



**MICROFINANCE CENTRE**

# Annual Report 2014



The **Microfinance Centre** is a regional microfinance resource center and network. We unite 103 organizations (including 77 MFIs) across 31 countries of Europe, Central Asia and beyond, who together deliver responsible microfinance services to over 1,000,000 low-income clients.

*Our vision is for an industry that is centered around creating benefits for clients and excels at delivering responsible financial services.*

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# A word from our Chair



*“It is my pleasure to invite you to review our 2014 Annual Report, which chronicles our work over a challenging, and successful, year.”*

*– Cristian Jurma,  
Chair of the Board;  
General Manager,  
Vitas Romania*

In 2014, we continued our flagship programs in Responsible Finance and Access to Finance, welcomed a record number of participants at our 17th annual conference, and launched key new initiatives that have garnered praise from our members and stakeholders: the Borrow Wisely Campaign and the CEO Forum. We also increased our visibility within the EU, extending our work with the European Commission, and strategically partnering with the European Microfinance Network to find synergies and leverage points between our respective regional and international programs of work.

In these uncertain times, full of economic and political challenges, the microfinance sector is not immune to stress. While we are, on the one hand, seeing an increased emphasis on ensuring client-well being (through client protection, financial education, and social performance), we are also witnessing serious challenges in terms of institutional operations. These come largely in the form of more demanding and sophisticated regulatory and investor reporting requirements, as providers grapple with issues around capital adequacy, risk management, exchange rate risk, anti-money laundry and know-your-client laws, client data protection and others. These formal financial sector regulations are clearly beneficial, but also put MFIs under serious operational pressure, which can impact upon those we serve and our own sustainability. Against this backdrop, the MFC Board and Management are discussing key questions around the future of the industry, and how to (for providers that largely serve the informal market) strike the right balance between transparency and feasibility, to allow the sector to thrive and deliver value in line with its mission.

Worryingly, too, we see a clear trend of decreasing donor interest for sector support, with less funding available to develop programs, conduct critical research, and build network and provider capacity. Thus in 2015, the MFC will begin diversifying its funding and income generation activities to ensure its own sustainability and continue our support to the sector.

On behalf of the MFC Board and Management, I would like to thank our members, donors, partners and staff for their support, trust and inspiration in creating a better microfinance sector. Last but not least, I sincerely congratulate the MFC staff for their excellent work and impressive results this year.

# Management message

We are proud to present the 2014 Annual Report, highlighting a significant number of programs to improve member capacity, protect clients against over-indebtedness, and improve the political environment surrounding the industry.

Economic uncertainty, sluggish growth, high unemployment, migration, and environmental crisis have become permanent features of the social, economic and political landscape. In response, our board, members and partners have launched a series of innovative programs to explore the impact on households and businesses, design strategies to protect them from future shocks, and understand the direct impact of the crisis on financial service providers. Within this context, we're highlighting four important strands to our work:

With crisis borrowing amongst households on the rise, we piloted the Borrow Wisely Campaign to raise awareness around the threat of excessive debt. **Over one month and across nine countries, 11 microfinance institutions (mostly MFC members) reached over 165,000 people with targeted financial education messages.**

Secondly, we worked with the European Commission, European Microfinance Network and European Financial Inclusion Network to improve EU access to finance and mainstream the EU Code of Conduct. Following research revealing alarmingly high levels of over-indebtedness across the EU, we've launched calls for a dedicated, country-level "debt watch" function.

Thirdly, we worked with the International Finance Corporation (IFC) to design financial education systems in Kyrgyzstan and Tajikistan, and develop provider capacity (primarily members) to deliver client financial education. In 2015, we're expanding this work to include Moldova, Azerbaijan and Kosovo. Lastly, we teamed with the EBRD to create a CEO peer-learning network in the ECA region, providing a critical space to discuss common strategic challenges.

In coming years, we'll work alongside the European Microfinance Network and the Frankfurt School of Finance and Management on an EU-wide program funded by the European Commission and the European Investment Bank. Not only will this include free technical assistance for providers in EU and the EU candidate countries, but an expanded 2015 Borrow Wisely Campaign, and work with our members on introducing client protection standards.

To our members and partners: thank you for your trust and your support for our work. We look forward to reporting another outstanding year in 2015 – and for many years beyond.

