



Five Talents

Fighting Poverty, Creating Jobs, Transforming Lives

2013-2014 ANNUAL REPORT

FROM THE PRESIDENT & CEO

Dear Friends,

Think of our 2013-2014 Annual Report as a family scrapbook containing photos, news and stories from some of the 79,276 men and women who benefitted from your support, advocacy and prayers over the last 12 months.

“Because of this program, I can feed and send my children to school,” Supiati, a woman I met in Indonesia, told me. “When my husband became sick, my fellow group members came and helped us financially to pay for his medical treatment. It was like help from above.”

“Help from above.” I love those words from Supiati.

In our programs, God uses members of savings and loan groups to help one another. He uses our staff members, our local partners – and people just like yourself.

This is just one example of how “community transformation” spans borders, oceans, cultures and languages. You, me, Supiati, our other clients and partners around the world – we are truly all part of one community, one family.

This Annual Report captures one year in the life of our joint mission to fight poverty, create jobs and transform lives.

God bless,
Sonia H. Patterson
President & CEO
Five Talents USA



In **15** years, Five Talents has built the capacity of local, indigenous organizations, providing more than **200,000** microloans and helping more than **150,000** women and men join savings and loan groups and access training in core business skills.

Pictured: Five Talents President & CEO Sonia Patterson leads a workshop in Myanmar.



73% *of all participants are women*

FROM THE CHAIR OF THE BOARD

Greetings!

You're reading this report because somewhere along the line you developed a place in your heart for women and men living in poverty.

Perhaps you've made a donation – or several – to Five Talents during the 2013-2014 fiscal year. If so, thank you! Your generous support helped 79,276 women and men gain access to savings groups, micro-business loans, skills training and mentoring.

Perhaps you attended our Fall Gala, teed off at our annual golf event, or "Liked" our Facebook Page. Maybe your church has placed Five Talents on your mission prayer list.

Or possibly you are just now hearing about Five Talents for the first time; you Googled "Christian microfinance" and here you are.

No matter who you are or how you got here, thank you for endeavoring to join the fight against poverty.

In these pages, you'll find proof of the impact our supporters are making in communities in Kenya, South Sudan, Burundi, Indonesia, Myanmar, Bolivia and elsewhere.

Take in the stories. Marvel at the transformation. And come along with me, the board and staff of Five Talents, our partners and – most importantly – our savings and loan group members on the road out of poverty.

*Thank you,
Bill Eggebeer
Chair, Board of Directors
Five Talents USA*

BOARD OF DIRECTORS

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" Since I have been in the savings group, I have gained more confidence in myself."
- Sabina, a seamstress & knitting teacher in Bolivia

LATIN AMERICA

BOLIVIA

For nearly six years, Five Talents has been working in remote villages in the foothills of Bolivia's Andes mountains. One in two people live below the poverty line, according to the World Bank. In partnership with Seeds of Blessing, savings groups were organized through individual church communities. Today, participants come from neighborhoods and communities outside the local churches as well. In the coming year, Seeds of Blessing plans to hire new staff members and expand into villages in Potosí and Sucre.

Type of program: Savings-led

Partner(s): Seeds of Blessing, Anglican Church of Bolivia, Association of Evangelical Churches of Tarija

Members in 2013-2014: 179

PERU

One of the hallmarks of Five Talents' work in Peru is the rural pastoral care program, in which financially-excluded women and men receive spiritual mentoring, along with micro-business loans and business skills training through their loan group meetings. In many of the communities where Five Talents works, such as Huancavelica, the poverty rate is more than double the national average of 26 percent. Five Talents is currently focused on serving the very poorest of the poor and hopes to continue to impact remote villages well into the future.

