

Investment toolkit

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Dashboard

Scoring
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DFIs
Matching

Basic Information

Documentation Required

Basic Information			
Institution			
Name of institution			
Type of organization		Foundation	
Mission		Local development	
		Local development	
Non-financial services offered		Financial literacy	Women empowerment
		Business development	Other (coaching,
		Health education	
Address			

Documentation required		
Documentation type	Available	Observations
Registration & Organization		
Licensed and registered	yes	
Three years of Operation	yes	
Registered and regulated by Financial Authority or Centrale Bank	yes	
Manuals and procedures		
Finance and Administration manual	yes	
Operations manual	yes	
Human Resources manual	yes	
Credit manual	yes	
Loan loss provisioning, write-off, and recovery policies (if not in credit manual)	yes	
Savings manual	yes	
Internal controls manual	yes	
Internal audit policies and manual	yes	
Risk management policies	yes	
Financial & Portfolio Information		
Audited financial statements for the past three years	no	

Qualitative Assessment

Risk Assessment

Organization	Issue	Quality and completeness (5 full complete, 1 not available)	Observations
Organization	The institution is formally registered and regulated by the government.	2	
	The MFI have a clear mission that is embraced and implemented by its board and staff.	3	
	The MFI's management and board have the vision, ability, leadership, and experience to lead it, now and in the future.	5	
	The MFI have a clear target market it is trying to reach? Does it have a coherent strategy for reaching that market? How successful has it been in reaching it?	3	
	The institution has a clear approved organizational chart	4	
	The institution performed during the last three years an Internal reports monitoring clients at entry, dropouts, market assessments, and \ or other research	2	
	The institution has a clear description of financial products and non-financial services	4	
Total		23	66%
Governance	The MFI's board have the experience and commitment needed to provide fiduciary and strategic oversight of the MFI.	1	
	The board capable of enabling the MFI to achieve its mission, guiding its strategic direction, managing and mitigating risks, and ensuring accountability throughout the institution.	2	
	The board appropriately qualified, active, and experienced in fields such as banking, law, accounting, and social development.	3	
	All board members agree on the MFI's mission and strategic direction.	4	
	The board of directors has sub-board committees and meets regularly	5	
	Audit committee	5	
	HR committee	5	
	Executive committee	4	
The institution keeps minutes of board meetings for the past two years	3		
Total		32	71%
Financial statements reporting:	The MFI has an Audited financial statements for the past three years	5	
	The institution has Unaudited financial statements for the year to date	2	
	The MFI prepare Budgets/projections: Annual budgets for the past three years approved by the Board of Directors.	2	
	The institution conducted an External reports about the MFI during the past two years, such as ratings, assessments, evaluations, SPI4 and impact studies	3	
	The institution has a Complete set of summary reports from the loan tracking system	2	
	Prepare and follow-up monthly and/or quarterly operational performance	2	
	Prepare and follow-up monthly and/or quarterly financial performance	3	
Prepare and follow-up monthly and/or quarterly individual branch's performance	1		

Risk of social Mission	Quality and completeness (5 full complete, 1 not available)	Observations	
Does your organization have a clear statement of message that determines the target market?	2		
Are staff aware of the statement of the organization's mission and do they use it to direct their actions?	3		
Does your organization have a statement of core values?	1		
Does your organization use appropriate screening techniques to ensure that it serves the target market?	4		
Do I aim to ask out the needs of customers/customers?	2		
Are you offering a wide range of loan to ask so that the best customers/customers do not deviate from the institution?	4		
Do the requirements for a loan take into account (e.g. warranty, meetings, business plan, compulsory saving) the organization's need to control credit risk without overloading the target market suitable for access to services, depending on the length of time required, the location of the services (e.g. branch locations), and the timing of access to?	1		
Do you conduct a market study regularly to stay informed of changes in the needs of the target market?	1		
Did your customer retention rate decline over the previous year?	5		
Total	26	50%	
Risk of the services of the bank	Are there minutes for regular board meetings?	3	
	Does the Board of Directors provide an environment conducive to transparency and external control?	1	
	Do you have an action plan to reach efficiency in an appropriate period of time?	2	
	Do you update the plan and use it regularly to make management decisions?	3	
	Do you follow sustainability and profitability indicators?	2	
	Are interest rate groups sufficient to cover the full cost of microfinance institutions?	4	
	Do you provide accurate data on linked subsidies and donations?	2	

