

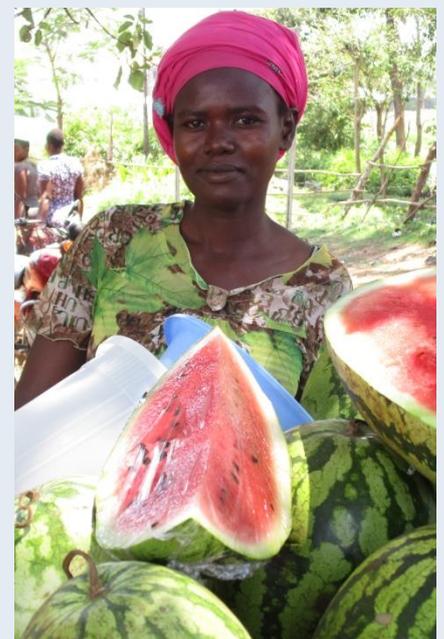
Just Small Change



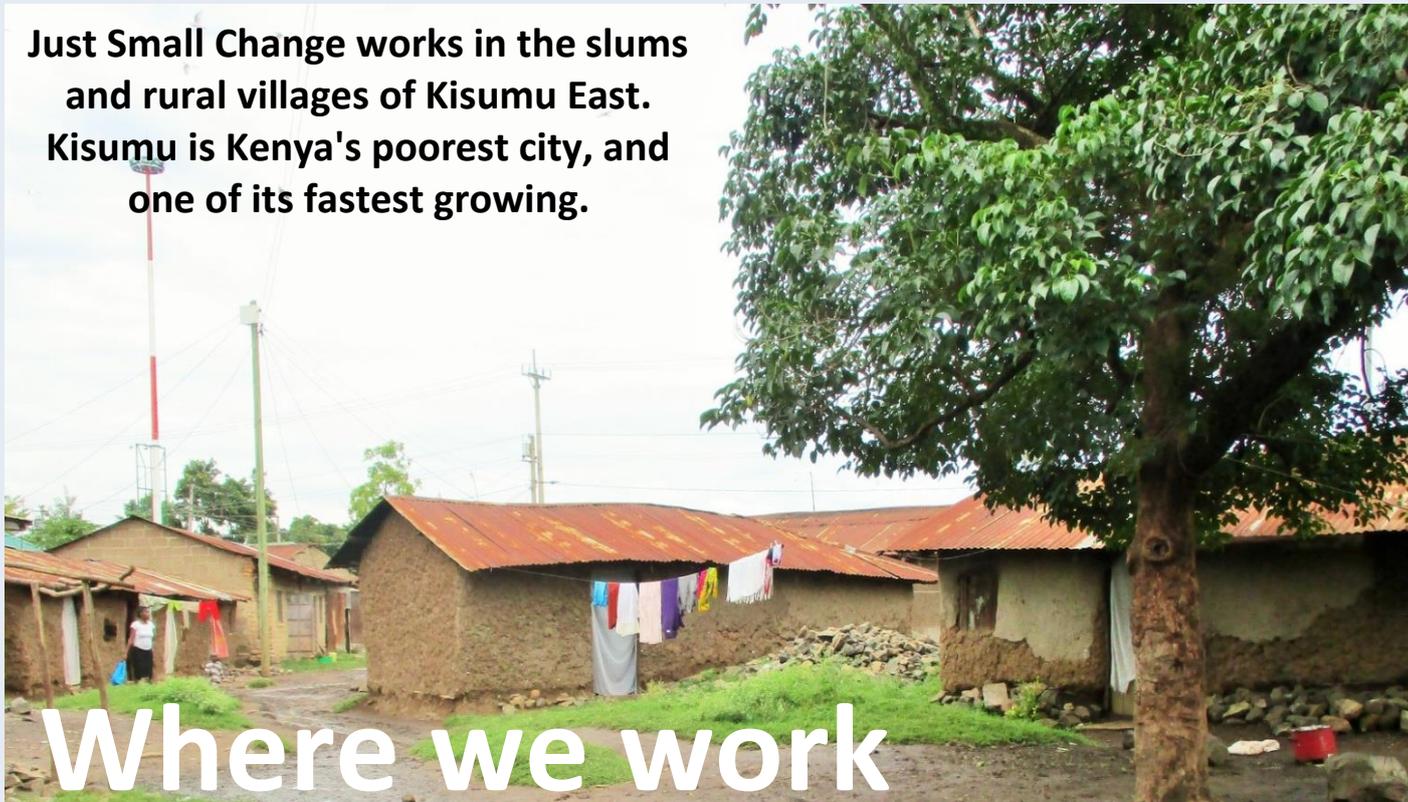
Impact Report 2019-2020

Front: Esther makes chapatti to sell to café owners.

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Just Small Change works in the slums and rural villages of Kisumu East. Kisumu is Kenya's poorest city, and one of its fastest growing.



Where we work

Kisumu has Kenya's highest rate of HIV at 19.9%, 3.4 times the national average (see note 1, page 17)

One in ten of the HIV-affected population of Kenya lives in Kisumu county. HIV/AIDS brings extra expense for medicines, as well as stress, depression, illness, loss of income, stigma and economic exclusion.

In Kisumu East, 60% of people live on less than £1.47 a

In Kenya, poor urban women with little education suffer the greatest exclusion from employment. (Note 2)

87% of households in East Kisumu's informal settlements are moderately or severely food insecure (note 3)

day. Women suffer discrimination and higher incidence of HIV/AIDS.

We work with very poor women; many are widows and caregivers for orphans.

Female headed households in East Kisumu are poorer than male-headed households (note 4)

Our data show that 53% of new clients can only feed their family one meal a day. 93% are unable to provide for their families' basic needs. With little education and few jobs, 70% of East Kisumu's residents turn to microenterprise.

Our aim

We offer very poor women a microcredit service, including business training, loans and mentoring, in order to:

- enable them to create viable, sustainable businesses so they can save, feed and educate their children and plan for the future.
- reduce their economic and social vulnerability through a long term increase in profits
- build up local communities through business training and setting up community groups



14/10/2019

How we work

1

Our staff visit the slums and villages to see existing clients. Women ask to join. Our staff recruit those who are most likely to benefit. Many of our new clients are already trading on a tiny scale, but not earning a viable income.



2

Clients join together into local community groups. Our staff train all new clients in basic business skills. They deliver ongoing training and mentoring through the groups and via individual visits to clients' businesses.



3

We provide small loans which clients use to start or develop their businesses. Incomes grow, families enjoy better standards of living and clients begin to fulfil their aspirations. Clients repay loans, typically in 6-12 months.

'Now I have hope, and a vision for the future' (Charles)

4

The community groups set up group savings accounts, so that all members can save. Clients start to grow their savings, providing more security. Group members support and advise each other in their weekly meetings.

'The group gives me courage – I have the example of the other women in the group' (Elisabeth)

5

Clients may apply for up to two larger loans. By the end of the third loan clients will usually have built up sufficient savings to finance their businesses or to apply for loans to larger microfinance organisations.



6

With 94% of loans being repaid in full, we use the money again, helping more women to start a business. Every donation goes on working for many years, helping more women to improve their lives.

