

A smiling woman with a bright, joyful expression is the central focus. She is wearing a vibrant, multi-colored patterned headscarf with blue, black, and white designs. Her top is white with a large, bold floral pattern in shades of green and yellow. She is also wearing a blue and yellow patterned skirt. The background consists of a wire mesh fence and a wooden structure, suggesting an outdoor or semi-outdoor setting. The overall mood is positive and celebratory.

fivetalents

2019
ANNUAL REPORT



VISION

Five Talents' vision is to eradicate extreme poverty by restoring human dignity and creating strong, sustainable communities.

MISSION

Transforming lives through economic empowerment.

INSPIRATION

Five Talents is inspired by the biblical Parable of the Talents (*which teaches that we should all work to multiply the resources we are given*) and the call of Jesus to minister good news to the poor.

From the EXECUTIVE DIRECTOR **TRANSFORMED**

Five Talents helps the world's poorest families escape poverty. Partnering with churches around the world, we train men and women, mostly desperately poor women, to form savings groups, take out loans, and build their own businesses.

Serving the World's Most Poor

The majority of Five Talents members live on less than \$1.90 per day. Many of our members didn't have access to school or left school at the elementary level, so the financial literacy and business-skills training Five Talents provides is essential to the success of their small businesses.

It may seem surprising, but even the poorest people can save a little each week, start a tiny business, and begin to fulfill their God-given potential. Because most of the participants use their

earnings for their children, the results are healthier families, strong and sustainable communities, and vibrant and growing churches.

Transforming Lives

We are excited to see how many new entrepreneurs have had the courage to change their lives. Thanks to generous supporters, over one million children today have opportunities their parents never dreamed of. As you review our Annual Report, I invite you to meet some of Five Talents empowered entrepreneurs and to discover the impact your partnership makes.



Dale Stanton-Hoyle
Executive Director

Below: During a literacy class graduation in South Sudan.



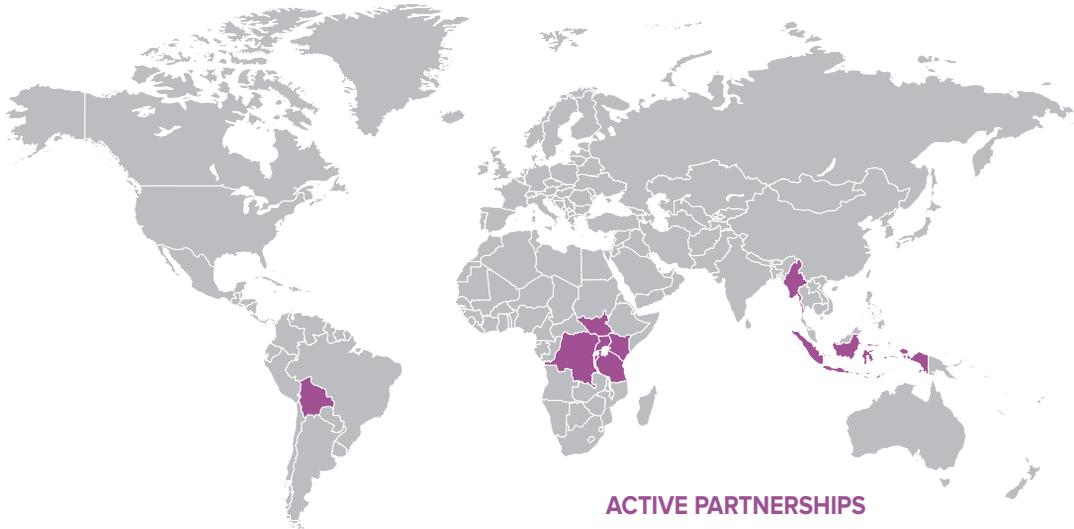
WHERE WE WORK

Over the past twenty years, Five Talents has been privileged to work with partners in 21 countries. Our calling is to serve extremely poor, risky, and hard to reach areas where there is often limited access to roads, water, electricity, and financial services.

In remote rural villages, urban slums, and post-conflict communities, Five Talents walks alongside local churches and local leaders. We have learned so much through these friends.

