

Report back to The Funding Network

1. Name of your organisation and date funded by TFN:

Five Talents UK (Charity No.1113969) – 1st instalment from TFN received on 18 January 2012

2. What does your organisation do?

Five Talents' mission is to fight poverty, create jobs and transform lives by empowering the poor in marginalised communities. We do this by supporting microfinance initiatives in developing countries – establishing saving groups, providing business training and small loans for entrepreneurs.

3. When was your organisation first established?

Five Talents was “born” at the 1998 Lambeth Conference of Anglican Bishops. Microfinance was viewed as a practical means of combating poverty. The international office was established in Washington D.C. in 1999. Following continued growth in our programmes the UK office was set up in 2005.

4. Since receiving funding from TFN how has your organisation changed?

In 2011 Five Talents had a total income of £600,700 directly benefiting 37,658 clients across 12 countries. In 2012 we anticipate that our income will be slightly down on last year. However our beneficiary numbers are still on course to grow and we are currently reaching over 48,000 men & women.

Five Talents works in partnership with our local partner, The Embu Diocese Community Development Trust (**EDCDT**). The projected beneficiaries were revised at the beginning of the year. Over 2012 EDCDT now aims to launch 8 savings groups in the town of Embu with an outreach of approximately 365 new clients.

5. Can you describe/measure the impact that the specific TFN funded project/work has had?

Funding provided by TFN enabled us to fully cover the costs of expanding our microfinance services in Embu over 2012. Five Talents receives quarterly evaluation reports from EDCDT to measure the financial and social impact of our funding. According to our latest quarterly report from 30th June 2012:

1. EDCDT have now established a total of 17 saving groups in Embu
2. They are now serving 597 clients in rural and urban communities across Embu
3. Two new staff members has been recruited who are responsible for overseeing the savings programme
4. Approximately \$22,000 of savings have been accumulated by all our members
5. Loans of approximately £7,000 have been disbursed to members

6. Could you give us an estimate of how many people have been reached by the TFN funded project/work and by how much?

In the first half of 2012 97 people have joined a savings group and are starting to save small amounts of money regularly. Currently about 60% of our members are female. Seven new savings groups have been set up in 2012 and we are on course of meeting our 2012 targets.

So far 500 clients have been provided with business training in areas including savings groups governance, basic book keeping, pillars of a successful savings & credit group, saving and loaning procedures, as well as business planning.

Further training has also been provided to 90 members of management committees in areas including, book keeping, leadership skills, loaning procedures, maintaining a healthy portfolio by measuring the portfolio at risk and managing risks.

TFN funding has enabled EDCDT to recruit local professionals, Mark and Elizabeth, who have formed village groups to mobilize members' small savings. On average, each member has saved \$3/month over the past year. Together this has accumulated \$22,000 of savings and has enabled 80 members to borrow an average of \$87 each (total loans: \$7,000). These loans have enabled our clients to pay school fees for their children, start small businesses and generally improve their lives through improved household income and self-esteem.

The trainings sessions have also imparted a new culture of financial discipline among members (they save for 6 months continuously before taking a loan). They also encourage unity through social interaction and co-guaranteeing. The community ownership is a key element in this model of community empowerment.

7. Did receiving the money from TFN make positive difference to your organisation? If yes, in what way? If no, please specify why not?

As the Embu expansion was fully funded by TFN we have been able to release other resources to helping to scale up some of our other projects in Kenya. We have used the success of Embu to demonstrate the viability of the savings model. We have recently been selected to participate in the Big Give challenge which we anticipate will raise a significant amount to help fund our new expansion work in Thika.

Two of our Kenyan programme leaders recently delivered a course on 'Graduating Savings Groups into Community Banks' in October in Arusha, Tanzania. Thanks to the success of the Kenya programme they were invited to present at the University of New Hampshire's Sustainable Microenterprise and Development Program. . This two-week training workshop brings together several of the leading trainers, researchers, and thinkers working on the cutting edge of savings groups development.

In November 2012 Five Talents will also be leading a team of advocates to visit our work in Kenya. The images, blogs and commentary will be used to assist with future funding proposals.

8. Do you have any other comments regarding TFN funding?

We would just like to thank the members of TFN for their generous support for the work of Five Talents. Their gifts have had a positive impact in the lives of many of our members, including people like Lucy, below.



Lucy Njoki is a member of ACK Rung'ang'a Trust group, a rural based group. She was encouraged her to join the group so as to access a loan to stock her struggling small shop. Prior to joining the group Lucy could hardly meet her daily needs, since she was generating minimal income from her shop and vegetable garden.

She joined the group in April 2011 saving an average of Ksh200 (\$2.30) p/m. By April 2012 she had saved Kshs.3,000 (\$36) and was eligible for a loan of Kshs.6000 (\$71). She used this loan to restock her business, which earns her an average of Kshs.1,500 (\$18)p/w. Lucy has now gained some financial independence and is able to meet and sustain her family's needs. Today Lucy repays her loan regularly and continues to contribute to her savings. She can educate her daughter comfortably from the proceeds of her shop and hopes to build a more permanent shop in future for her expanding business.

Whilst we are proud of the achievements of EDCDT, ongoing support is still needed. We want to ensure that existing groups become self-sustaining over the long-term, as well as expand our outreach into new communities across Embu. All this requires both great expertise and funding. We would be keen to be kept informed about further funding opportunities to support the next stage of this project.