) and administrative expense (I9), but excludes financial expense (I5) and loan-loss provision expense (I6). It does not include expense linked to non-financial services (see I13). The authors recognize that it is common to refer to the sum of all expenses from operations (i.e., financial and loan-loss provision expenses) in the definition of this term, just as operating revenue includes all revenue from operations. However, the definition proposed here corresponds with the most common usage in banking.

**Net operating income.** Total operating revenue (I7) less all expenses related to the MFI core financial service operations, including total operating expense (I10), financial expense (I5), and loan-loss provision expense (I6). It does not include donations or revenue expenses from non-financial services. Many MFIs choose not to deduct taxes on revenues or profits from net operating income; rather, the latter are included as a separate category (I14). MFIs are encouraged to indicate if taxes are included in this account.

**Non-operating revenue.\*** All revenue not directly related to core microfinance operations, such as revenue from business development services, training, or the sale of merchandise. Donations and revenues from grants may also be considered non-operating revenue, but it is recommended that they be included in their own account. It is strongly recommended that MFIs with significant non-operating revenue or expenses produce a segmented income statement, organized to show net operating income (I11), net non-operating income (I12-I13), and consolidated net income. At a minimum, MFIs should provide a footnote detailing non-operating revenue if it is significant.

**Non-operating expense.** All expenses not directly related to the core microfinance operation, such as the cost of providing business development services or training (unless an MFI includes training as a requirement for receiving loans). This may also include extraordinary expenses, which are one-time expenses incurred by an MFI that are not likely to be repeated in coming years. When MFIs have significant non-financial programs, it is common to use segment reporting (if possible) or, at a minimum, to provide a footnote detailing non-operating expenses if they are significant.

**Taxes.** Includes all taxes paid on net income or other measure of profits as defined by local tax authorities. This item may also include any revenue tax. It excludes taxes related to employment of personnel, financial transactions, fixed-asset purchases, or other value-added taxes (which should be included in operating expense [I10]).

**Net income.** Total revenue less total expenses, operating and non-operating, including all donations and taxes, if any. Some MFIs prefer to present net income before donations and taxes. If so, the MFI should label it as such (e.g., *net income before donations*).