

ANNUAL REPORT

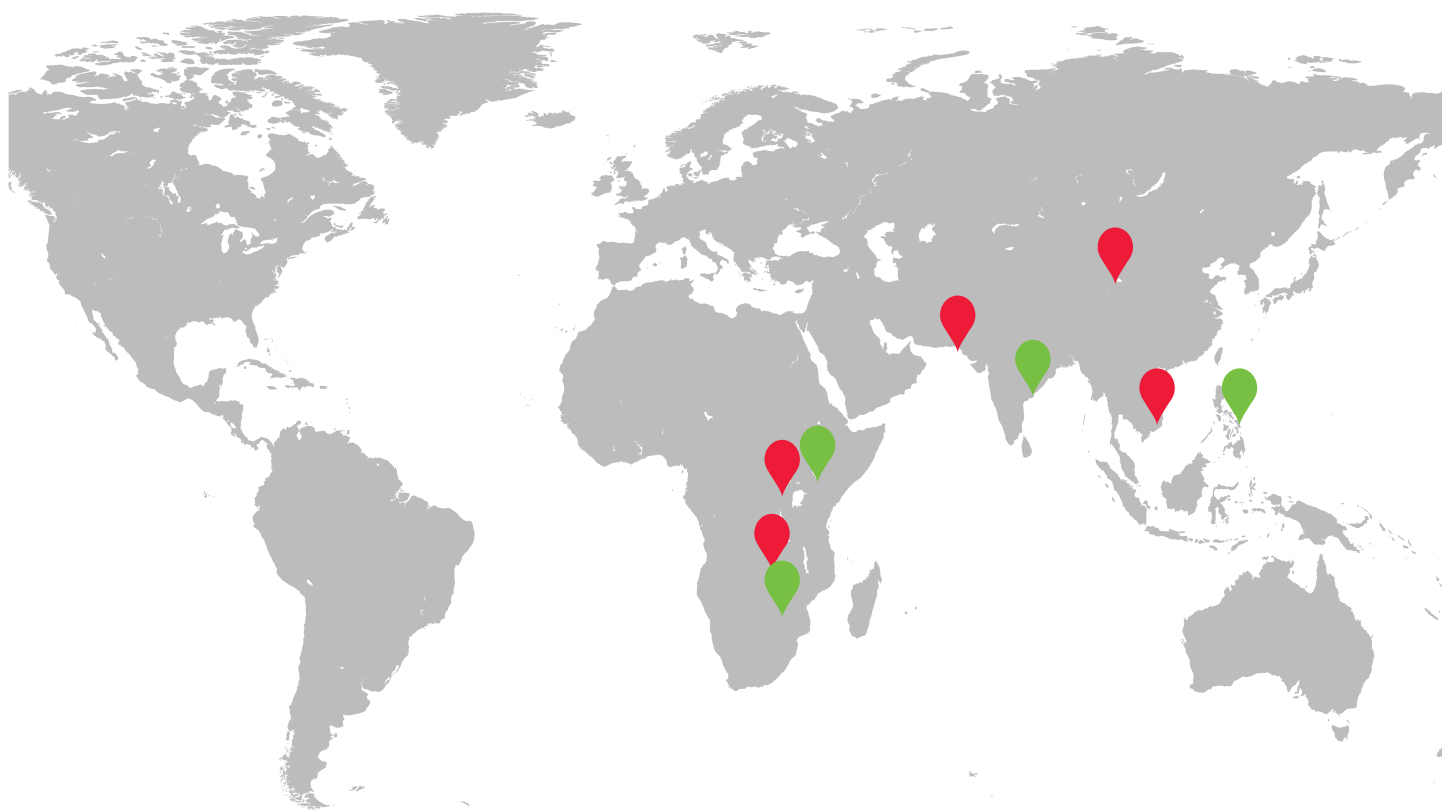
MICROLEND AUSTRALIA LTD

ABN 25 166 836 415


2014



Ending World Poverty



 Current Projects in India, Kenya, the Philippines and Zimbabwe (Microlend partnership).

 2014-15 proposed projects in Mongolia, Pakistan, Uganda, Vietnam and Zambia (Microlend Australia Ltd).

