

MICROLEND AUSTRALIA LTD

2023 ANNUAL REPORT



MICROLEND AUSTRALIA LTD.

ABN: 25 166 836 415

P: 02 4627 5191

A: Shop 16, 185 Airs Rd Leumeah, NSW, 2560 Australia

E: microlend.australia@gmail.com

W: www.microlendaustralia.com.au



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Cover: *Microlend Australia regularly undertakes business training and mentoring to assist loan recipients become self-sustaining. By managing their own funds in a successful project enterprise, it helps ensure the repayment of loans for ongoing microloans within their local community.*

ABOUT MICROLEND AUSTRALIA

Our aim is to glorify God by empowering people to break free from the cycle of poverty. We do this by assisting the poor and impoverished to set up various business enterprises so that they can enjoy basic human rights, a reasonable living standard, and become self-sustaining. In 2011 Ralf and Anne Schroers established a partnership with the primary aim of helping eradicate world poverty after having sold their business after 31 years in the financial planning industry.

In November 2013, Ralf & Anne expanded their operations by forming a registered not-for-profit organisation called Microlend Australia Ltd. Microlend Australia continues the aim of eradicating world poverty, however it plans to expand these charitable activities both nationally and internationally by forming microfinance branches throughout Australia and the rest of the western world. The idea is to seek like-minded individuals who wish to form a microfinance branch to conduct similar microfinance activities in developing nations.

Microlend Australia and its branches' activities include:

- 1) Fundraising and obtaining donations by:
 - a. Hosting charity events (e.g., gala dinners)
 - b. Marketing and promotion of the charity supported by fundraising-focused services technologies (see below)
 - c. Private donations and corporate partner sponsorship
 - d. Commercial investments and business enterprises to generate income.
- 2) Providing these funds to the needy on a microfinance basis
- 3) Monitoring of the loan and business activities and providing ongoing support.



The types of businesses we try to help – Basket Weaver - Ethiopia

MESSAGE FROM THE BOARD

Microlend Australia C.E.O. Report

The 2022-23 year has been both a successful year, as well as a year involving a great setback towards our aspirations.

The year has continued to see us grow the number of projects lifting people out of poverty, achieve beautiful results from some of our overseas centres (see Feedback from our Partners later on in this Report), together with some challenges in other sites. As such, I am able to provide you with an Annual Report full of continued optimism and promise for the coming years. I can also re-affirm that Microlend Australia is continuing to develop and remains focused on being one of the driving forces towards ending poverty around the world through empowerment.

Sadly, we also have had a major setback with our own internal Capital investments program within Australia. One of our projects was the development of a coffee shop and medical practice in a property in Wollongong. The developer for this construction, Kingdom Property Developments unfortunately went into liquidation taking down our investment with them. For more details, please refer to the Financial Sustainability and Balance Sheet section of this Report.

As in the past, this Report will provide information about our organisation as measured against our six key performance indicators. We will also continue to provide you with a clear understanding of Microlend Australia's vision, and ongoing strategy towards the alleviation of world poverty.

1) Financial Sustainability

Microlend Australia's main strategy continues to ensure its ongoing financial viability, not just for this financial year but also into the future. To achieve this, Microlend Australia has implemented a business model that not only provides funding towards empowering the poor, but also provides a sustainable source of revenue for itself.

As in previous years, this sustainable model is made up of:

- Further funding small business and capital works programs among the poor that will provide them with a source of ongoing revenue and empowerment.
- The development of an ongoing platform for fundraising and awareness to the public
- A platform of self-empowerment through the creation of ongoing income streams owned by Microlend Australia
- The implementation of good management and loan monitoring protocols regarding the finances issued to overseas microfinance locations.

Our results for the 2022-23 financial year are as follows:

- Our goal was to create one new local branch for the 2022/23 year. Whilst we did not establish any new branches in the 2022/23 year, we are however in the process of establishing two new branches in early of the 2023/24 year, these being the re-establishment of the Microlend Sydney CBD Branch as well as the new Microlend Western Sydney Branch. The new Microlend Sydney CBD team wants to focus its efforts on our projects in Harare, Zimbabwe. The Microlend Western Sydney team wants to create a new overseas centre in Addis Ababa, Ethiopia.
- Another of our goals was to raise \$20,000.00 through our Branches. For 2022-23 the Microlend Narellan & Microlend Five Dock Branches raised at total of just under \$29,000.00 from its annual fundraising dinner. We want to congratulate their efforts for this good result. Our Microlend Tamworth Branch ran no fundraising events.



- Another performance goal we have addressed for 2023 was the management of loan arrears at the overseas sites we sponsor. To do this we have created the use of a note / comments section within our Xero accounting system. This is where the Overseas Co-ordinators can comment on poorly performing loans and the circumstances surrounding this issue. By then discussing and searching for suitable solutions we are hoping to reduce the incidence of loan arrears. Note that this still needs further development as only one of the current existing overseas centres has adopted this measure at this stage. Probably the main issue is that we still lack resources to fully police this process. To solve this problem Microlend Australia will need more account manager volunteers.
- One of our major goals is to enhance corporate sponsorships. Microlend Australia currently has two corporate sponsors, however, to fully grow our capacity to help the poor, we believe that this effort needs to be expanded. Indeed, Microlend Australia has worked extensively in this area by developing a marketing arm called Povertybusters. We have also developed a corporate sponsorship powerpoint and are in the process of developing a corporate marketing video. You will see more information regarding this in the 2023/24 Annual Report.

- In regard to our goal of promoting direct giving options, we have enhanced our proposition by adding a Povertybusters website. We have also expanded our giving options to include a regular payment option, both under our Microlend Website as well as the Povertybusters website. For those people who also may like to consider giving a bequest to Microlend, we have provided an enabling facility to be able to implement such an option. We also had a positive result from an E.O.F.Y. fund raising appeal.

Our primary driver of course continues to be the alleviation of poverty among the poor. Our primary measure towards this is tracking the number of new businesses established throughout the year. In 2022-23 we were able to create **147** new businesses among impoverished communities bringing the total number of microfinance businesses to **1,927**.