Katarzyna Pawlak and Grzegorz Galusek



# Our mission

Our mission is to contribute to poverty reduction and human potential development by promoting a socially-oriented and sustainable microfinance sector that provides adequate financial and non-financial services to a large number of poor families and micro-entrepreneurs.

To achieve this, we work with actors across the microfinance value chain: policy-makers, networks, financial service providers and investors. Our hope is that by pursuing a multi-prong strategy, we can affect positive and lasting change across the industry, and improve both accountability for results at an institutional level, and positive outcomes at the client level.

Our work is guided both by our mission, our analysis of the conditions for the inclusive finance where we operate, member needs, as well as the gaps in financial inclusion that are not addressed by other institutions.

Currently our work is organised under five key pillars:

**Responsible finance:** Advancing responsible finance practice among MFC Members

**Access to finance:** Building government capacity to develop evidence-based access to finance policies

**EU presence:** Advancing access to finance in the EU in cooperation with the European Commission

**Social innovation lab:** Testing new approaches to asset-building and financial education for low-income people

**Income generation:** Increasing income from our services.



# 2014 Key achievements

4

**Ground-breaking research papers** on over-indebtedness and financial inclusion within the European Union

189

**Microfinance institutions and associations** engaged and strengthened through technical assistance and financial support

520

**Participants** connecting, debating and co-creating over the course of three days at the 17th Annual MFC Conference in Istanbul, Turkey

>165k

**Clients** reached with targeted financial education messages and financial management tips through our first annual Borrow Wisely Campaign



# Connecting & supporting *Practitioners*



## **The New World of Financial Inclusion: 17th Annual Conference**

The 2014 MFC Annual conference in Istanbul entitled “The new world of financial inclusion: What role for microfinance?”, attracted over 500 participants from 43 countries across Europe, Asia and the United States. The conference was an opportunity to discuss how access to finance and financial inclusion, as paths to prosperity, relate to microfinance. We tackled access issues such as using technology to balance quality and scale, agriculture financing, responsible finance, and customer protection. Conference sponsors included: CoopEst, European Fund for Southeast Europe, International Finance Corporation, MetLife Foundation, Moody's Analytics, responsAbility, SME, Software Group, symbiotics, TEMENOS, and Triodos Investment Management.



## **Connecting CEOs to discuss key industry challenges**

The CEO Club connects MFI leaders in a nurturing environment: giving them the opportunity to grow as professionals, and engage in frank discussions around pressing industry challenges. Our inaugural event helped us “roadtest” the format, and also to “break the ice” between group members, who all lead EBRD-funded MFIs in the ECA and MENA regions. Over two days, we explored the role of the CEO as the driver the MFI effectiveness, efficiency, and (consequently) growth. We also discussed the concepts of “lean management”, and the impact of a CEO’s personality type on organizational decision-making and culture.

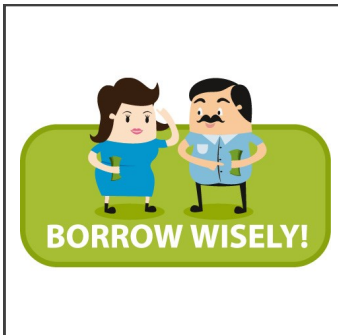


## **Building our capacity to support improved client protection**

In 2014, with financial and technical support from ACCION and the Smart Campaign, the MFC invested its capacity to mainstream client protection among members. We began rolling out our Smart Assessment service last year, with work in Armenia, Azerbaijan and Bulgaria (with support from the EU). We also train MFI staff, and support network capacity to do the same with their members.



# Connecting & supporting *Microfinance clients*



## Going global with the “Borrow Wisely!” message

In October 2014, our ground-breaking financial education campaign united 12 MFIs<sup>1</sup> in 9 countries, who together took wise borrowing messages out to 165,213 clients and potential clients. Campaign partners’ field staff used posters, leaflets and brochures with key messages, as well as a “pre-loan” checklist of questions that clients should ask themselves before taking out a loan, to ensure that only borrow safe and responsible levels of debt. The Campaign was well-received, by clients and MFIs alike – and we look forward to building on our success with in 2015.