MICROLEND AUSTRALIA ABN 25 166 836 415

Shop 16, 185 Airs Road
Leumeah, NSW 2560

Phone + 61 2 4627 5191

Email ralf.schroers@gmail.com

Web www.microlendaustralia.com.au

CONTENTS

ABOUT MICROLEND AUSTRALIA LTD

Our mission 4

Background 5

Who are we? 6

MESSAGE FROM THE BOARD

President’s report 8

Branch presidents’ reports..... 11

OUR PEOPLE12

PROJECT STRUCTURE

How does it work?..... 14

KEY ACHIEVEMENTS

What has been achieved so far? 15

Current larger projects..... 15

Have there been any failures? 16

OUR PROJECTS AROUND THE WORLD

Some sample business enterprises we helped create..... 17

Funds to overseas projects 18

HOW WE PERFORMED IN 2014

Challenges ahead..... 19

MICROLEND NARELLAN & MICROLEND FUTURES BRANCHES

Our branch mission20

Governing rules.....21

HOW CAN YOU HELP?.....23

FEEDBACK.....24

FINANCIAL REPORTS

Loans committed to 30th June 2014.....25

Balance Sheet27

Profit and Loss Statement28

ABOUT MICROLEND AUSTRALIA LTD

OUR MISSION

ENDING WORLD POVERTY

Our mission is to do God's will, by assisting the poor and impoverished in setting up various business enterprises, so that they can enjoy basic human rights, a reasonable living standard and become self-sustaining.



Ending World Poverty

BACKGROUND

POVERTY - THE CURRENT SITUATION

NUMBER OF PEOPLE INVOLVED	LIVING CONDITIONS
3 billion+ people (nearly ½ of world population)	Live on less than \$2.50 a day
1.3 billion+ people	Live on less than \$1.25 a day (extreme poverty)
Children: 1 billion	Live in poverty
Children: 22,000	Die each day due to poverty
1 billion+ people including 400 million children	Lack adequate access to clean drinking water, 443 million school days p.a. missed due to unclean water yielded illness
165 million children (2011) under age 5	Stunted (reduced rate of growth and development) due to chronic malnutrition
870 million people	Do not have enough food to eat
Children: 2 million per annum died of preventable diseases like diarrhea and pneumonia	Too poor to afford proper treatment
Children: 19 million (2011)	Remain unvaccinated
1.6 billion people (about 1/4 of world population)	Live without electricity
80% of world population	Lives on <\$10 a day

AMOUNT OF FUNDS REQUIRED	PURPOSES
\$40 Billion	Offer basic education, clean water and sanitation, reproductive health for women, and basic health and nutrition to every person in every developing country.

THE WORLD FOOD PROGRAMME SAYS, "The poor are hungry and their hunger traps them in poverty." Hunger is the number one cause of death in the world, killing more than HIV/AIDS, malaria, and tuberculosis combined.

WHO ARE WE?

PRECEDENT PARTNERSHIP

Microlend
ABN 47 397 051 058

PROVIDING SERVICES IN CHARITY, BUSINESS MANAGEMENT & FINANCE

Microlend was established by Ralf and Anne Schroers in 2011 after Ralf sold his business after 31 years in the Financial Planning industry. Ralf & Anne Schroers are sole traders trading under the business name "Microlend". Microlend has its business premises established in Australia in the southwestern area of Sydney.

Microlend's vision is to eliminate world poverty by providing microfinance to the impoverished for any proposed project that meets the above mentioned aim. To improve the likelihood of success, Microlend has sought existing support groups in those developing countries that may be able to assist in the establishment and structure of these new ventures. Ideally each of these new ventures become profitable to the point where they are able to meet their business expenses, provide a better living standard to its owners, as well as be able to repay its finance/debt obligations. Upon return of the finance provided, and any profits that may be applicable, it is then the intention to reuse these funds for the next venture.

NOT FOR PROFIT ORGANISATION

Microlend Australia Ltd
ABN 25 166 836 415

ELIMINATING WORLD POVERTY THROUGH THE USE OF MICROFINANCE

On the 19th November 2013 Microlend expanded its operations by forming a registered 'Not for Profit' Organisation called Microlend Australia Ltd. Microlend Australia Limited has exactly the same aim as that of Microlend except that 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 that would like to form a group and then conduct similar microfinance activities in developing nations. Microlend Australia Ltd and its branches activities will include:

- the gathering of donations from the public,
- the micro financing of these funds to the poor and
- the monitoring of the loan and business activities



MESSAGE FROM THE BOARD

PRESIDENT'S REPORT

Welcome to the inaugural Annual report for Microlend Australia Ltd.