In the 2022-23 financial year, Microlend Australia received \$270,139.42 from the principals and volunteers of Microlend Australia as contributions. We wish to express our thanks to all the volunteers who gave so generously.

Of the \$383,271.70 received in total donations, \$110,026.00 was sent overseas to establish microfinance businesses. As in previous years, it is important to note that **100% of the funds received from public donations** were put towards overseas microfinance businesses. In addition, a portion of contributions received from the principals and volunteers were used for this purpose as well, whilst the remainder was used to either retire debt, or expand our local investment program to generate more income into the future.

Microlend Australia continues to grow its own internal investment assets (despite our recent losses) with the view that into the future, our organisation can achieve its own independent source of income. Apart from using these contributions for funding microfinance projects and meeting operating expenses, we also repaid some of Microlend Australia's debt.

Consequently, our assets now stand at \$1,538,040.04 (after our capital loss due to the Kingdom Development write downs) with an associated debt of \$1,298,049.85. For full details of Microlend Australia Ltd.'s financial position, please refer to the Profit and Loss Statement and Balance Sheet at the back of this Report.

As you can see, there is a great reduction in the amount of assets Microlend Australia now holds due to the loss of the coffee shop and a medical centre development. This does not however end Microlend Australia dream to one day have enough income in its own right, to meet all future administration and general running expenses. Microlend Australia management team are still determined to attain this goal. The loss incurred is simply delaying the day when Microlend Australia will become financially independent. Note also, that it is the intention of the CEO, Ralf Schroers to oversee and administer a plan to gradually repay the entire existing current debt owed by Microlend Australia. This debt relates exclusively to additional pool of contributed funds provided by principals and volunteers and has no impact whatsoever on the public donations used for overseas projects.

2) Governance

As in previous years, Microlend Australia continues to meet Australian and international compliance requirements. This means that we:

- Maintain operational standards required by the Australian Charities and Not-For-Profit Commission (ACNC) and the Institute of Community Directors of Australia (ICDA)
- Maintain a professionally competent Board of Directors
- Continue understanding and responding to evolving government frameworks within host countries as well as responding to initiatives planned to highlight issues of poverty around the world. eg - 'U.N. World Eradication of Poverty Day'.

Our local governance requirements continue to be maintained through:

- Ongoing maintenance of our operations manual and its policies and procedures. This manual really is a 'living document' in the sense that it is continually updated as and when changes occur. This is available to other Branches in our network through Google Drive.
- As mentioned before, we have also implemented internet-based Management system called Jira for our volunteers. This includes the implementation and continued development of our strategic plan, tracks our team activities, as well as enables us to report to our Board and create our Annual Report.
- We also continue to professional accreditation with the ICDA
- Our goal is to ensure there is appropriate recognition of the accreditation protocols of our overseas partners. Every proposed overseas site is required to provide us with the appropriate registration as a 'not for profit' NGO or charity as well as a separate bank account for our microfinance activities. Note that we do not own any of the overseas sites, rather we have entered into partnership agreements / memorandum of understandings with each site.

***One of the beautiful businesses we helped fund –
Water Purification Plant - Kenya***



3) Project Focus

Microlend Australia continuously monitors its projects to ensure their viability and make sure they meet identified needs of the communities in which they operate. We confirm this by:

- Australian activities. The CEO of Microlend Australia, Ralf Schroers continues to provide free financial counselling to the local population in the Camden, MacArthur, Campbelltown area.

Microlend Australia is however very conscious that it currently does not have a representation among the poor in Australia. As such Microlend Australia would love to have a microfinance style presence here with the Aboriginal community being an ideal possible outlet. Hence one of our aims last year was to seek a partner with an indigenous centre here in Australia. This project for the moment has been put on hold as the volunteer within our organisation that was driving this project is no longer with us. However, we look forward to the day such an outlet will become a possibility. One additional hurdle that Microlend Australia will have is that this program would require Government assistance in terms of the fund raising as the costs of establishing such a centre here in Australia would be considerably larger than the standard microfinance operations overseas.
- Ghana – In June 2023 we visited Ghana and seen the various possible projects that would be possible under the new Ghanaian microfinance centres. Microlend Australia is waiting for the first few proposals to come through. The main people for providing these proposals are the administration of - iCare Ghana. Note that the capital project, being a palm oil production factory, has already been added to iCare Ghana. This project however is in urgent need of repairs and upgrade.
- Ethiopia – We visited this organisation in May 2023. The overseas entity running the program is the New Hope Group. New Hope is an existing Not for Profit group that already uses self-empowerment (microfinance) type strategies to help the poor. Microlend Australia's task is to provide the New Hope Group with a capital project (ie. larger style business) that is directly owned by New Hope in order to provide that group with a permanent income. The proposed project is to purchase a block of land and then build a supermarket. There are some major financial structural issues that need to be resolved before this project may become a reality.
- We continue looking for further potential projects around the world. Currently we are looking at a second potential site in Ethiopia. More news on this in our next Annual Report.
- Microlend Australia continues to monitor and vet new business proposals to check for their viability. Each overseas organisation provides Microlend Australia Head Office with every business proposal for our perusal.

- With regards to ongoing training, mentoring and support to our project partners, we have a compact, but comprehensive, suite of training material that enables potential business owners and entrepreneurs to create and run their small businesses. Indeed, we have extended this training program by offering an additional module in the training section of our website to include a community development program. All our materials are simple to understand, can be implemented with ease, and ensure that even those with low literacy levels are able to run their small enterprises. Our material is freely available to any member of the public via the Microlend Australia website (microlendaustralia.com.au). The material is also available in several languages.

4) Information and Knowledge Sharing

Microlend Australia continues to offer its expertise to its operational partners and small business owners to achieve empowerment through self-sufficiency. Indeed, we are proud to announce that several charities within Australia have adopted or included all or part of our programs.

As mentioned, we make all of our training material and knowledge freely available to local (Australian) individuals, organisations and charities. Interestingly, we have found that many individuals even here in Australia use our business modelling program to check the viability of their own businesses and personal finances.