## Taking financial education to low-income clients in Plonsk, Poland

This year, MFC teamed up with a local Polish cooperative bank for a 9-month financial educational campaign in the small-town community of Plonsk. Handy tips on wise borrowing and debt management featured in local press, church newsletters and online videos (reaching up to 8,500 people) , and community members were invited to participate in workshops to practice analyzing loan offers, calculating their repayment capacity and understanding advertisements for financial products. Project evaluation revealed great results in terms of shifting attitudes towards borrowing for consumption and paying down existing debt. As part of this project (funded by the National Bank of Poland), the MFC trained bank staff to deliver financial education, and developed targeted training and promotional materials.

<sup>1</sup> Our 2014 partners were: Agency for Finance (Kosovo), AgrolInvest and Micro Development (Serbia), BaiTushum (Kyrgyzstan), Crystal (Georgia), Farm Credit (Armenia), Horizonti (Macedonia), IMON (Tajikistan), EKI, Mi-Bospo and Partner (Bosnia and Herzegovina), VF AzerCredit (Azerbaijan).

# Connecting & supporting *National associations*



## Scaling up SPM across the industry

The second round of the Social Performance Fund began in January 2013, and aimed to build SPM awareness and capacity on a large scale across the industry. Through capacity building, implementation grants, communications toolkits and event scholarships, we worked with 14 networks across the globe, which together helped 113 MFIs to improve their SPM practice. Examples of good practice are captured in **28 new case studies** – many of which are available in local languages. Beyond these impressive results, the Fund (supported by the Ford Foundation) also played a critical role in testing the applicability of the new Universal Standards for SPM, gauging the current state of global SPM practice, and understanding the potential of networks to support the scale-up process.

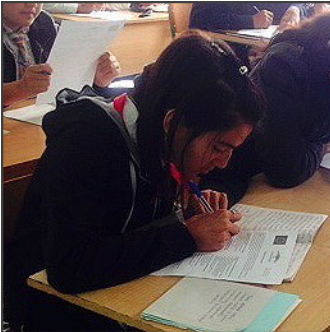


## Promoting women's entrepreneurship: Joint project with AMFA

In January 2014, we launched a three-year collaboration with AMFA (Azerbaijan Microfinance Association) entitled *Building female professionals and promoting women entrepreneurship development in rural regions of Azerbaijan*, funded by the European Union. Our aim is to strengthen the capacity of rural women to manage the household finance and/or to increase their employment opportunities by equipping them with the skills they need to start their own business, or find a job in the financial sector. Using a new local-language version of our *Plan Your Future* module, we've trained 45 local trainers to date – who in turn have together trained 148 women. At the close of the project will be developed a “lessons learned” case study describing best approaches to developing rural women professionals.

# Connecting & supporting

## *National associations*



### **Financial education for low-income households in Uzbekistan**

This year, the MFC successfully wrapped up its 3-year collaboration with the National Association of Microfinance Institutions (Uzbekistan) on national financial education. Our approach was a holistic one: reaching out to students, financial service providers, consultants, and the media to increase both knowledge and support capacity. We're proud of the results: a brand new "Fundamentals of Financial Literacy" textbook and 36-hour college teaching curriculum (piloted with 2,000 students), 32 new local certified trainers, 3 local certified senior financial education trainers, a massive social campaign that delivered 10,000 vulnerable people, and 17 financial institutions that delivered individual and group support to over 633 low-income clients. This project was funded the European Union.

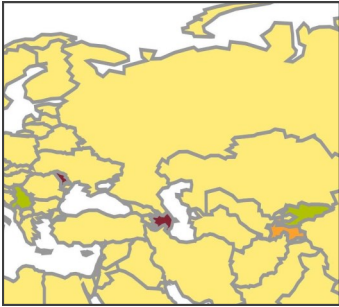


### **Increasing access to finance in rural Belarus**

This year, we successfully closed an 8-month collaboration with the Republican Microfinance Centre in Belarus. This USAID-funded project aimed to raise clients' financial literacy, improve access to credit, and strengthen entrepreneurial skills. We supported the RMC to achieve this through designing promotional posters and leaflets, meeting with key national stakeholders (including government and regulatory authorities) to promote the *Plan your future* module. Additionally, MFC master trainers trained and certified 22 new financial education trainers on behalf of the RMC.