Meet our clients

61-70

8%



71-90

3%



21-30

18%



10%

51-60



31-40

33%



41-50

28%

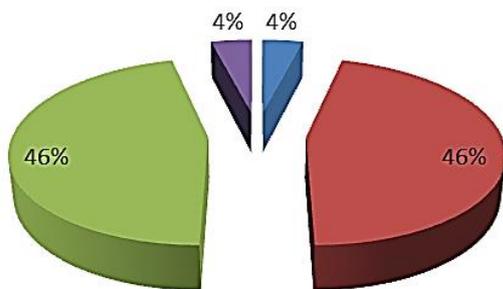




Meet their households

Civil status

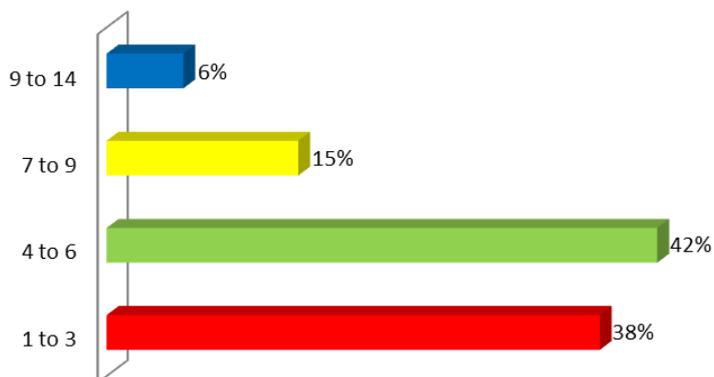
■ single ■ married ■ widowed ■ divorced



54% of our clients are single female heads of household, struggling alone to provide for their dependents.

The rest are in very low income households, where husbands are often sick, disabled or unemployed.

Number of dependents



Two thirds of our clients are supporting four or more dependents; 20% support seven to fourteen others.

Dependents include siblings, children, grandchildren, orphaned children, elderly parents or grandparents.

25% of all dependents are child orphans.

Meet their households



Housing



90% of clients live in semi permanent housing, made of mud or sheet metal. They have no roads, electricity, running water or drainage. Their homes are vulnerable to increasingly frequent heavy rains. Several have lost their homes in this year's heavy rains.

56% of clients live in rural villages, 44% in urban slums.

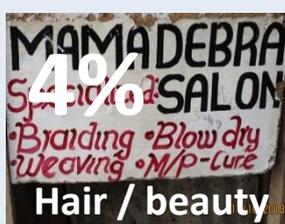
Education



Our clients want to educate their children. This means paying for school or college fees, for books and paper, and also for school uniform, without which children are not allowed to attend.

Paying for school fees is a constant source of stress and worry for clients. Often children have to be withdrawn from school due to lack of funds.

Lines of business



Impact of our work



During 2019-20, we expanded and strengthened our work in Kisumu. Over 300 clients now run small businesses. Our clients change not only their own lives through their work, but also many others’.

Their dependents benefit from the increased income, better diet, more consistent school attendance and greater economic stability.

The women’s businesses and community groups help villages and communities to prosper economically and socially.

Other women see them as role models and are encouraged to do the same.

Additional jobs are created, providing livelihoods for more families. To date, seven clients have taken on a total of 30 employees, creating jobs for local people as gardeners, seamstresses, farmhands, clothes hawkers, stallholders, nursery nurses, bead-workers and cooks.

***‘The opposite of poverty is not wealth. The opposite of poverty is enough’
Dr Wess Stafford, Compassion International***

Training is vital, building skills and confidence, turnover and profit

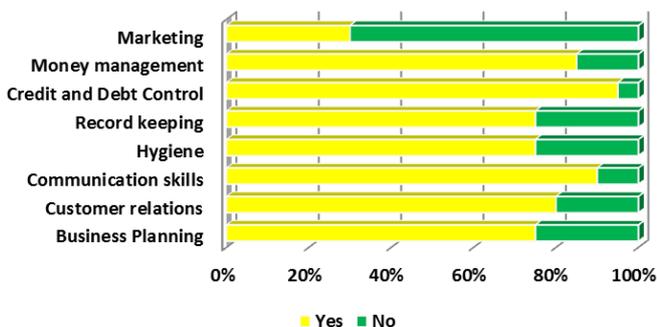
Our clients enjoy learning, and use their new skills to improve their businesses. Training boosts self-confidence. It also benefits the wider community, as women pass on their skills to friends and family.

The training has taught me that, in spite of everything, I can be in charge of my own life' Alice, 33, HIV+, widow, 2 children



New clients trained in August 2019

Have your new skills helped your business?