Last year saw the expansion of our service offering within our resources section of the addition of a Community Development Program on our website. Material of this community development program was kindly provided to us through another local charity, called CDP (Community Development Program). This program offers several work modules to help communities in developing their own poverty alleviation programs and can be used as a precursor to Microlend Australia offering a microfinance program to help increase self-empowerment. One of the goals we still have in this area is to provide this program in a video format. Doing this will greatly assist overseas volunteers / co-ordinators in introducing this program among their community.

Microlend Australia continues to develop our website and social media channels, although a marketing manager vacancy still exists. We are enriching the Microlend Australia website with regular updates on past and current projects and sharing inspirational success stories. We have also created a Povertybusters website, specifically designed to be our marketing arm for interaction with our community. Please go and check us out at www.povertybuster.org. We would love to get your feedback. We also encourage you to continue to visit our website and Facebook for the latest updates. We have also continued to enhance our network channels through branch meetings, media outlets such as community radios and our online presence.

Microlend Australia continues to maintain and watch industry sector movements, such as the World Bank and the United Nations' sustainable development goals. There is significant focus on these goals being driven by progressive governments around the world as they try and tackle critical sustainability issues by 2030.

We have also developed a corporate presentation program. If anyone has a potential corporate entity that might like to partner with us, all you need to do is provide us with a name and contact details. We look forward to hearing from you.

In summary we hope to:

- Continue to provide a comprehensive training and support system to our partners.
- Develop strategic ties with federal, state and international peer organisations.
- Market and promote microfinance type strategies as a way of eliminating poverty.



***Another of the wonderful businesses we helped fund –
Rural Farmer - Tanzania***

5) People and Capabilities

Throughout the 2022-23 financial year, Microlend Australia saw a reduction in its volunteer base by having lost a Head Office administrative volunteer, and a marketing volunteer. Both are sadly missed as they went on to salaried positions in their respective industries. We want to thank them for the wonderful service they provided.

This has now left us with a large gap in our administrative capacity that we aim to fill in the 2023-24 year. Any volunteers that have a heart towards ending world poverty are welcome to apply with us.

2022-23 also saw the closure of our Microlend Hunter Valley and Sydney CBD Branches. We do however have some excellent news in this area:

- We have now found some new volunteers and are in the process of reviving the Microlend Sydney CBD Branch. They want to focus on helping the Living Word Ministry centre and Harare Zimbabwe

- we are also developing a Microlend Western Sydney Branch that is looking at helping people in Ethiopia.
- We also still need more volunteer account managers to review our overseas microfinance partners and more volunteers among our Branches with both the Microlend Narellan and Microlend Five Dock team requiring a Branch President.

In May and June of 2023 Microlend Australia visited two sites in Zimbabwe, both our sites in Kenya, our new site in Ghana, our Ugandan and Tanzanian sites as well as Rwanda. The visits were used to review their current financial situation, compliance, visiting existing businesses and providing training and encouragement.

In the last financial year, we also wanted to develop a separate marketing arm including its own logo, website and social media presence. We are pleased to announce that this is now a reality. We have called this website Poverty Busters. Giving the site such a name should not leave anyone in doubt as to what we are about!

To aid our Povertybusters program we have also updated and improved our Facebook, YouTube, and LinkedIn presence.

We have also created a corporate marketing campaign that incorporates the Povertybusters name. There is still some work to be done on this part with the creation of a corporate video presentation. We hope that this part will be completed in the first half of the 2023/24 financial year.

Microlend Australia continues to develop an investments strategy directly owned by Microlend Australia. Despite the major setback mentioned earlier, we are however continuing with all our other property developments located in Lang Road, Casula (approximately 20% ownership) and 183 Airds Rd, Leumeah (one third ownership). We can offer some reassurance that Microlend Australia actually has direct control of the finances in these projects (unlike with Kingdom Developments) and that both of these projects are in a good financial position. Both sites have obtained their Construction certificate in recent months and construction is due to commence in December or early next calendar year. The Lang Rd site in Casula comprises of a series of Townhouses out of which we hope to be able to retain two of them.

With regards to the 183 Airds Road site, we hope that this will house our new Microlend Australia Headquarters as well as a one-third ownership stake in a daycare centre. The remaining units in the development are planned to be sold. This day care centre should generate an independent income for the organisation.

6) Quality, Measurement and improvement

As in previous years, the above-mentioned targets and outcomes must align with international sustainable development goals. To accomplish this, we have continued as our core strategy:

Our human rights-based approach and sustainable development

- Microlend Australia continues to incorporate SDG and human rights practices into our organisation. We have included this into our Code of Conduct, our operations manual and day to day activities. We also require that any partnership we have with our overseas sites also adheres to these practices. This is reinforced via our partnership agreements with them. Also, our training material incorporates this into their modules.
- Due to our implementation of a cloud-based accounting system, we have a reliable quantitative information and looking forward to expanding this system with more qualitative input.

Our Performance and review System

Microlend Australia uses an online management program called Jira. The advantages of using such a system is that it can be used from anywhere provided you have access to the internet. It also provides a disciplined way of recording our activities which then can be reviewed on regular basis. Indeed, large sections of our Annual Report were created from information within our Jira management system.

Conclusion

Microlend Australia continues to grow in its undertaking towards alleviating world poverty. I trust that the above Report will encourage you to participate in our quest. I'm sure you can see that the process is not without its trials and tribulations, but the final goal is definitely one that all of humanity should seek as a goal. All that is left is that more and more people will want to join in our efforts.

I wish to take this opportunity to thank all of our current donors and corporate supporters for having participated in our cause.

Finally, my wife, Annie and I would like to thank all our members and volunteers. Without their contribution and support this would not be possible. Thank you for a wonderful job done!

Ralf Schroers

President & CEO - Microlend Australia



BRANCH REPORT

Microlend Australia – Five Dock /Narellan Branch

From 1 July 2022, the Five Dock team was combined with the Narellan team to work together for the Charity Dinner; that is held once a year in March. We made the decision to not proceed with the August Dinners'.

On 18 March 2023, 79 people including children attended and we raised \$17,615. Everyone enjoyed a Buffet style meal at the Canada Bay Club.