Microlend Australia Ltd owns its foundation to the people of Australia that have a passion to alleviate poverty throughout the world. The volunteers of Microlend Australia are concerned with the injustices and inequality in this world with over a third of the world population living on less than \$2.50 per day.

Microlend Australia Ltd is a Christian based not for profit Public Company that was created on the 19th November 2013 and attained its registered Charity status on the 17th June 2014.

Its aim is to alleviating world poverty doing God's will through assisting the poor and impoverished in setting up various business enterprises, so that they can enjoy basic human rights, a reasonable living standard and become self-sustaining.

The strategy is to develop many fund raising branches throughout Australia which then in turn establish and support Microfinance centres in overseas developing countries. These overseas microfinance centres then select impoverished people and provide finance (loans) and assistance in setting up these small enterprises. Once these enterprises are running, they are required to repay their loan so that the funds can then be used to help fund the next enterprise.

Our progress so far is still at its very early stages as the Charity literally only has just opened its offices. During the last few months we have however been able to open already two branches with multiple volunteers to run these. The two branches concerned are the Microlend Narellan Branch located in the southwest of Sydney and the

Microlend Futures Branch located in the northern suburbs of Sydney.

Financially, Microlend Australia Ltd currently only holds just over \$6,000.00 in funding as we are only in the infancy stage of our development. Clearly the charity is in dire needs of further funding which it hopes to raise through various charity fund raising events such as street stalls, dinners, sailing events, and appeals through the internet. It is hoped that in excess of \$250,000.00 will be raised from public and corporate sponsors in the ensuing 12 months. The founder has already pledged \$50,000.00 for the 2014/15 financial year.

There are currently no existing projects running on behalf of Microlend Australia Ltd, however the founders of the organisation, Ralf and Anne Schroers have been running a partnership, Microlend that has successfully run over 1500 new business enterprises amongst the poor in such countries as India, Kenya, the Philippines and Zimbabwe.

The future outlook is that Microlend Australia will expand by creating more and more branches throughout Australia staffed by volunteers as well as establishing its own overseas microfinance centres. In the next 12 months we expect to open up microfinance centres in Mongolia, Pakistan, Uganda, Vietnam and Zambia, having already initialized contact with organisations involved in these countries.

So what is required? We urgently need further volunteers to help with fund raising events, its development, the running of new branches and supporting our head office. We also need public and corporate sponsorship to make our aim to end world poverty a reality.

How can you help? If your passion is in line with that of Microlend Australia Ltd you might want to become a volunteer of our organisation, receive emails or even give financially. Should this be the case please contact us or pay into the account as shown below:

EFT	OR	Cheque made payable to
Bendigo Bank		Microlend Australia Ltd
Name: Microlend Australia Ltd		Shop 16, 185 Airds Rd
BSB: 633 000		Leumeach NSW 2560
Account Number: 153208970		

One of the experiences we have repeatedly seen is the ready generosity of the Australian people both in terms of their funding and giving of time for a worthy cause. We hope that you too will be inspired by our cause, strategy and the potential outcome of this charity.

Lastly, it would be remiss of me not to acknowledge the exceptional generosity of some of the people that helped in the establishment of Microlend Australia Ltd. The organisations I would like to acknowledge are Angelo D'Angelo solicitors, G.ferizis & Co Accountants, Leandri Nel our webpage developer, Elsa Hwang for developing this annual report and all of the volunteers running the branches.

We look forward to God's grace and guidance and a prosperous 2014/15 financial year.



Ralf Schroers

CEO / Founder / President
Microlend Australia Ltd

THE MICROLEND NARELLAN BRANCH

The Narellan Chapter was established in November 2013 and has met regularly throughout the year. During the year the members have focussed on understanding the intent and process of micro lending. The group has not been involved in any new initiatives and have focussed on the following areas:

The status and operation of loans in the Philippines:
The areas in which loans were extended have been devastated by natural disasters and the capacity for repayment of the loans has been lost. The project was returned to the Chairman, Microlend Australia with a recommendation that the loans be forgiven and should the Philippines focus continue a new start and new funds would be required.

A member of the Narellan Branch (Roy) visited Mongolia with the Chairman, Microlend Australia in September. The visit was very productive and Microlend Narellan has \$5,000 available to establish an initial venture. Other funds may be available from Microlend Australia.



BRANCH PRESIDENTS' REPORTS

THE MICROLEND FUTURES BRANCH

Dear friends,

Almost 1 year after our first charity dinner was organised and raised \$3000 to help bring an end to poverty and human trafficking in Vietnam we are now establishing our bank accounts, official membership and planning for our next fund raising events taking our lessons learnt forward.