During 2019, Five Talents served communities in nine countries and expanded to new areas in South Sudan, Kenya, Myanmar, and the Democratic Republic of Congo. One of our local leaders said: “There are almost no other groups serving in my region.”

Five Talents goes where others don't.



ACTIVE PARTNERSHIPS

Bolivia
Burundi
DR Congo
Indonesia
Kenya
Myanmar
South Sudan
Tanzania
Uganda

80%

of those we've reached have been **women**

>1,361,000

people have **benefitted** from the ministry of Five Talents

81%

of members report **increased** household income

Getting to work

OUR APPROACH

Poverty is complex, and its impact can be devastating. The poorest families suffer malnutrition, disease, and early death. They lack access to education, clean water, affordable healthcare, adequate housing, and justice. Our programs address these needs through a special type of micro-finance.

So, how does it actually work around the world?

At the heart of our approach are community savings groups. Five Talents partners with churches to form small groups of neighbors who agree to save together and offer each other loans.

In many remote communities, women have not had the opportunity to go to school. So Five Talents starts by helping the most poor learn how to read and write, and to count and make change.

Group members also learn how to plan and manage their finances and how to start and grow small businesses. The members use their own resources and save

what they can - often as little as 50 cents per week. By pooling their funds together, the savings groups provide a foundation for economic development within each community.

Groups appoint their own leaders and assign roles - often a treasurer, secretary, and chairperson. During the group meetings, savings are counted and publicly recorded.

After six months of savings, members can apply for loans to start and grow their own small businesses. Then members repay their loans with a low interest rate set by the group. As the groups' savings grow, the funds available to build their businesses also grow. Across our programs 95% of loans are repaid on time.

STEP ONE
Outreach &
group formation



STEP SEVEN
Groups
graduate as
self-sustaining



STEP TWO
Training in
literacy,
numeracy and
business skills



STEP SIX
Members earn
interest on
their savings



STEP THREE
After 6 months
of saving,
members can
apply for a loan



STEP FIVE
New entrepreneurs
repay loans



STEP FOUR
Some members take
out loans at rates
determined
by the group





**“We can
when we**

World Food
Programme



**do more
save together.”**

*A Five Talents savings group
meets in Karamoja, Uganda.*

From the CHAIRMAN

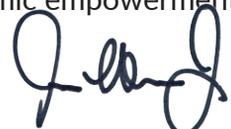
EMPOWERED

The little things we do can have a huge impact. I've had the privilege of visiting with Five Talents entrepreneurs around the world, and I'm always impressed by their creativity and dedication. These women and men start with very limited resources, but they learn to use their God-given talents to multiply and grow what they've been given.

In this Annual Report we feature five stories from entrepreneurs in five different countries. As you'll see, each story is different, but the results are often the same. Those who go through Five Talents training and savings programs report transformed lives. They are able to provide for their families and experience a new sense of hope, freedom, and dignity.

During the 2019 fiscal year, your partnership with Five Talents empowered over 100,000 family members in nearly 2,500 extremely poor communities. These are places that are largely unreached by banks and other financial services. Your support helped to mobilize over \$1 million in these communities - money that local residents saved for themselves in small groups of neighbors and friends. These savings groups have now collectively given out over 180,000 loans, recycling and growing their funds to create over 40,000 new businesses in their communities.

At Five Talents we've started small, but we are seeing incredible growth. Thank you for partnering with Five Talents to transform lives through economic empowerment.



Jim Oakes
Board Chairman

~95%

Repayment rate on member loans

106,100

Members served through 2019
(FTUSA)





Member Spotlight

FRIDA
Burundi



Dignity Matters

As a widow and a very poor mother, *Frida* didn't know how to provide for her three kids. She turned to alcohol and prostitution to survive. Frida confesses that her children often went hungry and were traumatized by her lifestyle.

Through a local church, Frida learned about Five Talents and decided to join a small group of women. "I became transformed", she says, "in learning about prayer, how to plan a business, and the qualities

of a godly woman and mother."

Frida was offered a loan from her group and began to buy and sell beans, peanuts, avocados, and tomatoes. Over time she stopped drinking and made a decision to quit prostitution and join the church.