Coffee shop in Cambodia

In September 2022, PPC Cambodia asked if the Microlend Five Dock group would be willing to donate US \$5000 for a Coffee Shop-on-wheels. The Five Dock Group agreed. The Coffee Shop in Cambodia is up and running – and though not profitable yet, they are making up to 18 cups per day. They are setting a goal of 30 per day.

Update on Microlend Five Dock programs

In June 2023, Ralf went to Africa, visiting Zimbabwe, Ghana, Tanzania, Kenya, Ethiopia, and Uganda. Ralf and Luke carried 5 computers with them, to give a computer, to each Site.

Kenya

We have given \$20k, and this has been used to establish 32 Businesses. Wendy has been in touch with Pastor Christopher who has not received many Loan Repayments this year. There are many reasons for this, and we are working hard to address the situation. Training has been good, but the ethics is poor. The people acknowledge that they owe money but are trapped in difficult circumstances and are unable to pay it back. The 'need' is great but as yet, none of the repayments have been paid. There are 22 outstanding Loans.

Ralf visited this site during his trip to Africa in 2023 and saw Pastor Christopher with Coordinator Tim. The goal is to help to build a Church – it currently doesn't have walls, only shelter.

Wendy donated \$1000 to buy 2 computers for Pastor Christopher,

Zimbabwe

Harare

This site needs a Capital Project to work on.

They already have a secondary school that has 49 students, but it has capacity for 120 students. On one side of the land stands the Primary School, and the Secondary School is on the other side. Students learn English, they teach Computer class, and they hope to establish a Chemistry/Science class as well. Their biggest problems is transport, and the dream is to obtain 2 tricycles. This project would cost US\$20,000.

Bulawayo

Joyce (our Coordinator) also runs a Supermarket which was recently upgraded and renovated with a US\$35,000 investment. It now shows a profit of US\$15,000. The next goal is to buy 2 acres and buy some cattle as a capital project. We would also like to support Joyce with one of the acres of land.

Gokwe

They have started over 100 Businesses there.

This site was visited by Ralf as Pastor Sally, Trustee of the Board just donates the money to the needy – not getting the people to do Loans. Informed the Board if the Loan Repayments don't start then we will be unable to continue to issue further funds.

Some money was given for planting trees, but as yet, not one tree has been planted! There's little integrity in Money handling. e.

Ethiopia

This site is primarily run by Canadians. The Real Estate there is very expensive. Labour however is quite cheap, and the hope is to buy a block of land, put a supermarket on it so that the capital project can keep funding itself and the people can become independent in Bahir Dar.

Ghana

Luke was with Ralf, when visiting Bishop Richards site in Aqua – this needs to be refurbished (US\$25000.) 50 women work out in the sun, no shelter. They're not treated badly. They had 1 tricycle which pulls the cart, they need 10 but 4 or 5 would do. We have the money and are currently waiting for them to bring up the Proposals. There's a slab of concrete with a machine on it, to crush the Palm Oil plants. When it was raining so hard that it started to flood, we had to build a levy to help stop the whole area from flooding.

Philippines

Ralf also visited to the Philippines in May 2023.

In the New Financial Year, Five Dock will discuss which Country will become our next Charity.

Our Director, Annie, with some of the local children in the Philippines



FEEDBACK FROM OUR PARTNERS

Agricultural Business - Uganda

This is Walyawula, one of our beneficiaries from the lakeside district of Namayingo, some hours drive away from Tororo. He received an initial loan and started a hawk business. With the profits, he bought some chickens, then later on exchanged some chickens for goats - and then from goats he now has a cow which he milks - some of which he sells - and some is for family consumption.



He is so appreciative of your support. He says that many people in nearby communities can fight poverty if we resource them. He still has some chickens, and his children can now have an egg once in a while. Formerly, he was a fisherman amongst the papyrus where he survived twice being caught by crocodiles.

Street Food – Uganda



Stella is from Tororo and is the first woman to start chicken roasting on the street. Stella was abandoned by her husband leaving with her with all the children to care for, educate and pay rent.

She initially came for a small loan to start a business – primarily just for survival !! But now, she is happy that things have progressed to the stage where she is also able to send her children to school, as well as pay the house rent. Stella is hoping to continue to grow and develop her business further.

Water Purification - Kenya

This is Eunice, who had a modest 'water purification' setup supplying people in her local area. It was always breaking down and drastically needed upgrading if she was to continue. Access to clean drinking water is a major health and environmental issue, so an effective system would not only improve the quality of life in the area, but also provide Eunice and her family with a sustainable income. She has now successfully received and repaid two loans and is selling water faster than she can clean it.



Basket Weaving Cooperative - Ethiopia



This lady is one of many who have joined together to form a 'community savings cooperative' to help each other generate resourcing and business opportunities for their local community. Her job is making baskets which are very much in demand. Each basket takes around a week to make. Unfortunately, the hut she occupies with her family is not hers – she is renting it – and the cost of the rent takes up one quarter of the income earned from selling her baskets.

Rural Farming - Tanzania

Yahu received a grant to purchase a small block of land to grow potatoes. Fortunately, the land was extremely fertile and rich, so he was able to make profits very quickly. Having repaid his loan, he sought further assistance to grow other aspects of the farm to meet local needs. He is now independent and has direct his profits to purchasing some cows for milking and is developing other crops for sale in the local markets. In addition, he has managed to build himself a decent house to live in for the first time in his life.



I.T. Business - Zimbabwe



Shadrack was a student in the very first microfinance class run in Harare in 2015. Since coming to learn and understand about business principles during this class, he has gone on to setup and run a successful I.T. shop. The initial loan was enough to establish his business securely with premises and stock, and his drive and energy turned it into a profitable venture.

He now has moved on to recently gain a position working for a microbank in Zimbabwe and has turned the running of the I.T. shop over to members of his family. He hopes it will be a business for his son one day into the future.

Proposed Projects for 2024

For the first time in our Annual Report, we are providing you with a summary of some of the projects we are aiming to support in the 2024 annual year.

If you are interested in supporting some of these projects, please get back to us on microlend.australia@gmail.com or phone us on 02 4627 5191.