While we have begun with modest numbers we are fortunate enough to have members who are committed to making a long term difference to the lives of others and I am excited about the year to come, not only raising further funds but also our next important step of establishing a presence in Vietnam. I see this step as one of building relationships in the communities we will be working with, one where we can better understand how to best apply our efforts in the region.

I'd like to take this opportunity to thank all of our members and contributors for without your participation and generosity this would still be little more than an idea. Reflecting back on all the ideas and input received so far I am thrilled and committed to be working with such a great team and look forward to the year ahead.



Ryan Pool

Branch President
Microlend Futures Branch

OUR PEOPLE

Our mission is to do God's will, by assisting the poor and impoverished in setting up various business enterprises, so that they can enjoy basic human rights, a reasonable living standard and become self-sustaining.

Head Office

Microlend Australia Ltd was set up in November 2013. It is currently funded by the voluntary contributions of individuals and Microlend.

Branch 1

The Microlend Narellan branch was set up on the 6th December 2013 and is organizing overseas co-ordinating centre in Mongolia.

Branch 2

The Microlend Futures branch was set upon 5th April 2014 and is organizing overseas co-ordinating centre in Vietnam.

Current overseas co-ordinating centres

Note: Not Microlend Australia Ltd, but Microlend partnership

Microlend partnership have set up 4 overseas co-ordinating centres in Mukti India, Kenya East Africa, the Philippines and Zimbabwe South Africa, and with existing missionary sites through SIM, the Native Missionary Movement and AAF (African Aids Foundation).

2014 overseas co-ordinating centres

We are planning to set up 5 more overseas co-ordinating centres in Mongolia, Pakistan, Uganda, Vietnam and Zambia.

Microlend business enterprises	Microlend partnership have helped set up and financed a total of 1507 business enterprises in NNM (India), Kenya, the Philippines and Zimbabwe since 2011
--------------------------------	---

People we serve	Developing countries with people living in poverty line.
-----------------	--

- | | |
|----------------------|---|
| Why we do what we do | <ul style="list-style-type: none"> • Assist the poor and impoverished in setting up various business enterprises. • Stop people including children from dying due to poverty. • Maintain basic human rights, living and education standard. • Break poverty cycles. • End world poverty. |
|----------------------|---|