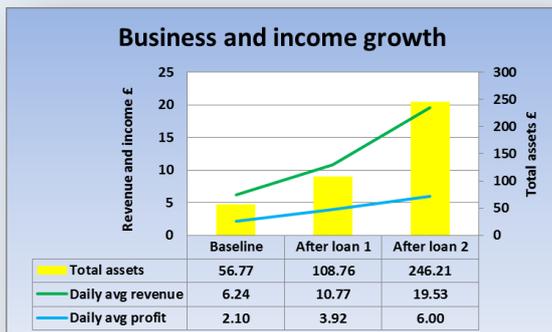


Money management, credit control, to save, how to manage stock and record keeping are the most valued topics. Training in debtor recording and follow up has improved cash flow for many clients. Marketing was a new topic this year

Also new this year, 50 group leaders were trained for two days in leadership skills, administration and financial record keeping

Raising levels of knowledge and skill is key to increasing the productivity and earnings of poor women (World Bank Kenya Update 2016)

Women are empowered as their incomes, assets and savings grow



After the first loan, average income rose by 86% to £3.92, an increase of £1.82 per day. The percentage of clients unable to provide for their families' daily needs fell from 93% to 25%. After a second loan, average income rose again by 56%, to £6 a day; these clients could provide for their families' needs almost all the time.

As our clients grow their businesses, they provide more of their household's total income. Children are less likely to drop out of school in order to earn, and the household is more resilient. 93% of clients said their incomes were more stable.



The best part of training was learning how to save and keep records. I realised that if you have knowledge this is power, the power to save, power to be self-employed, to have a voice and participate in the local community. (Benter, 41, HIV+, six dependent children)

Earning more, clients are able to decide how money is spent, to plan and to save. Nearly 90% of clients were able to save more. Savings protect them from economic, health or weather related shocks which often affect them. They are empowered.

All clients saw their assets grow, nearly doubling after the first loan, and rising again by 125% on average after the second. A few highly successful clients (excluded from the data above) have each grown their assets to around £1500, a remarkable achievement.

*'Economically empowered women
create healthier and more productive societies.'*

The business of empowering women, McKinsey & Company, 2010.

Health and wellbeing

95% of new clients say they worry every or most days about the future. After one loan, this had fallen to 29%, and to 13% after the second. Less worry means less stress, and, especially for HIV+ clients, better health outcomes.

'I was low, but now I enjoy much more respect. Life is good, having money gives you standing' (Mary, 53, HIV+, widow, 3 dependents)

**The loan has taken fear and stress from my life
(Elisabeth, 50, HIV+, widow, 4 dependents)**

After the first loan, nearly 80% of clients feel more respected, rising to 90% after the second. Several clients are now village elders.



Family well-being improves too. More income provides better diet and healthcare, and greater family stability. On joining the project, only 53% of clients could feed their families two meals a day. After repaying just their first loan, 91% were able to do so. Many also paid for medical care and undertook household improvements, such as re-roofing their homes. Two thirds of

clients used their extra income to pay for schooling, improving the life chances of their dependents. In total our clients are supporting 1267 dependents, including 327 orphans, with 863 dependents attending school or college.

'My group helps me. We share ideas about where to buy the best stock and how to grow our businesses. We discuss how to cope with home life.' Elisabeth, 41, widow 4 orphan dependents

Clients value their community groups, where project staff provide training and friends give support. All groups run group savings schemes open to all clients. This helps with cash flow management. Group activities, such as sharing a kitchen garden, help to strengthen households and communities.

Read the stories of some of our clients on the next page....

When she was widowed, Jocinter and her two daughters were thrown out with nothing by her husband's family. Having joined the project, she now supports her family by hawking handbags and clothes in the villages and slums, seven days a week. Her profits pay for rent, food and school fees for one daughter. The other helps in her business. Her confidence is growing; she is now treasurer of her community group and feels she is making a new life for herself and her girls.



Timina is a widow with nine children. She runs a fruit and veg stall in the indoor market for 13 hours a day, seven days a week. Her profits pay for food, household needs and school fees, as well as college fees for her eldest son. She says 'now I feel more respected, and I have a future to count on'

Catherine joined in May 2019. A widow with four children, she sells fruit and vegetables by the roadside. During training she learned about keeping costs down and now buys fruit from cheaper suppliers. She used her loan to buy a metal table, so she no longer has to lay her produce on the ground. She is now saving to buy an umbrella, so she can keep trading when it rains.