Type of program: Credit-led

Partner(s): ECLOF Peru, Anglican Diocese of Peru

Members in 2013-2014: 975



*" Because of this program, I can feed
and send my children to school. And
when my husband became sick, I got
help to pay for his medical treatment.
It was like help from above."*

- Supiati, who runs a small shop near her home in Indonesia

ASIA

INDONESIA

Program participants in Indonesia gain access to micro-business loans, participate in a savings program and receive training in budgeting and other business skills. Their families, many of which face unhealthy living conditions, also gain access to free medical clinics several times a year. Women who run micro-businesses must make many difficult choices. For example, it is not uncommon for micro-entrepreneurs in the slums of Jakarta to feel they must accept a loan with an interest rate of over 375 percent from a local money-lender. Five Talents has partnered with The GERHATI Foundation since 2003 to provide a far more beneficial alternative.

Type of program: Credit-led

Partner(s): The GERHATI Foundation, All Saints Church in Jakarta, Anglican Diocese of Singapore

Members in 2013-2014: 4,346

MYANMAR

The early stages of Five Talents' partnership with Mothers' Union in Myanmar and the Province of Myanmar has focused on establishing savings and loan groups in the mostly rural and undeveloped Irrawaddy River Delta region and in the hot and humid outskirts of Yangon. Some of these groups are creating joint agricultural enterprises – an innovative approach that has proven to be remarkably effective. The program, which began in 2011, is seen by local leaders as transformative – not just at the individual level, but also at the church and community levels. This program will expand to two additional diocese in 2015.

Type of program: Savings-led

Partner(s): Mothers' Union, Anglican Church of the Province of Myanmar

Members in 2013-2014: 78

PHILIPPINES

Five Talents continues to maintain strong ties in the Philippines with the Center for Community Transformation (CCT). Since this relationship began in 2000, CCT's microcredit program, a work that Five Talents helped to launch, continues to thrive and benefit women, men and their families. After Typhoon Haiyan, Five Talents helped CCT to support clients whose homes were lost and businesses were destroyed, providing funds for water, food, temporary shelter – and for the rebuilding of client micro-enterprises.

Type of program: Credit-led

Partner(s): Center for Community Transformation



" Our roof was falling in, and [with my savings] I was able to buy tiles to cover our roof. My husband used to think I was wasting my time. But when he saw the tiles he realized how important this savings group is."

- Matrone, a savings group member in Burundi

AFRICA

BURUNDI

The size of the program in Burundi – one of Five Talents’ largest – is a reflection of the great need that exists there. Burundi is the fifth poorest country in the world. Decades of civil war have slowed development, especially in rural communities. Five Talents has partnered with Mothers’ Union (MU) to bring savings group formation and business skills training to women and men who have learned to read and write. Over the next two years, Five Talents and MU plan to expand the program into 550 more communities. As a result, tens of thousands more women and men will learn how to budget, contribute to savings and emergency funds and take the lead on development issues within their own communities.

Type of program: Savings-led

Partner(s): Mothers’ Union, Province of the Anglican Church of Burundi

Members in 2013-2014: 18,175

KENYA

Five Talents, with our partners in Kenya, have established 53 village savings and loan groups with over 8,400 members. The groups and their portfolios continue to grow, and this has led to the creation of three new village “banks” – secure buildings where group members can conduct their business daily rather than at lengthy monthly meetings. In the coming year, the banks will begin trials to move away from paper record-keeping in favor of digital solutions and mobile money, a great tool that is rapidly being adopted even among the poor and marginalized.

Type of program: Savings-led

Partner (s): Thika Community Development Trust (TCDT), Anglican Church of Kenya, Thika Diocese

Members in 2013-2014: 8,412

SUDAN & SOUTH SUDAN

Political and ethnic violence in South Sudan made 2013-2014 a challenging year for women and men throughout the country. Despite the conflict our program has continued to serve South Sudanese in the main project areas of Juba, Renk, Lainya, Wau, Kuajok and Lietnhom. Many people in other areas have been displaced from their homes and have been relocated to the communities where we work. Meanwhile, the two village banks that Five Talents helped to establish in Kuajok and Lietnhom continue to serve their communities. Over the next 12 months, Five Talents hopes to see other existing groups join one of the two operating cooperative banks, where members can benefit from more advanced financial services that are virtually nonexistent otherwise.