Today, Frida is a community leader and counsels other women in need. Her business has grown, and she has been able to build her own house and purchase a goat. Her children are now in school, and Frida takes pride in being a good mom.

“

**SINCE JOINING THE PROGRAM
MY LIFE HAS CHANGED.
GOD HAS TRANSFORMED
MY LIFE IN HOW I PLAN
AND HOW I BEHAVE.
IN MY COMMUNITY, I WAS
CHOSEN AS A LOCAL LEADER
AND A COUNSELOR. AS A
WIDOW, I HAVE FINALLY BUILT
MY OWN HOUSE AND MY
CHILDREN HAVE CONTINUED
THEIR STUDIES.”**

FRIDA, BURUNDI

2019 HIGHLIGHTS

2019 was a fantastic year for Five Talents. Thanks to friends like you, we've been able to serve families in nine countries with skills and tools to escape poverty. Here are some of the highlights:

Five Talents' ministry in **Burundi** continued to grow and has served over 50,000 members, reaching all major regions of the country. Through our partnership with the Anglican Church of Burundi, we served 90 different communities and started 90 new literacy groups and 114 new savings groups.

Despite the nearby Ebola outbreak, in the **Democratic Republic of Congo** we helped to equip 28 trainers and establish 60 literacy circles. Classes are now ongoing and over 1,300 participants are enrolled. Five Talents keeps finding a way to work where others often find it's too difficult.

In **South Sudan**, Five Talents expanded into two new areas, supporting literacy, trauma healing, and savings programs in Aweil and Renk. Thirty-six new savings groups formed in Wau, including five in displaced camps. In Juba, 24 communities of displaced families trained in literacy.

Five Talents expanded into three new areas in **Western Kenya**. And we've seen strong growth in literacy classes in Karamoja, **Uganda**. Meanwhile, our micro-finance program in **Tanzania** has successfully moved to digital record keeping and mobile money savings and loans.

Trainers in **Bolivia** worked with 20 savings groups and helped over 200 entrepreneurs with business mentoring and training.

In **Myanmar**, Five Talents led workshops with clergy and church leaders from the across the nation. And our savings programs continue to grow in rural and hard to reach areas.

In **Indonesia**, Five Talents' partner, Gerhati, has registered as a nationally-chartered cooperative, and is moving to post-funding status. Through their dedication to serve the last, the least, and the lost, they are continuing to promote microfinance initiatives, along with other community outreach in the greater Jakarta area.

Member Spotlight

CATALINA

Bolivia



Growing Faith and Talent

After Catalina's husband died, she spent years selling fruit in the streets. With her meagre earnings she was able to build a small room to live in. At her church she learned about Five Talents and how to save and grow her resources.

"When they taught us how to form our savings group, I felt that this was the answer to my economic needs and I joined with a lot of faith."

Today, Catalina's income has grown, and she has started a new business. Her one-room house is

now an apartment complex and she rents out three rooms!

"Many people ask me who is your dad so that you have managed to build all these things? And I tell you my father is very rich and his name is God. Since I met the Lord I have always seen my material needs covered. I accomplished many things with very little investment. I live with faith, because His word says that He will take care of widows and orphans. I like my savings group because my group helps me, and I also help others. We help each other to meet our material and spiritual needs."



Member Spotlight

NAW YIN

Myanmar



Sustainable Business Development

Naw Yin Awe is a proud member of a Five Talents savings group in Myanmar. Alongside her husband, she runs several small businesses. Over the past few years she has learned to grow these businesses using loans from her savings group.

Today Naw Yin imports orchid seedlings from Thailand, sells teak-root furniture, and produces and sells organic cosmetics such as soaps, cleansers, shampoo, and more.

Myanmar is one of the poorest countries in Southeast Asia with an average annual income of about \$1,200 per person. Development has been hindered across the country due to isolation, ethnic conflict, and natural disasters. Currently only 26% of the population has access to electricity. Five Talents serves rural communities in several regions of Myanmar.



A New Ministry:

HEALING TRAUMA

South Sudan and DR Congo are among the world's most fragile nations and have suffered decades of war and conflict. Residents continue to grapple with emotional and psychological trauma, even as they start to rebuild their lives and communities.