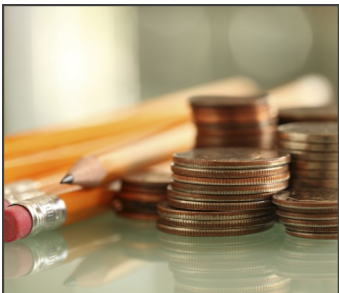
# Supporting

## *Development organizations*



### **Designing a financial literacy strategy for IFC partners**

This year, we launched a long-term program of support to the IFC, focusing on IFC partners in Kyrgyzstan, Tajikistan, Moldova and Kosovo. This work resonates strongly with our aim to mainstream financial education throughout the region. Based on extensive qualitative research, we developed a targeted strategy for each country. Recommendations have been accepted by local stakeholders, and the implementation phase is underway. To this end, we are designing educational tools for staff-client counselling/training and broader awareness-raising campaigns, as well as getting underway with training of trainer events.

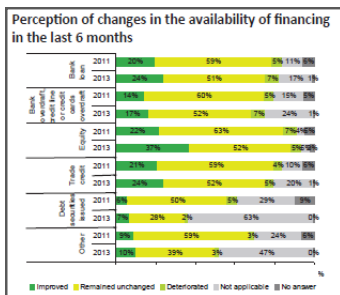


### **Launching a financial literacy center in Azerbaijan**

In 2014, the MFC launched an exciting new project: convening local stakeholders to create the concept, and business plan, for a new nation-wide solution for improving financial literacy in Azerbaijan. Fundraising is underway for the initiative, which we envision will be supported through a public-private partnership. The AMFA network will champion the process, marshalling the joint efforts of MFIs, public bodies and development organizations to deliver high-quality financial education to clients on a massive scale. To launch the process, EFSE supported the MFC to review available data and current initiatives on financial education, conduct feasibility and stakeholders interviews, as well as workshops with AMFA members.

# Supporting

## Regulators & policy-makers



### Creating a financial inclusion map of Turkey: New paper launched

Turkey plays an important economic and political role on the global stage. Its population is well-connected, with mobile and smartphone penetration rivalling that of major EU nations – yet fewer than 60% of adults have a formal bank account far below typical EU levels and below the capacity of the national financial infrastructure. This year, with support from the MetLife Foundation, we used our Access to Finance Scorecard to explore financial inclusion issues in Turkey, specifically to: map information sources on usage and access to financial services and the availability of data, and assess the level and quality of financial inclusion of individuals and SMEs.



### Getting to grips with measures of financial inclusion

Financial inclusion policies are high on the agenda within the EU and beyond – but a precise understanding of inclusion levels has been elusive at best. This year, a landmark policy paper introduced our new, composite measure of financial inclusion that links market inputs (demand and supply factors) and outputs (actual financial service usage), and offers a composite inclusion score, comparable across contexts. In this paper, our team also uses the new Financial Inclusion Score (FIS) system to rank 27 EU countries, as well as to compare the FIS results with other approaches (discussing the comparative strengths and weaknesses of each). This project was funded by the European Union.

# Supporting

## *Regulators & policy-makers*



### Over-indebtedness in the EU: A country-level monitoring framework

Debt is a double-edged sword: leading to economic growth, or crisis and over-indebtedness. The thin line between these two outcomes is difficult to define, and measures to detect when precisely the tipping point occurs are imperfect. While debt issues receive much attention at an EU level, supported by rich data sets of various cross-sections, there is less focus at a member country level, and still less on creating active policy arena to address the dangers related to debt over-extension in the economy and consumer over-borrowing. Indebtedness is in fact a complex social and economic phenomenon, which can only partially be understood through hard numbers and indicators. It affects huge numbers of people on a deeply personal level, impacting upon their well-being and ability to contribute to society. This paper (developed within an EU-funded project) explores various aspects of indebtedness as they relate policy, and advocates for a comprehensive monitoring system of policies and actions for tackling over-indebtedness on a macro-, meso- and country-level.



### Ground-breaking financial inclusion study in Poland

This year, we brought our Access to Finance Scorecard home, undertaking the first-ever effort in Poland to comprehensively assess financial inclusion and its dimensions. This project, funded by the MetLife Foundation, identified and reviewed existing data sources, as well as the results of previous studies on financial inclusion and access to finance. We summarized the findings for each dimension of access (supply, demand and policy), and filled data gaps with additional research. Results were compared to other EU countries, allowing for a series of key recommendations for policy-makers and other stakeholders.