Susan is a single mother aged 37 with six children. Since joining us in 2018, she has built a very successful business retailing and wholesaling soap, which she makes in the one-room family home. Her profits pay for rent, food, school and university fees and for investment in a second business. She has bought two sewing machines and rolls of fabric, and now employs two tailors. Highly respected in

her community, Susan is now a village elder.



Just Small Change

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Can you help?

With your support, we can do more.

Every donation to Just Small Change keeps on giving, over and over again.

A monthly donation of £10 will set one new client every year on the road to a better future, by paying for 5 days of training and her first small loan.

A single donation of £40 will pay for 5 days of training for a new client, including transport, all materials and meals.

**Whatever you can spare will make a difference to the lives of the very poor.
It's Just Small Change!**

You can write to us at the address above, or give online:



Using Virgin Money Giving, you can donate using credit or debit cards, or Paypal.

Virgin Money Giving will reclaim your gift aid if you are a taxpayer and send it to us along with your donation.



Online banking with HSBC:

Account name: Just Small Change

Account no. 32134314

Sort Code 40-43-19

**HSBC Bank, Chapel St,
Stratford upon Avon.**

If you wish to gift aid your donation, please email us at the address above so we can send you a gift aid form.

Thank you for your support!

APPENDIX 1: SUMMARY OF OUTPUTS IN YEAR TO END MARCH 2020

Since last reporting in April 2019, our Income Generating Microcredit project in Kisumu, Kenya has grown from 193 to 307 clients. In the year to 31 March 2020

- **Two full time microfinance professionals were employed (our new loan officer joined in January 2020); all salary and overhead costs were met**
- **113 new clients received 5 days of training Accessible delivery methods included role play, group work, puzzles and discussion.**
- **50 group leaders received two days of training in leadership skills, administration and financial record keeping**
- **15 more neighbourhood trust groups were formed**
- **307 clients received ongoing mentoring and support in running their businesses, with regular visits from project staff.**
- **307 clients supported 1264 dependents between them (average 4.12)**
- **These dependents included 327 orphans**
- **863 dependents attended school or college, supported by our clients**
- **Around 30 additional jobs were maintained within clients' businesses, supporting approximately 120 additional dependents**
- **168 loans were issued: 113 to newly trained clients and 55 to clients receiving subsequent loans once the original loan has been repaid**
- **Average loan size to date is £104. Total amount loaned to date is £59,561**
- **The value of loans outstanding was £20,078 at end March 2020**
- **7% of loans to date have been written off due to illness, death or other client difficulties**
- **Since the project's start, each pound of the loan funds provided by Just Small Change has been re-loaned 1.16 times (as at end March 2020) and will be available to loan yet again, once current loans are repaid. This means that each pound donated to the loan fund has, so far, generated £2.16 in lending and will revolve again to create more loans in the future.**
- **Operational integrity and financial controls were strengthened with the development of custom software to automate the bank reconciliation process, the lending records and improve the processing of data.**



APPENDIX 2: KEY STATISTICS

Year ending	Number of woman clients	Total no. of clients	Total loaned since start £	Number of loans since start	Current average loan £	Value of outstanding loans £	Default %	Rescheduled %
Start*	39	40	2,355	40	59	59	0	n/a
Mar-14	39	40	4,638	64	48	1,919	0	n/a
Mar-15	41	42	9,457	106	115	4,819	0	n/a
Mar-16	41	42	9,457	106	71	2,974	0	n/a
Mar-17	90	91	15,362	168	59	5,362	3.54	9.38
Mar-18	141	142	21,703	262	96	13,699	2.51	6.55
Mar-19	191	193	37,731	360	86	16,502	1.33	4.16
Mar-20	304	307	59,561	468	82	20,078	6	0

*May 2013. The pilot phase ran from May 2013 to March 2015.



APPENDIX 3: METHODOLOGY

Baseline data is collected from each new client. Individual reviews take place after each loan. This report is based on data available up to end March 2020.

NOTES TO PAGE 1: SOURCES

1. *Kenya Aids Indicator Survey 2015.*
2. *World Bank 2016*
3. *Kisumu County Factsheet 2016*
4. *Urban Forum Dec 2019*