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| Microfinance funding - Ghana - repair to existing Oil Press plant US\$15000.00 plus new (as yet unspecified) microfinance projects US 20000 | \$54,000.00 | 7.96% |
| Microfinance Funding - Ethiopia - Commercial land, building plus supermarket - US 75000.00 | \$115,000.00 | 16.96% |
| Microfinance funding - Cambodia - PPC - Van / bus US15480 | \$23,800.00 | 3.51% |
| Microfinance funding - Philippines - Cebu - Abrahams furniture project PHP 132500 | \$3,785.00 | 0.56% |
| Microfinance Funding - Tanzania - Emmanuel - Selling Groundnuts Rwf 2,730,000, Joyce - purchase of 2 cows + shed Rwf 4,200,000, Julian - purchase of 2 cows Tzs 2.500,000, Leonarda - Stationery business Tzs 4,820,000, Lillian - Food grocery wholesaler Tzs 8,850,000, Lucia - Grocery shop Tzs 3,730,000, Vaileth - Pig farm expansion TZS 4,690,000 | \$19,500.00 | 2.88% |
| Microfinance Funding - Kenya - Kings Simbachai new (as yet unspecified) microfinance projects | \$20,000.00 | 2.95% |
| Microfinance Funding - Kenya - Doors of Hope Medical Center AUS\$90000, Water Purification plant AUS\$15000, new (as yet unspecified) microfinance projects \$20000, | \$125,000.00 | 18.43% |
| Microfinance Funding - Mongolia - Windows of Hope | \$0.00 | 0.00% |

| | | |
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| Microfinance Funding - Pakistan - 1 To Another - ongoing funding for eye hospital | \$4,000.00 | 0.59% |
| Microfinance Funding - Rwanda - All Trust - Coffee shop - Sava Dainties - RWF 8,050,000 | \$10,400.00 | 1.53% |
| Microfinance Funding - Uganda - Heartfelt Hope - Commercial Property - Supermarket? US \$40000, 25 small projects - including Casava, charcoal, rice, general store, hardware, health store, general retail, poultry, eggs, fish, Maize Totalling UGX \$ 72,439,500 | \$91,750.00 | 13.53% |
| Microfinance Funding - Zimbabwe - Bulawayo - 2nd Supermarket US \$40000 but largely self-funded. Toilets and storage shed to first Supermarket | \$27,500.00 | 4.05% |
| Microfinance Funding - Zimbabwe - Alfa Ministries - funding for Ruth Pasi foundation for life projects Bindura Project - Chicken project US \$ 1300, Chivero project US \$1300, Seke project US 1300, Knit for life project US\$ 3000 | \$11,500.00 | 1.70% |
| Microfinance Funding - Zimbabwe - Living word Ministries building of school science blg US\$18457, Completion of Computer classroom US\$5160, purchase of add Land US\$5000, 2 motortricycle buses US\$5900.00, Merina School wear shop US\$2990, Nyasha Uniform US \$2700, Norman Butchery US\$3280, Leonard Stationery US\$ 1860, Chenai Egg Layers US \$2770, Building of health center US\$40000 | \$150,000.00 | 22.12% |
| Microfinance Funding - Zimbabwe - Windows of Hope - as yet unspecified project | \$2,000.00 | 0.29% |
| Microfinance funding - PNG - United Church South Lai Dev Fund new (as yet unspecified) microfinance projects | \$20,000.00 | 2.95% |
| Other | \$0.00 | 0.00% |
| Total proposed projects | \$678,235.00 | 100.00% |

Microlend Australia Ltd's Future Independence

Our 'BIG DREAM' for Microlend Australia

As mentioned before, our aim is to glorify God by empowering people to break free from the cycle of poverty. We do this by assisting the poor and impoverished to set up various business enterprises so that they can enjoy basic human rights, a reasonable living standard, and become self-sustaining.

Our dreams are to be able to fulfil this goal, not just for next year, but also long into the future.

Currently we tell our overseas beneficiaries that they need to become self-empowered and self-sufficient. We also have a structure in place to make the overseas centres independent of Microlend Australia as well. Hence, we believe that it is hypocritical if we do not also adopt this same structure for ourselves here in Australia.

That is, Microlend Australia Ltd needs to ensure that it is able to sustain itself on an independent basis. Currently Microlend Australia is largely still dependent on its volunteers (over 70% dependence) and its donors. Indeed, all of the administrative costs are absorbed by the volunteers as well as a large amount of the overseas funding. It is this issue that Microlend Australia wants to change.

Making Microlend Australia Ltd become self-sufficient and financially independent will:

- Ensure the ongoing viability of the charity long after the original founders are gone.
- Ensure that Microlend Australia is able to absorb all of its administration costs from its own capital Investment portfolio.
- Ensure that Microlend Australia is to grow and can support any salaries paid to future staff. (Note, at this time, Microlend cannot even afford to pay one staff)
- Ensure that 100% of public donation continue to go towards helping the poor overseas.

To achieve this goal, we have undertaken the following programs:

| Current investment program | Funds Raised | Funds still required |
|--|----------------|-----------------------|
| Property Development into 183 Aird Rd, Leumeah | \$1,015,000.00 | \$0.00 |
| Purchase of office for Microlend in Leumeah | \$54,180.00 | \$510,620.00 |
| Property Development into 20 Lang Rd Casula | \$208,229.00 | \$0.00 |
| Managed Investment portfolio | \$25,705.22 | \$2,974,294.78 |
| Total Funds Still required | | \$3,484,914.78 |

From the above table you can see that we would need a large corporate sponsor (or several of them) to be able to achieve this goal. For anyone interested in supporting us in this way, please contact our Microlend Australia Head office.

Once achieved we should have sufficient self-generated income from these funds to be able to maintain all of the above points raised. Achieving this goal would place Microlend Australia permanently on the map towards eradicating world poverty.