# Supporting

## *Members on EU advocacy*



### Developing a financial inclusion ambassador toolkit

To help our members navigate the financial inclusion landscape, and be more effective advocates for financial inclusion, the MFC has launched work on our new Financial Inclusion Ambassador Toolkit, aimed for national frontiers in financial inclusion. The Toolkit will provide financial institutions with practical examples of how to launch the county-wide discussion about financial inclusion, how to partner with other players and stakeholders to stimulate the development and how to shape the sector to create the inclusive financial sector. It will break down the term “financial inclusion” into meaningful and relevant concepts, and help financial institutions translate these concepts for a variety of stakeholders: regulators, financial sector actors and peers, social and economic inclusion agencies. Last but not least, the Toolkit will point users towards relevant resources available from the European Commission to stimulate the work on a more inclusive financial sector. When complete, the Toolkit will be the largest financial inclusion resource for experience-sharing and identifying appropriate technical and financial help and supporters. This initiative is financed by the European Union.

# Exploring

## *New concepts*



### **Promoting a regional “Debt Watch” body**

One of the concepts we’re putting our weight behind this year is a new “Debt Watch” mechanism, which could systematically review policies, actions and gaps in addressing over-indebtedness. This will be an independent and impartial body, ensuring that it provides an objective point of view, and maintains the autonomy to voice concerns that may politically unacceptable or socially unpopular within a particular context. Debt Watch could be managed either by an independent consumer rights organization, or as a separate body – either permanent or ad-hoc body. Monitoring would include policy assessment, surveys and research studies, as well as social media analysis to understand the full scope of the problem of indebtedness. It should be a cross-disciplinary body: uniting lawyers, economists, sociologists, educators, and advocacy experts to create a comprehensive map of indebtedness. Findings will be widely communicated through the media, and used by policy makers to inform the development of social programs. This concept was developed as part of an EU-funded initiative.



### **Exploring the concept of “financial health”**

We are currently developing a holistic approach to improving financial health by exploring the role of financial products and services in household well-being. “Financial health” describes the state of one’s personal financial situation, including savings levels, retirement planning, and current spending on fixed costs. Our approach will be applicable across the ECA region, given national similarities in financial sector and human development following the transition to a free market economy. To achieve this, we are partnering with the US-based think-tank, the Center for Financial Services Innovation), which brings extensive experience in this area. We are exploring three foundational elements of financial health: daily financial management, financial resilience, and long-term planning and financial security. This project is supported by the MetLife Foundation.



# Members

**Our 103 members are committed to advancing the mission of MFC throughout Europe and Central Asia**

Our members represent a diverse range of institutional types along the microfinance value chain: from non-bank and bank service microfinance providers, support organizations (including national and international networks), investors and donors. Together, they work in 31 countries and deliver a portfolio of over €1.8 billion in financial services (mainly credit) to well over 1.5 million micro-entrepreneurs, small and medium enterprises or/and low-income households.



## **Albania**

Albanian Savings and Credit Union  
BESA Fund  
First Albanian Finance Development Company  
VisionFund Albania



## **Armenia**

AREGAK Universal Credit Organization CJSC  
ECLOF Armenia  
FINCA Armenia  
KAMURJ Universal Credit Organization  
Nor Horizon Universal Credit Organization LLC  
GoodCredit UCO CJSC  
Farm Credit Armenia UCO CC  
CARD AgroCredit UCO CJSC



## **Azerbaijan**

AqroInvest Credit Union  
Azerbaijan Credit Unions Association (AKIA)  
Azerbaijan Micro-finance Association (AMFA)  
Azeri Star Microfinance LLC  
CredAgro Non Banking Credit Organization  
Vision Fund AzerCredit LLC  
Viator Microcredit Azerbaijan LLC



## **Belgium**

CoopEst SA  
International Association of Investors in the Social Economy (INAISE)  
European Microfinance Network (EMN)



## **Bosnia & Herzegovina**

Micro Credit Company MIKROFIN  
Micro Credit Organization LIDER  
Microcredit Foundation EKI  
Microcredit Foundation LOK  
Microcredit Foundation PARTNER  
Microcredit Foundation SUNRISE  
Microcredit Organization MI-BOSPO