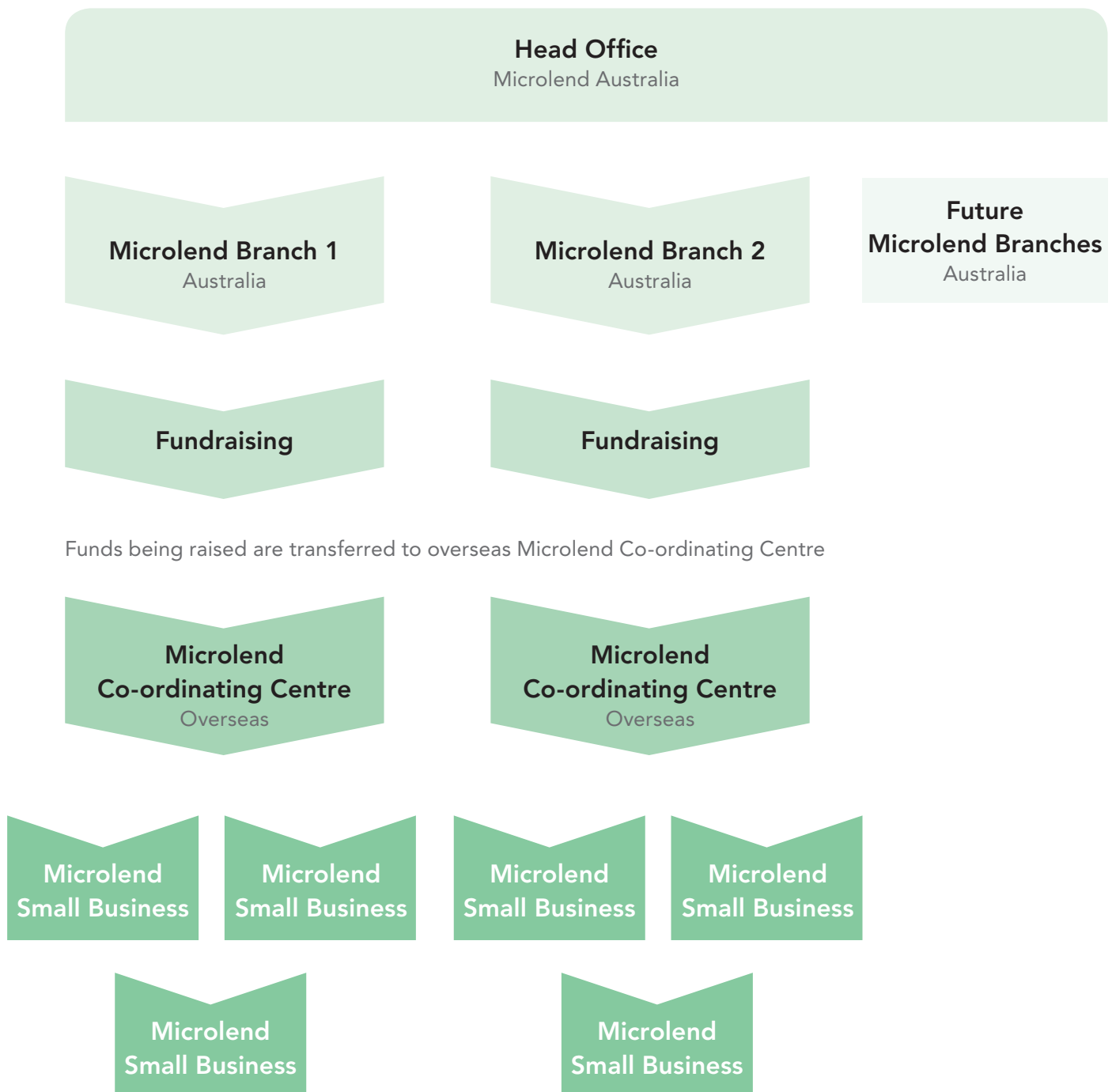
Volunteers	All our people with Microlend Australia Ltd are volunteers. As it is still in its infancy stage, we urgently need more volunteers to help assisting people out of poverty and provide a better environment for our children and future generations to come.
------------	---

PROJECT STRUCTURE

We aim to end world poverty over a 30 to 40 year time frame.
The work required needs to be multiplied by various Branches.

HOW DOES IT WORK?

BRANCH STRUCTURE



Monies are lent out to the new business venture.

Upon repayment of the loan, funds are lent out again to the next venture.

KEY ACHIEVEMENTS

WHAT HAS BEEN ACHIEVED SO FAR?

Since 2011 Microlend partnership has managed to establish:

- Just over 1000 small business enterprises amongst the poor.
- The building of a public school in North-western India. The school caters for some 1000 students, all of whom come from a poor socio-economic background.



Building site of a public school in North-western India

CURRENT LARGER PROJECTS

The purchase of 2 blocks of land in Zimbabwe in order to build two small office blocks. The rent from these investment enterprises will then be used to microfinance small business enterprises.

HAVE THERE BEEN ANY FAILURES?

Yes, unfortunately there have been some failures.

SMALL BUSINESS ENTERPRISE BEING DESTROYED

In late 2013 Typhoon Haiyan struck the Philippines totally destroying a fishing business we had financed.

Then again on Tuesday 18th March 2014 a fire went through the slums of Lorega, Cebu in the Philippines. This fire unfortunately also totally destroyed an adjoining block of flats we had purchased and were using to fund microfinance projects.

Apart from these disasters, the natural default rate on loans is surprisingly low, being generally less than 2%.



Our burnt out flats

PROJECTS AROUND THE WORLD

SOME SAMPLE BUSINESS ENTERPRISES WE HELPED CREATE



Bed Sheet Business



Market Garden Business



Taxi Business



Bakery Business



Welding Business



Popular Chicken Business



Cordial Business



Slippers Business

FUNDS TO OVERSEAS PROJECTS

These are a few of the small business enterprises we helped create.
Weightings of total micro loans being lent out are outlined below:

COUNTRIES	MICROFINANCE LOANS
India	47%*
Philippines	18%**
Zimbabwe	29%
Others	6%

* 65% of which being funds for school projects in India.
** 74% of which were written off due to burnt out flat in the Philippines.

Do you think it would be possible to end world poverty in a 40 year timeframe
if the above actions were taken?



HOW WE PERFORMED IN 2014

CHALLENGES AHEAD

We at Microlend believe that we have found a solution to end world poverty.