NEW BUSINESSES ESTABLISHED

| Centre | Existing Businesses | New Businesses | Total Businesses |
|--|---|----------------------|------------------|
| | No of previously established Businesses | No of new businesses | Total to date |
| Microfinance centre | | | |
| Past sites | 97 | 0 | 97 |
| Kenya - Simbachai | 20 | 12 | 32 |
| Kenya - Door of Hope | 71 | 32 | 103 |
| Cambodia - PPC * | 127 | 18 | 145 |
| Mongolia - Windows of Hope ⁴ | 46 | 0 | 46 |
| Pakistan - 1 to another | 12 | 0 | 12 |
| Papua New Guinea | 55 | 0 | 55 |
| Philippines - Cebu ¹ | 96 | 1 | 97 |
| Uganda - Faith Harvest | 185 | 9 | 194 |
| Tanzania | 117 | 41 | 158 |
| Zimbabwe - Harare | 44 | 19 | 63 |
| Zimbabwe - Bulawayo | 57 | -1 | 56 |
| Zimbabwe - Gokwe ^{2 *} | 216 | -1 | 215 |
| Zimbabwe - Mutare - Windows of hope ^{3 *} | 604 | 17 | 621 |
| Rwanda | 33 | 0 | 33 |
| Total | 1780 | 147 | 1927 |

Note.1 Micro Fund Small Business Solutions Inc in Cebu Philippines is an existing Microfinance centre that was established by Ralf & Anne Schroers on a personal basis in 2013. Figures shown include businesses that were created prior to Microlend Australia Ltd partnering with Microfund Small Business solutions Inc in Sept 2017.

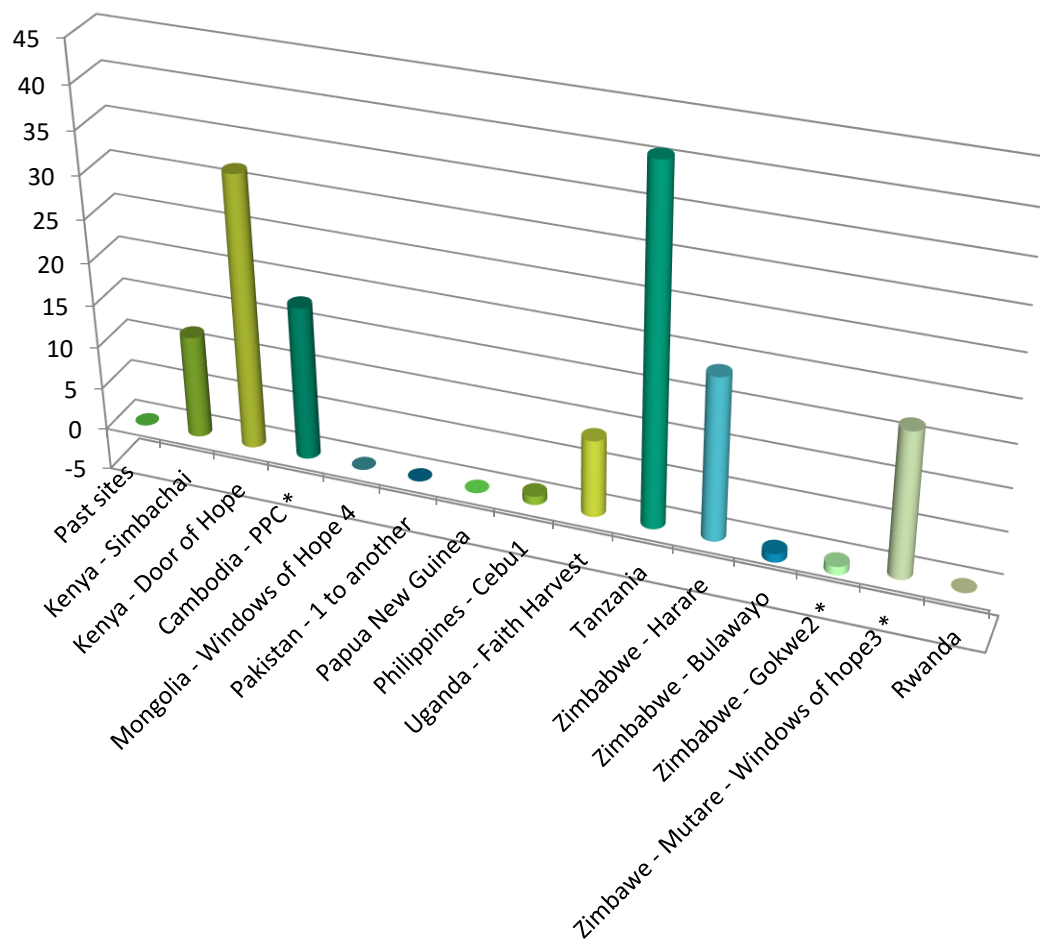
Note.2 Alfa Projects in Gokwe Zimbabwe is an existing Microfinance centre that was established by Ralf & Anne Schroers on a personal basis in 2012. Figures shown include businesses created prior to Microlend Australia Ltd partnering with Alfa Projects in Sept 2017.

Note.3 Windows of Hope in Mutare is an existing Microfinance centre that was established by Ralf & Anne Schroers on a personal basis in 2012. Since then 446 new businesses were created prior to Microlend Australia Ltd partnering with Windows of Hope in May 2016.

Note ⁴ Numbers in Mongolia decreased because out of the 62 proposed cases only 46 went ahead

Note * Sites denoted by * indicate sites that are now operating primarily independent of Microlend Australia. Microlend still provides ongoing support but financial assistance is only provided on an "Ad Hoc" basis

Graph of the number of new businesses established



OUR ORGANISATION

Microlend Australia Ltd. implements a process towards combating world poverty that we believe makes us unique. We invite you to participate in this process, provide feedback, or promote us to your friends if you like what we do. Since our funding to the poor is in the form of a loan, one unique **feature is that 100% of your donation is sent to an overseas project and is reused to help more and more people** each time the loan is repaid. Our process is as follows:



100% of your donations go towards funding the loans for the poor. All administration and fund-raising costs are absorbed by the volunteers and founders of Microlend Australia.

Currently Microlend Australia is totally run by volunteers. That is, there are no salaries paid which therefore means that administration costs are kept to a minimum. When visiting the overseas sites, all volunteers pay for their own travel and accommodation. Please refer to our Annual Reports regarding the actual cost breakdown. Would you like to join us as a volunteer?