## **Bulgaria**

Mikrofond AD  
Nachala Cooperative  
SIS Credit JSC  
Software Group  
Cooperative MACAPF Doverie



## **France**

Association pour le Droit à l'Initiative Economique



## **Georgia**

JSC Bank Constanta  
JSC MFO "Crystal"  
LLC Microfinance Organization CREDO  
Microfinance Organization Alliance Group Ltd.  
JSC MicroFinance "FinAgro"  
MFO BIG (Business Investment Group) Ltd.  
JSC Credit Plus Georgia



## **Germany**

Finance in Motion GmbH

# Members



## Greece

Business and Cultural Development Centre (KEPA)



## Ireland

Irish League of Credit Unions International Development Foundation



## Kazakhstan

Association of Microfinance Organizations of Kazakhstan  
LLP Microfinance Organization "Bereke"  
LLP MCO "Arnur Credit"  
MCO "KazMicroFinance" LLC (KMF)  
MCO Asian Credit Fund LLC



## Kosovo

Agency for Finance in Kosovo (AfK)  
KEP Trust  
KosInvest  
Association of Microfinance Institutions of Kosovo



## Kyrgyzstan

Association of Microfinance Institutions Union of Legal Entities  
FINCA Microcredit Company CJSC  
Frontiers LLC – Micro Lending Company  
Kompanion Financial Group CJS MCC  
Microcredit Company "Bai Tushum and Partners" LLC



## Luxembourg

European Microfinance Platform (e-MFP)  
Luxembourg Fund Labelling Agency (LuxFLAG)



## Macedonia

Foundation HORIZONTI  
Savings House MOZNOSTI



## Moldova

JV MFO Microinvest LLC  
JV MO MOLDCREDIT LLC



## Mongolia

Micro-Finance Development Fund  
XacBank  
Credit Mongol NBF  
Mongolian Non Banking Financial Institution's Association



## Montenegro

MFI "MONTE CREDIT" DOO  
MFI Alter Modus LLC



## Netherlands

Oikocredit EDCS U.A.  
NOA Holdings N.V.  
Triple Jump BV



## Poland

Rural Development Foundation



## Portugal

Banco BPI S.A., Sociedade Aberta



## Romania

Opportunity Microcredit Romania (OMRO)  
Patria Credit.  
SC VITAS INSTITUTIE FINANCIARA NE-BANCARA S.A. (former: SC Express Finance IFN S.A.)  
Rocredit IFN S.A.  
good.be Credit IFN SA  
FAER IFN SA (NEW)



## Russian Federation

ZAO FINCA  
Bryansk Microloan Fund  
City Sberkassa



## Serbia

Micro Development LLC  
Agroinvest d.o.o.



## Slovakia

Habitat for Humanity International Europe and Central Asia Regional Office

# Members



## Switzerland

responsAbility Investments AG  
Business & Finance Consulting GMBH (LLC)



## Tajikistan

Association of Micro-Finance Organizations in  
Tajikistan (AMFOT)  
CJSC MCDO "Bovari va Hamkori"  
LLC MLO "IMON International"  
Micro Loan Fund "Jovid"  
Micro-Lending Organisation "OXUS Micro  
Finance"  
OJSC "Bank Eskhata"



## Ukraine

LLC Finance Company Hope Ukraine



## USA

Developing World Markets  
Mercy Corps  
FINCA International



## Uzbekistan

JSC Mikrokreditbank  
Socio-Economic Development Centre "SABR"  
OJSCB Hamkorbank

## Become a Member Today!

We're proud to work with microfinance and support organizations to promote and advance responsible finance. By becoming a member, you'll make a vital contribution to our sector-strengthening work and, importantly, join over 100 leading organizations striving for excellence in both financial and social performance.

**What are the benefits?** As part of a community of practitioners and experts, you'll have the opportunity to take part in joint campaigns, participate in action-research and technical support projects, access scholarships and events discounts, and engage with your peer network on current industry trends and challenges.

**Who are our members?** Our members are bank and non-bank microfinance providers, global and national networks, donors and investors, non-profit institutions, IT and technical support companies, and others involved in responsible, client-focused microfinance in Europe and Central Asia.