We have done this by assisting the poor and impoverished in setting up various business enterprises, so that they can enjoy basic human rights, a reasonable living standard and become self-sustaining.

Microlend's aim is to provide microfinance or capital for any proposed project that meets the above mentioned aim. To improve the likelihood of success Microlend aims to use any existing support group that may be able to assist in the establishment and structure of that new venture. Ideally the new venture becomes profitable to the point where it is able to meet its obligations, provide a better living standard to its owners, as well as be able to repay its finance/debt obligations.

Upon return of the finance provided, and any profits that may be applicable, it is then the intention to use these funds for the next venture.

Currently Microlend (a single Microlend branch) is on target to help approximately 20,000 impoverished people out of poverty over a 20 year timeframe.

Microlend Australia Ltd was set up in November 2013 and since then 2 branches namely Microlend Narellan branch and Microlend Futures branch have been set up. It is the intention of Microlend Australia Ltd to duplicate these Microlend branches as often as possible all over Australia. Imagine, just 50 Microlend branches could help 1,000,000 people out of poverty in 20 years.

MICROLEND NARELLAN & MICROLEND FUTURES BRANCHES

OUR BRANCH MISSION

Microlend Australia Limited has an aim to eradicate world poverty.

Microlend Australia Limited aims to do this by assisting the poor to set up sustainable business enterprises so they can enjoy basic human rights and a reasonable living standard.

The Narellan and Futures Chapters of Microlend Australia Limited have the same aim as its head office and would carry out work to achieve this mission in the delegated regions and countries. We are motivated by the opportunity to seize every opportunity to be an instrument of God's love and his son Jesus Christ our saviour. This involves a component of direct and indirect pastoral support for all members and beneficiaries of Microlend Australia Limited activities.

By helping each other with your troubles, you truly obey the law of Christ.
(Galatians 6:2)



GOVERNING RULES

The Narellan and Futures Chapters of Microlend Australia have the following rules of operation:

The functions:

- To responsibly provide monetary or in kind assistance to those who are poor so that they may enjoy basic human rights and a reasonable living standard.
- Through our activities to present a practical picture of the love of Christ (Matthew 25:35-40)
- To achieve the specific outcomes of Microlend Australia which includes:
 - Establishing amongst the poor as many profitable small businesses as possible.
 - Increasing the income of the poor so they can enjoy a reasonable standard of living.
 - Providing aid for enterprise development that will lead toward the overall betterment and improved living standards of the poor.
 - Establishing as many self-sustaining finance centres in poor communities as possible.
 - Recruiting volunteers to assist the overall aim of Microlend Australia.

Membership and meetings

- Members of the Chapter will be approved members of Microlend Australia.
- The Chapter will elect a Chairman, Secretary, Treasurer and Fundraising Coordinator.
- A quorum for meetings is at least 2 of the above office bearers.
- All members of Microlend Australia Limited and its Chapters will comply with the Constitution of Microlend Australia Limited.

Guidelines for the use and distributions of funds

- The region and country in which an enterprise is proposed to be established should be stable enough so that individuals and members are not placed in jeopardy (ie. no war zones, no extreme graft & corruption, no extreme political instability).
- The region and country considered need to allow private enterprise & private ownership.

Projects and enterprises to be considered need to:

- Agree to operate on Biblical principles of honesty, fairness and respect for others and the environment.
- Have a reasonable prospect of being self-sustaining within a reasonable time period.
- Produce a worthwhile product or worthwhile service.
- Provide an improved living standard to those involved.
- Allow for ownership or a transition of ownership to the impoverished people or the registered Microfinance Co-ordinating Centre.

In assessing projects consideration will be given to the following factors:

- Microlend Australia capabilities.
- Confidence that funds provided will reach legitimate beneficiaries.
- Funds provided will be used for legitimate purposes.
- Whether there is any risk that any resources or activities of Microlend Australia, its Chapters, or the Registered Finance Co-ordinator Centres or its members could contribute towards terrorist or other criminal activities.
- Confidence that regular reports will be provided and systems maintained that will monitor and check the progress of the aims of Microlend Australia.

Fundraising

Churches, Community Service Clubs and Businesses can be sponsors of Microlend Australia Limited or any of its chapters provided their purpose and goods and /or services compliment the tenet and rules of Microlend Australia Limited.

All funds raised through fundraising activities have to be paid to the bank accounts of Microlend Australia Limited (not its Chapters' bank accounts). Microlend Australia Limited then allocates funds to its Chapters for the purposes of providing loan funds to the various registered entities.