Type of program: Savings-led

Partner(s): Mothers’ Union, World Concern, The Episcopal Church of Sudan

Members in 2013-2014: 23,212



79,276 *women and men served in 2013-2014*

AFRICA

TANZANIA

This women-only program is now self-sustaining after seven years of patient investment by Five Talents supporters. Most of the nearly 5,000 members live in rural areas many hours from the nearest bank. Some field officers have motorbikes to access the areas, and this year, the team began offering loans for solar equipment and help with installation. By the middle of 2014, trials using mobile phones to send loans and receive repayments began, thereby reducing the risk of cash-handling and the considerable time and financial cost of travelling with money.

Type of Program: Credit-led

Partner(s): Mama Bahati Foundation, Anglican Diocese of Ruaha

Members in 2013-2014: 4,938

UGANDA

In early 2014, a satellite branch office in Kisoro, Uganda, near the conflict-prone border with the Democratic Republic of Congo, was upgraded to a full branch. This is the third branch office in the country. Of the more than 5,000 women and men participating in the Uganda program, nearly half had never before received a micro-business loan.

Type of Program: Credit-led

Partner: Five Talents Uganda, Anglican Church of Uganda

Members in 2013-2014: 5,157

**FIVE TALENTS US¹
POSITION AS OF JUNE 30, 2014**

	FY2014	FY2013
Cash	\$130,378	\$226,757
Contributions Receivable	54,153	43,275
Other assets	13,392	14,421
Fixed assets	9,773	13,942
Total Assets	\$207,696	\$298,395
Accounts Payable & Accrued Expenses	\$59,459	\$132,077
Line of Credit ²	25,000	-
Total Liabilities	\$84,459	\$132,077
Unrestricted Net Assets	62,455	90,484
Temporarily Restricted ³	60,782	75,834
Total Net Assets	\$123,237	\$166,318
Total Liabilities & Net Assets	\$207,696	\$298,395

**FIVE TALENTS US¹
OPERATIONS FOR JUNE 30, 2014**

	FY2014	FY2013
Contributions	\$887,382	\$849,258
In-Kind Contributions ⁴	91,606	59,471
Other income	252	256
Total Revenue & Support	\$979,240	\$908,985
Program Services ⁵	\$748,761	\$665,651
Management & General	67,432	134,096
Fundraising	206,128	105,790
Total Expenses	\$1,022,321	\$905,641
Change in net assets	(43,081)	3,344
Net assets - Beginning of year	166,318	162,974
Net assets - End of year	\$123,237	\$166,318

Note 1 - Five Talents US (FTUS) is a member of Five Talents International (FTI) Family, which includes a sister organization in the United Kingdom. FTUS was incorporated in the Commonwealth of Virginia in March 1999 as a not-for-profit organization under section 501(c)(3) of the Internal Revenue Code. The office is located in Fairfax, Virginia, outside of Washington D.C. Our external auditors are SB & Company, certified public accountants in Washington DC, and statements are available upon request.
 Note 2 - In August 2011, FTUS secured an annual variable rate, nondisclosable, revolving line of credit for \$25,000 with Sandy Spring Bank. The line has been renewed in August 2014.
 Note 3 - Temporarily restricted net assets represent contributions received that contain donor imposed restrictions. As of June 30, 2014, temporarily restricted net assets are available for our program partners in the following countries: Africa, \$5,334; Asia, \$7,445; Latin America, \$19,178; Knippers Institute, \$23,825. \$5,000 was received for FY15 Gala event. Total = \$60,782.
 Note 4 - In accordance with generally accepted accounting practice (GAAP), FTUS recognized \$31,920 non-cash contributions (primarily donated items for events) and \$59,686 in-kind services (primarily donated legal services). This is recognized as both income and expense.
 Note 5 - Program Services for the twelve months ending June 30, 2014 were expended in the following areas: \$287,023 in grants to overseas partners for micro-enterprise & savings-led programs; and \$47,713 in other overseas program support such as capacity building, oversight & additional business skills training; and \$414,025 in allocated expenses from the US office for monitoring & evaluation and education & outreach related to our mission program goals.



100% of participants receive business skills training



Five Talents USA is registered with the IRS as a 501c3. Your donations are tax-deductible.

FOR MORE INFORMATION:

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