**Want to join?** Fill out a standard declaration of intent and a profile form that describes your institution and your work in microfinance.

Send your application to the MFC team at [microfinance@mfc.org.pl](mailto:microfinance@mfc.org.pl) for review within 7 days. For more information, visit <http://bit.ly/1O7EmBu>.

*We look forward to working with you!*

# Our team

## Board of Directors

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**Cristian Jurma (Chair):** General Manager, SC VITAS Institute Financiara Nebancara S.A., Romania

**Aieti Kukava (Director):** Chief Executive Officer, Alliance Group Holding, Georgia

**Izabela Norek (Treasurer):** Manager, CoopEst, Belgium

**Lucija Popovska (Director):** Program Director, Habitat for Humanity International

## Management

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Grzegorz Galusek: Executive Director

Katarzyna Pawlak: Deputy Director

## Staff and consultants

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### Responsible Finance

Ewa Bańkowska: Responsible Finance Expert

Kinga Dąbrowska: Responsible Finance  
Project Manager

Liliya Peskova: Project Coordinator

### Capacity Building

Aldona Rutkowska: Program Manager

Julia Chumachenko: Program Assistant

### Access to Finance

Justyna Pytkowska: Program Manager

### Communications

Katherine Knotts: Communications Advisor

### Administration and Finance

Ewa Romanowska: Finance & Administrative  
Manager

### Trainers and Consultants

Agata Szostek: Capacity building, social  
performance management

Aram Ghukasyan: Capacity building

Tigran Dokholyan: Capacity building

David Alimbarashvili: Capacity building,  
financial education

Elena Amerova: Financial education

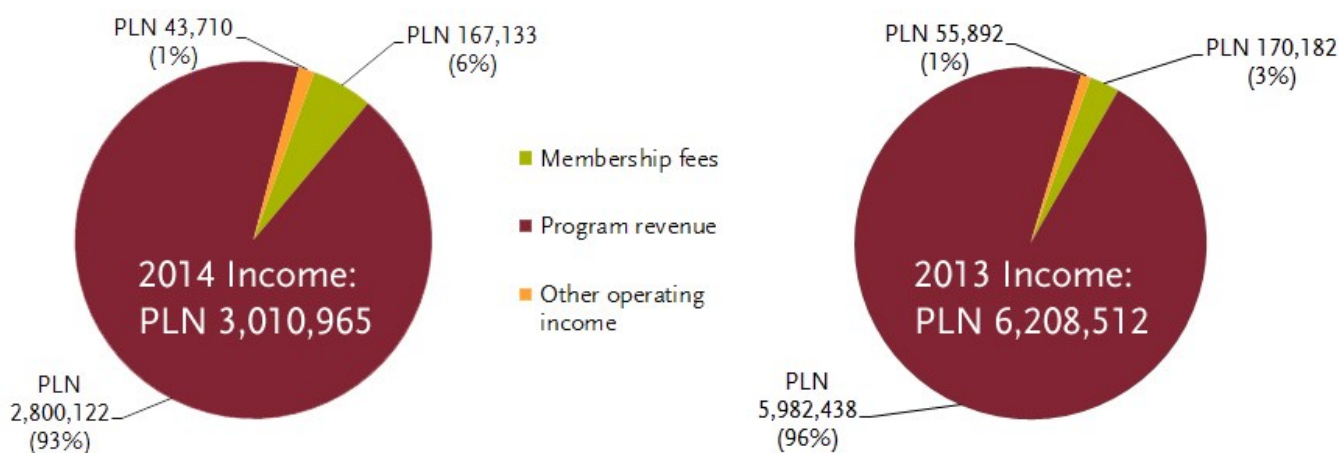
Piotr Korynski: Policy, research, financial  
education, capacity building

Volodymyr Tounitsky: Capacity building, social  
performance management, financial  
education