HOW CAN YOU HELP?

Microlend Australia Limited was registered as a Not for Profit organization in November 2013 and is still in its infancy stage. We need more volunteers to help eliminate people out of poverty and provide a better environment for our children and future generations to come. Should you have an interest in making a difference and help end world poverty, you are encouraged to contact us for more details or visit our web page at www.microlendaustralia.com.au

Donations can be made by EFT to:

Name of Bank	Bendigo Bank
Name of Account	Microlend Australia Ltd
BSB	633 000
Account Number	153 208 970



ICU Ward - a bottle without oxygen



Blind woman knitting baskets

FEEDBACK

Would you like to participate in Microlend activities?	Yes / No
Would you like to find out more on how we do this?	Yes / No

NAME

First Name.....

Surname

ADDRESS

Street.....

Suburb..... State.....

Postcode.....

CONTACT DETAILS

Home Ph..... Work Ph.....

Mobile.....

Email.....

BEST TIME TO CONTACT YOU

.....

FINANCIAL REPORTS

LOANS COMMITTED TO 30TH JUNE 2014

MICROLEND PARTNERSHIP

Organisation	Current Loan Amounts	Amount loaned since inception	No. of active loans	Total No. of loans since inception
Alfa Ministries	\$71,719.72	\$71,719.72	32	32
Good Returns	\$31,462.66	\$57,825.00	85	256
HFA	\$162,209.91	\$322,113.00	182	273
Kiva	\$16,665.96	\$101,775.00	42	249
Microlend Philippines	\$147,959.72	\$147,959.72	17	20
Pragati Marg Foundation	\$67,504.42	\$83,512.87	298	676
Rajastan - School	\$311,706.13	\$311,706.13	1	1
Total	\$809,228.52	\$1,096,611.44	657	1507

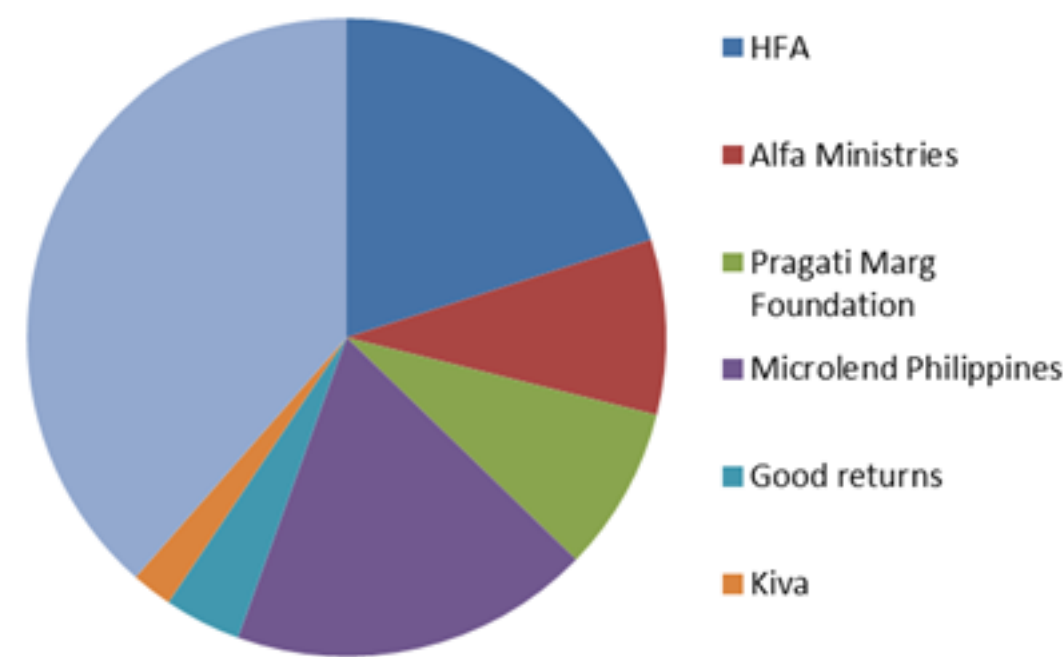
MICROLEND AUSTRALIA LIMITED

Organisation	Current loan amounts	Amount loaned since inception	No. of active loans	Total No. of loans since inception
Heartfelt Projects	\$0.00	\$0.00	0	0
Mongolia	\$0.00	\$0.00	0	0
Pakistan	\$0.00	\$0.00	0	0
Vietnam	\$0.00	\$0.00	0	0
Zambia	\$0.00	\$0.00	0	0
Total	\$0.00	\$0.00	0	0