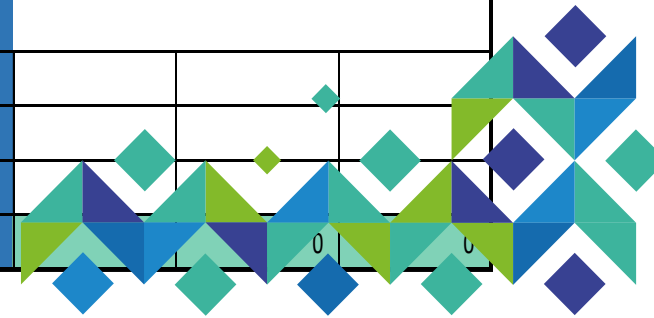
Portfolio (historical and projections)

Portfolio report

Use only local currency unless stated otherwise	Historical Data								Projections		
	2019	2020	2021	Q1/2022	Q2/2022	Q3/2022	Q4/2022	2022	2023	2024	2025
Portfolio activity											
Total number of loans outstanding End previous period	1,000	5,180	9,778	14,836	20,399	26,519	33,251	14,836	40,656	69,059	100,302
Total number of loans disbursed during the period	5,000	5,500	6,050	6,655	7,321	8,053	8,858	30,886	33,974	37,372	41,109
Total number of loans completely repaid during the period	800	880	968	1,065	1,171	1,288	1,417	4,942	5,436	5,980	6,577
Total number of loans written off during the period	20	22	24	27	29	32	35	124	136	149	164
Total number of loans outstanding end of period (n)	5,180	9,778	14,836	20,399	26,519	33,251	40,656	40,656	69,059	100,302	134,669
Total number of active loans end of period (n)	800	4,780	9,158	13,974	19,271	25,098	31,508	13,974	38,559	38,562	38,569
Total numbers of loans End of previous period	800	4,780	9,158	13,974	19,271	25,098	31,508	13,974	38,559	38,562	38,569
Total number of loans disbursed during the period	6,000	6,600	7,260	7,986	8,785	9,663	10,629	37,063	7	10	12
Total number of loans completely repaid during the period	2,000	2,200	2,420	2,662	2,928	3,221	3,543	12,354	4	2	3
Total number of loans written off during the period	20	22	24	27	29	32	35	124	0	1	3
Total number of loans outstanding end of period (n)	4780	9158	13973.8	19271.18	25098.298	31508.1278	38558.94058	38558.94058	38561.94058	38568.94058	38574.94058
Total value of Loans outstanding end of period (n)	1,049,500	1,574,250	2,361,375	3,542,063	5,313,094	7,969,641	11,954,461	11,954,461	11,954,461	27,096,019	42,237,577
Total value of loans outstanding End of previous period	100,000	150,000	225,000	337,500	506,250	759,375	1,139,063	1,139,063	11,954,461	27,096,019	42,237,577
Total value of loans disbursed during the period	1,000,000	1,500,000	2,250,000	3,375,000	5,062,500	7,593,750	11,390,625	11,390,625	15,946,875	15,946,875	22,325,625
Total value of loans completely repaid during the period	50,000	75,000	112,500	168,750	253,125	379,688	569,531	569,531	797,344	797,344	1,116,281
Total value of loans written off during the period	500	750	1,125	1,688	2,531	3,797	5,695	5,695	7,973	7,973	11,163
Total value of loans outstanding end of period (n)	1049500	1574250	2361375	3542062.5	5313093.75	7969640.625	11954460.94	11954460.94	27096018.75	42237576.56	63435757.5
Total of new clients								0			

Income statement (historical and projections)

Income statement											
Use only local currency unless stated otherwise											
Financial income & expenses	Historical Data								Projections		
	2019	2020	2021	Q1/2022	Q2/2022	Q3/2022	Q4/2022	2022	2023	2024	2025
Interest on loans	100,000	110,000	121,000	146,410	161,051	177,156	194,872	679,489			
Interest on deposits and securities	1,000	1,100	1,210	1,464	1,611	1,772	1,949	6,795			
Loan fees	1,000	1,100	1,210	1,464	1,611	1,772	1,949	6,795			
Penalty fees	500	550	605	732	805	885.78	974	3,397			
Other income from lending	500	550	605	732	805	885.78	974	3,397			
Total financial income	103,000	113,300	124,630	150,802	165,883	182,471	200,718	699,873	0	0	0
Total financial income - Interest on deposits	102,000	112,200	123,420	597,353	627,220	659,079	693,079	693,079	0	0	0
Cost of debt - interest and fees	100	110	121	146	161	177.16	195	679			
Interest on client deposits	0	0	0	0	0	0	0	0			
Other financial costs	0	0	0	0	0	0	0	0			
Total financial expenses	100	110	121	146	161	177	195	679	0	0	0