Following recommendations from our overseas partners, Five Talents began incorporating trauma healing courses in parts of South Sudan and DR Congo. In these areas trauma healing is now the first component of Five Talents' ministry, followed by literacy, savings, and business skills training.

In South Sudan Five Talents serves many communities who have been displaced by war. Our programs have received special permission from the United Nations to support groups in certain UN settlements and protection areas. Five Talents works with the Justice Peace and Reconciliation Commission, and this year we've started a new program in the region of Renk near the border with Sudan.

Below: Members of a literacy group in South Sudan.

“The training helped us to relieve the pain caused by war and to forgive each other. We have been keeping these things in our hearts for too long.” - Serevina, South Sudan





Member Spotlight

SARAH
South Sudan



Building a Brighter Future

Sarah fled her home in South Sudan amidst fighting in 2015. While in a displaced community in the capital of Juba, she joined a Five Talents program to learn how to read, write, and save. She has been in a savings group ever since. Sarah's group meets twice a month and has 20 members, all women. She joined the group because she discovered that she could do more together with other women.

Sarah has four children, ages 8 to 15, and she could not afford school fees, uniforms and books for them. When

she came to Juba because of the fighting, she needed a way to support her family. So she took a loan to kick-start a business importing coffee, beans and peas from Uganda and selling them in the market.

Now Sarah's children are all in school, and one is even studying in another country. When she thinks of her group, she thinks of being able to support her children. In the future, Sarah hopes to build her own house.

“

I AM NOW ABLE TO FEED MY TWO GRANDCHILDREN WITH FRESH VEGETABLES FROM MY FARM. I USE INCOME FROM THE SALE OF VEGETABLES TO PAY FOR THEIR SCHOOL FEES AND MEDICAL CARE. I NO LONGER FEED THEM WITH JUST WILD FRUITS AND LEAVES DURING THE DRY SEASON LIKE WE HAVE ALWAYS DONE IN THE PAST. I AM LUCKY AND BLESSED TO HAVE JOINED THIS GROUP.”

ALUELDIT, a savings group member

Member Spotlight

JOYCE

Uganda



Empowering Leaders

Joyce is the Secretary of a Five Talents savings group in a remote village in Uganda. She takes great pride in helping lead the group, and she sees herself as an example to other members. At 36 years old, she has two school-aged children. Providing for them, and ensuring their future, is incredibly important to her.

Joyce earns an income for her family by raising pigs. By selling one piglet, Joyce can feed her family for two weeks. Joyce's group is mostly women - only a handful of men attend. The women in the group believe this is due to perseverance, and

because they see more value in saving than some of the men. They find the group empowering because it taught them how to handle and count money, but it also gives them a place to safely store their money with other women so their husbands can't take it!

Joyce hopes to take out a loan soon to create a better enclosure for her pigs. This will help her to raise more of them and add to her income. "The pigs are challenging, but I love what I do", Joyce says.

FT USA Financials

Based on Form 990 for the fiscal years ending June 30, 2019 and June 30, 2018.

INCOME	2019	2018
Individual Contributions	\$663,506	\$633,295
Church Contributions	\$101,161	\$113,559
Foundation Support	\$66,000	\$61,523
Other Contributions*	\$103,782	\$67,418
Non-Cash Donations	\$62,356	\$38,644
Subtotal Revenue	\$996,805	\$914,439
Less Multi-Year Pledges**	(\$97,782)	(\$37,440)
Net Revenue	\$899,023	\$876,999

* Other = Donor advised funds, investment, and other income.