Every business created is designed to be self-sustaining. Even the overseas Microfinance centres themselves, although not for profit, are designed to become financially independent. This gives Microlend Australia the ability to walk away and create more and more sites around the world.

We charge no interest on the loans issued. There is however a one-off management fee (this can be up to 12% of the loan) which gets used to pay the overheads of the overseas microfinance centre.

There is no return of the loan or the management fees to Microlend Australia. The overseas microfinance centre is a separate 'not-for-profit' Non-Government Organisation and is not owned by Microlend Australia.

Microlend Australia Ltd has created several branches within Australia. This means we can easily duplicate our efforts to raise funds for our overseas microfinance centres. These branches could even be created in overseas countries. Would you like to join one of these branches? Or better still, create a new branch of your own?

Microlend Australia can see every loan that has ever been issued as well as at what stage the loan repayments are. We do this by issuing each overseas site with an internet-based accounting system. This ensures a good degree of control over how the funds (your donations) are being used.

Microlend Australia provides simple, yet effective training and ongoing mentoring/support for each new borrower. This training even works with people who are illiterate or people without computer skills. The training program also teaches you how to create and model a business and provides you with an overview on how a business should be run. These training modules can be found under our resources section of the Microlend website and can be downloaded by you for free.

What makes us special?



We do not believe in giving donations, but rather
empowering people
by creating businesses for them



This philosophy provides a
permanent pathway
out of poverty



We use
microfinance strategies
(on a not-for-profit basis) to fund the businesses



Funds are lent and once repaid are
recycled for the next project



100% of proceeds
go to the poor (unless the donor instructs us to finance Microlend's self-funding capital program)



Microlend is run
100% by volunteers –
no members or staff are paid any salaries from donations received



We operate fundraising branches
across Australia
including Narellan, Five Dock, Hunter Valley & Tamworth



Currently we operate 14 overseas microfinance centers in
11 countries

Directors, Auditors and Financial Reports

MICROLEND AUSTRALIA LIMITED ABN 25 166 836 415

Directors' Report

Your directors present this report on the company for the financial year ended 30 June 2023.

Directors

The names of the directors in office at any time during or since the end of the year are:

| | |
|------------------|-----------------|
| Randolf Schroers | Angelo D'Angelo |
| Anne Schroers | Doug Ferris |
| George Ferizis | Robyn Collins |

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Operating Result

The loss of the company for the financial year after providing for income tax amounted to:

| Year ended | Year ended |
|--------------|--------------|
| 30 June 2023 | 30 June 2022 |
| \$ | \$ |
| (1,162,810) | 286,634 |

Principal Activities

The principal activities of the company during the course of the year were Public Benevolent Fund.
No significant change in the nature of these activities occurred during the year.

Significant Changes in the State of Affairs

No significant changes in the company's state of affairs occurred during the financial year.

After Balance Date Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the company, the results of those operations, or the state of affairs of the company in subsequent financial years.

Future Developments

The company expects to maintain the present status and level of operations and hence there are no likely developments in the operations in future financial years.

Environmental Issues

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

No dividends were declared or paid since the start of the financial year. No recommendation for payment of dividends has been made.

The accompanying notes form part of these financial statements.

Share Options

No options over issued shares or interests in the company were granted during or since the end of the financial year and there were no options outstanding at the date of this report.

Directors Benefits

No director has received or has become entitled to receive, during or since the financial year, a benefit because of a contract made by the company or related body corporate with a director, a firm which a director is a member or an entity in which a director has a substantial financial interest.

Indemnifying Officer or Auditor

No indemnities have been given or agreed to be given or insurance premiums paid or agreed to be paid, during or since the end of the financial year, to any person who is or has been an officer or auditor of the company.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

Auditors Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 has been included.

Signed in accordance with a resolution of the Board of Directors:

_____ *Electronic Signature Provided* _____

Randolf Schroers

Director

_____ *Electronic Signature Provided* _____

Anne Schroers

Director

Dated: 11 October, 2023

MICROLEND AUSTRALIA LIMITED ABN 25 166 836 415
Auditor's Independence Declaration

UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2023 there have been :

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act

2001 in relation to the Audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit

William Tomiczek & Associates

William Tomiczek FIPA, Registered Company Auditor 1425

66 Emu Plains Rd Mt Riverview 2774

_____ *Electronic Signature Provided* _____

11/10/2023

Mt Riverview

The accompanying notes form part of these financial statements.

MICROLEND AUSTRALIA LIMITED ABN 25 166 836 415
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2023

| | Note | 2023 \$ | 2022 \$ |
|---|------|--------------------|----------------|
| Revenue | | 387,178 | 490,603 |
| Gross profit | | 387,178 | 490,603 |
| Other income | | (1,348,285) | 86,633 |
| Marketing | | (2,072) | 0 |
| Administration expenses | | (127,890) | (279,582) |
| Finance Costs | | (71,741) | (11,020) |
| Profit (deficit) before income tax | | (1,162,810) | 286,634 |
| Income tax (credit) expense | | 0 | 0 |
| Profit (deficit) for the year | | (1,162,810) | 286,634 |
| Other comprehensive income: | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | |
| Items that will be reclassified subsequently to profit or loss when specific conditions are met: | | | |
| Total other comprehensive income for the year, net of tax | | | |
| | | 0 | 0 |
| Total comprehensive income for the year | | (1,162,810) | 286,634 |

The accompanying notes form part of these financial statements.