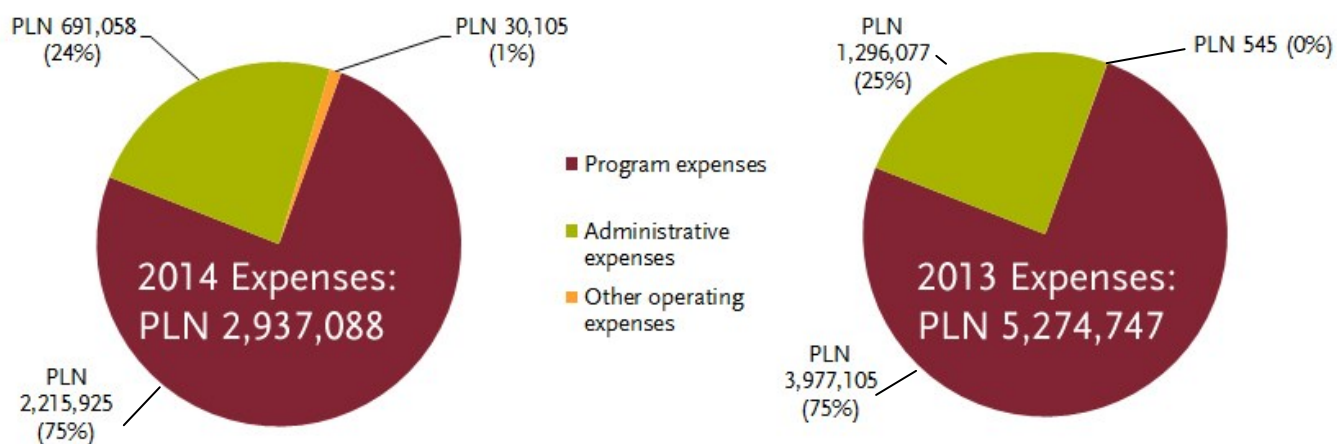
John Mayshak: Capacity building

# Financials

## How we earned our income:



## What we spent our money on:



### Results at a glance\*

	2014	2013
Results from operating activities (PLN)	73,877	934,785
Net financial income (PLN)	579,230	137,074
Pre-tax profit (PLN)	653,107	1,071,859
Income taxes (PLN)	87,782	217,369
<b>The bottom line: Total annual income (PLN)</b>	<b>565,325</b>	<b>854,490</b>

\*Exchange rate guide:  
 2014: 1 USD = 3.5072 PLN, 1 EUR = 4.2623 PLN  
 2013: 1 USD = 3.012 PLN, 1 EUR = 4.1472 PLN

# Financials

**Audited**

## Fundacja "Microfinance Centre" End of year consolidated statement of financial position\*

<b>Assets</b>	<b>2014</b>	<b>2013</b>
Non-current assets	3,186	37,419
Total current assets (of which)	11,070,126	12,020,819
Cash and cash equivalents	10,648,014	11,277,309
Accounts receivable	422,112	625,488
Current deferred grants receivable	0	118,022
<b>Total assets</b>	<b>11,073,312</b>	<b>12,058,238</b>
<b>Equity and liabilities</b>		
Own funds	9,562,263	8,996,938
Accounts payable and accruals	1,511,049	3,061,300
<b>Total equity and liabilities</b>	<b>11,073,312</b>	<b>12,058,238</b>

\*All amounts listed in PLN and rounded to the nearest zloty.  
Exchange rate guide:  
2014: 1 USD = 3.5072 PLN, 1 EUR = 4.2623 PLN  
2013: 1 USD = 3.012 PLN, 1 EUR = 4.1472 PLN

# Our services

**We work with different stakeholders to promote and advance responsible finance principles across the industry.**

We help **microfinance providers** to:

- assess and advance your internal responsible finance practices
- learn from good practice examples from other MFIs and contexts
- share experience and learn from peers
- experiment in new product design and understanding of the markets

We help **microfinance associations** to:

- assess their members' needs and develop country/association strategies
- co-organize joint country/regional workshops, training events or study tours
- develop new tools and training material
- design, fundraise and carry out sector projects

We help **sector support organizations** to:

- identify business collaborators
- conduct thematic or geographical research
- develop sector strategies
- program and implement capacity building programs
- co-organize events.

**We offer** research services, technical assistance visits, trainings, conferences, thematic events and workshops, and study tours. We also help in designing and fundraising for experimental and/or innovation projects.

**Our team** of staff and consultants deliver expert support in three languages across 30 countries in the Europe and Central Asia region.

To discuss how we can support your ongoing work to deliver quality, responsible microfinance, contact us today at [microfinance@mfc.org.pl](mailto:microfinance@mfc.org.pl).

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