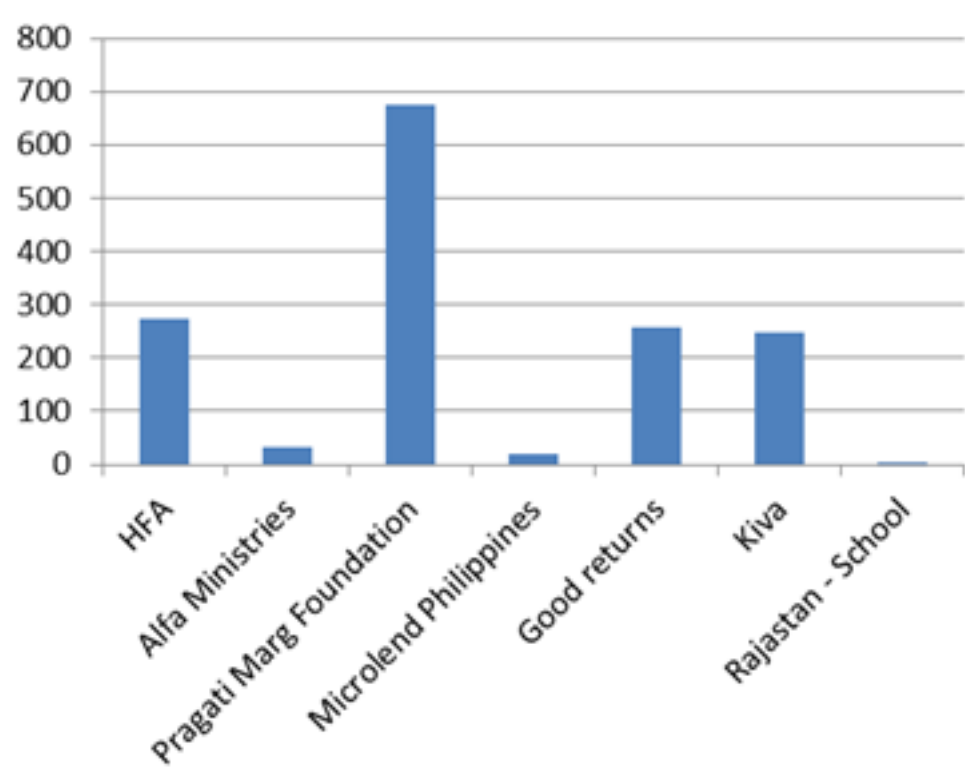
*The above table indicates that Microlend Australia Ltd has not yet issued any loans, but is looking at potentially starting microfinance centres in Mongolia, Pakistan, Uganda, Vietnam and Zambia.

MICROLEND PARTNERSHIP

Breakup of Capital



Number of Loans



BALANCE SHEET

MICROLEND AUSTRALIA LIMITED

Shop 16, 185 Airs Rd, Leumeah NSW 2560

BALANCE SHEET

As of June 2014

Assets		
Current Assets		
Bank Accounts		
Commonwealth Account	\$1,394.21	
Microlend Narellan	\$5,000.00	
Total Bank Accounts	\$6,394.21	
Total Current Assets	\$6,394.21	
Total Assets		\$6,394.21
Liabilities		
Net Assets		\$6,394.21
Equity		
Shareholders' Equity	\$5.00	
Current Year Surplus/ Deficit	\$6,389.21	
Total Equity		\$6,394.21

PROFIT AND LOSS STATEMENT

MICROLEND AUSTRALIA LIMITED

Shop 16, 185 Airs Rd, Leumeah NSW 2560

PROFIT & LOSS STATEMENT

July 2013 to June 2014

Income		
Membership Fees		\$7.00
Donation / Gift Income		\$5,000.18
Income from Chapters		
Microlend Future Contributions	\$1,415.00	
Total Income		\$6,422.18
Total Cost of Sales		\$0.00
Gross Profit		\$6,422.18
Expenses		
General Expenses		
Bank Fees	\$33.00	
Total General Expenses		\$33.00
Total Expenses		\$33.00
Operating Profit		\$6,389.18
Other Income		
Interest Income		\$0.03
Total Other Income		\$0.03
Total Other Expenses		\$0.00
Net Profit / (Loss)		\$6,389.21