MICROLEND AUSTRALIA LIMITED ABN 25 166 836 415
Statement of Financial Position as at 30 June 2023

| | Note | 2023 \$ | 2022 \$ |
|--------------------------------------|------|------------------|------------------|
| Assets | | | |
| Current Assets | | | |
| Cash assets | | 209,096 | 269,248 |
| Receivables | | 1,035,283 | 841,666 |
| Current tax assets | | 438 | 20,922 |
| Total Current Assets | | 1,244,816 | 1,131,836 |
| Non-Current Assets | | | |
| Other financial assets | | 185,039 | 1,470,472 |
| Property, plant and equipment | | 108,623 | 55,393 |
| Total Non-Current Assets | | 293,662 | 1,525,865 |
| Total Assets | | 1,538,478 | 2,657,701 |
| Non-Current Liabilities | | | |
| Financial liabilities | | 1,298,050 | 1,254,463 |
| Total Non-Current Liabilities | | 1,298,050 | 1,254,463 |
| Total Liabilities | | 1,298,050 | 1,254,463 |
| Net Assets | | 240,428 | 1,403,238 |
| Equity | | | |
| Retained profits | | 240,421 | 1,403,231 |
| Issued & Paid up capital | | 7 | 7 |
| Total Equity | | 240,428 | 1,403,328 |

The accompanying notes form part of these financial statements.

MICROLEND AUSTRALIA LIMITED ABN 25 166 836 415
Statement of Changes in Equity for the year ended 30/06/2023

| | Notes Retained Earnings Issued & Paid Up Capital | | |
|--|---|---|-----------|
| | Total | | |
| Balance at 01/07/2021 | 1,116,597 | 7 | 1,116,604 |
| Comprehensive income | | | |
| Profit attributable to the members | 286,634 | | 286,634 |
| Other comprehensive income for the year | | | |
| Total comprehensive income for the year attributable to members of the entity | 286,634 | | 0 |
| Balance at 30/06/2022 | 1,403,231 | 7 | 1,403,238 |
| Comprehensive income | | | |
| Other comprehensive income for the year | | | |
| Total comprehensive income for the year attributable to members of the entity | 0 | 0 | 0 |
| Balance at 30/06/2022 | 1,403,231 | 7 | 1,403,238 |
| Balance at 30/06/2023 | 240,428 | 7 | 1,403,238 |

The accompanying notes form part of these financial statements.

MICROLEND AUSTRALIA LIMITED ABN 25 166 836 415**Statement of Cash Flows
For the year ended 30 June 2023**

| | 2023 | 2022 |
|--|-------------|-------------|
| | \$ | \$ |
| Cash Flow From Operating Activities | | |
| Receipts from customers | 383,271 | 450,084 |
| Payments to Suppliers and employees | (107,131) | (153,725) |
| Interest received | 3,906 | 19 |
| Interest and other costs of finance | (71,741) | (11,020) |
| Income tax paid | 69 | (408) |
| Net cash provided by (used in) operating activities (note 2) | | |
| | 208,374 | 284,931 |
| Cash Flow From Investing Activities | | |
| Proceeds from disposal of: | | |
| Investment Activities | (311,845) | (59,180) |
| Repayment Borrowings/ Loans | 43,588 | (152,137) |
| Net cash provided by (used in) investing activities | (268,527) | (211,317) |
| Net increase (decrease) in cash held | (60,153) | 73,614 |
| Cash at the beginning of the year | 269,248 | 195,634 |
| Cash at the end of the year (note 1) | 209,095 | 269,248 |

The accompanying notes form part of these financial statements.

MICROLEND AUSTRALIA LIMITED ABN 25 166 836 415

**Statement of Cash Flows
For the year ended 30 June 2023**

| | 2023 | 2022 |
|-----------------------------------|-------------|-------------|
| Microlend Aust-Bendigo Bank | 16,650 | 81,497 |
| Microlend Narellan-Macquarie | 141,297 | 112,059 |
| Microlend Pymble-Bendigo Bank | 23,293 | 43,406 |
| Microlend Tamworth | 27,855 | 27,286 |
| Microlend Hunter Valley Macquarie | 0 | 5,000 |
| | 209,096 | 269,248 |

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of MICROLEND AUSTRALIA LIMITED (the Company), which comprises the Statement of Financial Position as at 30 June 2023, the Statement of Comprehensive Income, the Statement of Changes In Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' Declaration.

In our opinion, the accompanying financial report of MICROLEND AUSTRALIA LIMITED is in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the company's financial position as at 30 June 2023 and of its performance for the year then ended; and

(b) complying with Australian Accounting Standards to the extent described in Note 1, and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2019, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Signed on 11 October, 2023:

Signed William Tomiczek

Electronic Signature Provided

William Tomiczek FIPA, Registered Company Auditor 1425

William Tomiczek & Associates

66 Emu Plains Rd Mt Riverview 2774

Operating Expense Breakdown 2022-23

Expenditure Break up Microlend Australia Limited 1 July 2022 to 30 June 2023

| | | |
|--|--------------------|---------------|
| Administration expenses | \$9,013.68 | 4.47% |
| Fund raising expenses | \$10,922.29 | 5.42% |
| Microfinance donations - other | \$2,822.35 | 1.40% |
| Microfinance funding - Cambodia - PPC | \$29,363.37 | 14.56% |
| microfinance funding - other countries | \$7,890.56 | 3.91% |
| Microfinance Funding - Tanzania | \$31,831.22 | 15.78% |
| Microfinance Funding - Pakistan - 1 To Another | \$3,975.63 | 1.97% |
| Microfinance Funding - Rwanda - All Trust | \$6,696.69 | 3.32% |
| Microfinance Funding - Zimbabwe - Living word Ministries | \$16,826.45 | 8.34% |
| Microfinance Funding - Zimbabwe - Windows of Hope | \$10,620.17 | 5.27% |
| Interest Expenses | <u>\$71,741.15</u> | <u>35.57%</u> |
| Total Operating Expenses | \$201,703.56 | 100.00% |

Comments

We are extremely proud that we have been able to keep our Administration and fundraising expenses to less than 10% (actual 9.89%) of total expenditure. Some of the reasons that we are able to have such a low expenditure level on these items is due to the fact that we currently do not have any employed staff. We also pay no rent, electricity, water or stationery as these are provided to us on a pro bono basis. Additionally, all our legal advice and a large portion of our accounting services are provided for free all thanks to our volunteers.

Sadly, interest rates have rising in the last couple of years making this a larger proportion of the overall expenditure breakup. We are very conscious of this and as such are planning to reduce our debt situation to improve that part of our expenditures.

Graph Illustrating expenditure breakup