Balance sheet (historical and projections)

Balance Sheet

	Historical Data								Projections		
	2019	2020	2021	Q1/2022	Q2/2022	Q3/2022	Q4/2022	2022	2023	2024	2025
Cash and equivalents	5,000	10,000	20,000	30,000	35,000	37,000	40,000	40,000	40,000	40,000	40,000
Back-to-back deposits	0	0	0					0	0	0	0
Gross loan portfolio	1,000,000	1,000,200	1,500,000	1,650,000	1,815,000	1,996,500	2,196,150	2,196,150	0	0	0
(Loan loss reserve)	-50,000	-50,000	-65,000	-78,000	-93,600	-112,320	-134,784	-134,784			
Net loan portfolio	950,000	950,200	1,435,000	1,572,000	1,721,400	1,884,180	2,061,366	7,238,946	0	0	0
Net interest receivable	5,000	5,500	6,050	6,655	7,321	8,053	8,858	8,858			
Other current assets	6,000	6,600	7,260	7,986	8,785	9,663	10,629	10,629			
Total current assets	966,000	972,300	1,468,310	1,616,641	1,772,505	1,938,896	2,120,853	7,298,433	40,000	40,000	40,000
<i>Error check: Portfolio! Total loan loss reserve +Balance!(Loan loss reserve) <= 1</i>											
Long-term investments	0	0	0	0	0	0	0	0			
Fixed assets - at cost value	850,000	1,500,000	1,650,000	1,815,000	1,996,500	2,196,150	2,196,150	2,196,150			
(Accumulated depreciation)	212,500	375,000	412,500	453,750	499,125	549,038	549,038	549,038			
Net fixed assets	637,500	1,125,000	1,237,500	1,361,250	1,497,375	1,647,113	1,647,113	1,647,113	0	0	0
Other long-term assets								0			
Total long-term assets	637,500	1,125,000	1,237,500	1,361,250	1,497,375	1,647,113	1,647,113	1,647,113	0	0	0

Cashflow (historical and projections)

Cash flow Statement

	Historical Data			Projections		
	2020	2021	2022	2023	2024	2025
Cash Flows from Operating Activities						
Net Operating Income	89,870	98,857	555,142	0	0	0
Depreciation and Amortization	1,100	1,210	1,331	0	0	0
Impairment Losses on Loans	0	0	0	0	0	0
(Cash Paid for Taxes)	0	0	0	0	0	0
Value of Loans Repaid	75,000	112,500	168,750	797,344	797,344	1,116,281
(Value of Loans Disbursed)	-1,500,000	-2,250,000	-3,375,000	-15,946,875	-15,946,875	-22,325,625
(Increase)/Decrease in Trade Investments	0	0	0	0	0	0
Increase/(Decrease) in Deposits	0	0	0	0	0	0
(Increase)/Decrease in Receivables and Other Assets	-6,300	-496,010	-5,830,123	7,258,433	0	0
Increase/(Decrease) in Payables and Other Liabilities	2,250	2,588	14,858	-34,696	0	0
Net Cash from Operating Activities	-1,338,080	-2,530,856	-8,465,041	-7925793.99	-15149531.25	-21209343.75
Cash Flows from Investing Activities						
(Increase)/Decrease in long-term invest.	487,500	112,500	409,613	-1,647,113	0	0
Net Cash from Investing Activities	-850,580	-2,418,356	-8,055,429	-9572906.49	-15149531.25	-21209343.75
Cash Flows from Financing Activities						
Increase/(Decrease) in borrowed funds	-132,750	0	0	-17,250	0	0
Increase/(Decrease) in Stock	616,126	596,940	1,001,419	-3,571,284	0	0
(Dividend payments)	-3	-4	0	0	0	0
Donated Equity	3	4	0	0	0	0