** Pledges due beyond one year (net present value)

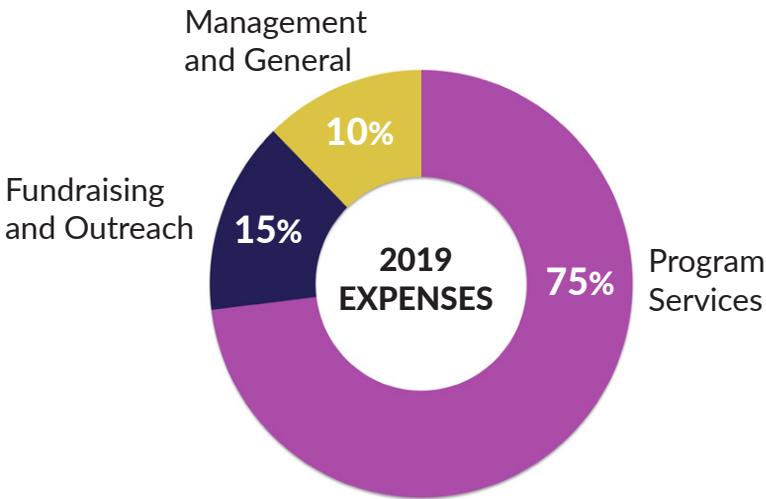
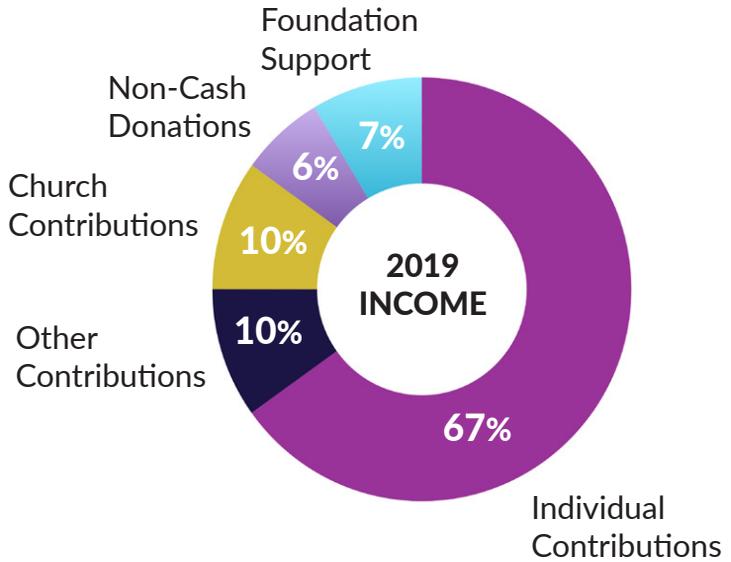
EXPENSES	2019	2018
Program Services	\$674,336 (75%)**	\$671,657 (78%)
Fundraising/Outreach	\$135,055 (15%)	\$133,045 (15%)
Management/General	\$90,726 (10%)	\$60,376 (7%)
Total Expenses	\$900,117	\$865,078
Net Assets, End of Year	\$323,442	\$229,232

*** Note: Federal clarification of Generally Accepted Accounting Principles in 2019 resulted in most nonprofits re-allocating some expenses that had been considered part of program services.

Our Commitment to You

Five Talents is committed to wise stewardship of its funding to empower the world's poor. We view every donation as a sacred trust, and our programs operate with efficiency, transparency, and the highest standards of accountability. Our independently audited accounts, external accreditations, and platinum rating attest to our commitment.





Financial Notes

Five Talents USA is a member of the Five Talents International Family, which includes sister organizations in the United Kingdom and Kenya. FT USA 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 Falls Church, Virginia outside of Washington, D.C. Our federal 990 and audited financial statements are available on our website.

Worldwide Revenue

(FT USA and FT UK combined)

2015	\$1,624,000
2016	\$1,675,000
2017	\$1,736,000
2018	\$1,852,000
2019	\$2,047,000

BOARD OF DIRECTORS

JIM OAKES (CHAIR)	Principal, Health Care Information Consultants
KIMBERLY PACALA (VICE-CHAIR)	Former Director of Development
KATHLEEN CROW (SECRETARY)	Managing Director, The McClean Group
AIMEE DAVIS (TREASURER)	Controller, AnaVation LLC
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JIM LEWIS	Shareholder, Rees Broome, PC, Attorneys at Law
BRIAN BURKE (COUNSEL)	Partner, Cooley LLP

Special thanks to Adam Dickens of “Taking Pictures, Changing Lives” for capturing photographs for Five Talents in Tanzania and Uganda.

Five Talents USA is a registered 501c3 charitable organization. Our Federal Tax ID Number is: 54-1940918. For more information about how you can partner with Five Talents, please contact us or visit our website:

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