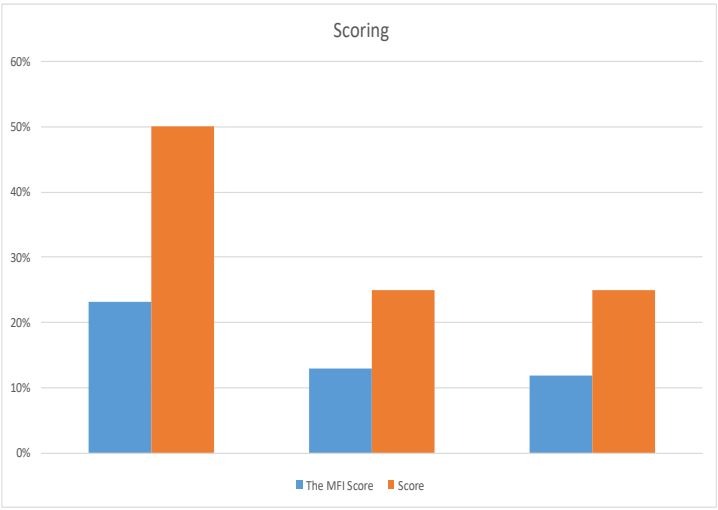
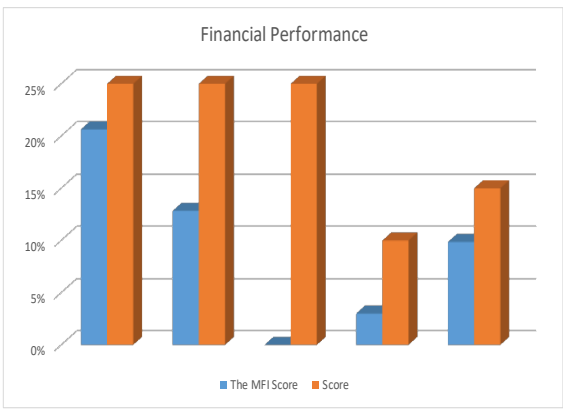
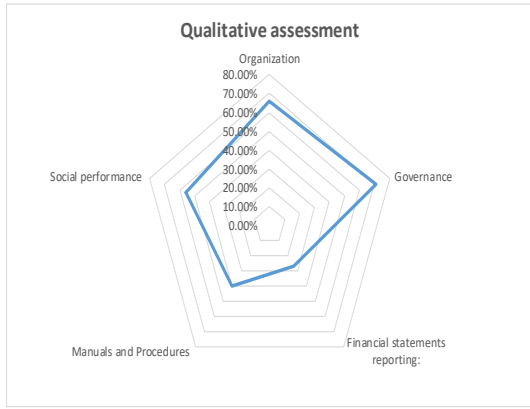
Scoring Sheet

Item		Average	Bench Mark	%	Score weight	The MFI Score
Financial Performance					Sub score	Score
	Efficiency					
	Operating expenses ratio (assets)	1%	15%	8%	15%	15%
	Client Retention ratio	45%	80%	56%	10%	6%
	Sustainability and Profitability					
	Return on Assets (ROA)	2%	10%	23%	5%	1%
	Return on Equity (ROE)	5%	14%	38%	10%	4%
	Financial Self-Sufficiency	99%	120%	83%	5%	4%
	Portfolio Yield	22%	30%	74%	5%	4%
	Portfolio Quality					
	Portfolio-at-Risk (PAR) Ratio	13%	5%	267%	15%	0%
	Write-off Ratio	8%	2%	383%	10%	0%
	Staff and Management turn over					
	Loan officers as % of staff	36%	60%	60%	5%	3%
	Staff turnover	27%	10%	270%	5%	0%
	Asset/Liability Management					
	Portfolio to Assets	60%	85%	71%	5%	4%
	Debt to Equity	32%	50%	63%	10%	6%
						46%
Qualitative assessment				52%		25%
Risk Assessment				47%		25%
					100%	48%



DashBoard

Dashboard



DFIs Matching



Organization		DFI1	DFI 2	DFI 3	DFI 4	DFI 5
	Organizational chart					
	The most recent strategic plan, including financial outlook and Cash flow forecasts					
	Documentation of funding liabilities					
	List of board of directors, including curriculum vitae					
	List of committee memberships of board of directors (if board has committees)					
	Minutes from past three meetings of board of directors ⁶					
	Description of financial and nonfinancial services					
	Relevant microfinance regulations from national regulator					
	Internal reports monitoring clients at entry, dropouts, market assessments, and other research					
Financial statements:						
	Audited financial statements for the past two years					
	Unaudited financial statements for the year to date					
	Budgets/projections: Annual budgets for the past three years approved by the Board of Directors.					
	External reports about the MFI from the past two years, such as ratings, assessments, evaluations, SPI 4 and impact studies					
	Complete set of summary reports from the loan tracking system					
	Documentation of funding liabilities					
Manuals and Procedures						
	Operations manual					
	Personnel manual					