

LEARNING for

PASED

EMPowerMENT

Against

Poverty

'EAT THAT FAT CAT'

CREDIT ASSESSMENT TOOLS

LINDA MAYOUX

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PART ONE

CREDIT ASSESSMENT FOR

POVERTY REDUCTION AND

EMPOWERMENT:

GOALS AND PROCESS

1.1: CREDIT ASSESSMENT FOR POVERTY REDUCTION AND EMPOWERMENT - WHAT IS DIFFERENT?

LEAP's credit programme has two components:

1) Poverty-targeted LEAP credit programme: following strict locally determined PALS poverty targeting procedures. Delivery is subsidised to enable longer term asset investment at markup rates which are manageable by very poor clients.

2) Gender mainstreaming in the PASED financially sustainable programme to ensure equitable entry of female clients (including graduate clients from the poverty targeted programme).

Both components focus on provision of credit for enterprise inputs which will over time provide a self-sustaining income. Cash itself is not given to the client, but the programme purchases the inputs requested and gives these to the client. Both programmes operate on Islamic banking principles whereby a markup is charged on the loan amount.

Underlying both components there is a commitment to poverty reduction and client empowerment, particularly for women. This means that the credit they receive must not only be delivered in a cost-effective manner, but that both the:

- ▶ credit products
- ▶ credit delivery process

must contribute to poverty reduction and empowerment.

The poverty targeting for the subsidised programme is dealt with through the poverty diamonds as part of the Organizational Training and is not discussed here (See Organizational Training Manual). It is also envisaged that the Tools discussed here for Credit Assessment will, particularly for illiterate clients, be part of an enterprise training process yet to be designed¹.

¹ In particular the tools described here presume an elementary drawing and calculation ability in order to produce the diagrams small enough to fit into the A4 book. Where clients do not yet have this ability they should first be assisted to draw 'Enterprise Vision' and 'Enterprise Road Journeys' of the type currently being designed for Trickle Up partners. A draft Manual for this will be available in November 2004 from the author and/or Trickle Up. These diagrams would usefully form the first Section of the same LEAP/PASED diary as the Tools here.

The tools discussed here focus on development of mutually acceptable credit agreements between clients and the programme through:

- ☑ Assisting clients to firm up their business plans and analyse inputs and expected incomes.
- ☑ Analysing the possible complementary inputs from other sources, and the likely cash crises which might need to be borne in mind.
- ☑ Assessing the amounts of credit needed from PASED or LEAP.
- ☑ Designing a repayment schedule which will both enable clients to use the credit to maximum benefit, and to repay without too much hardship.

For clients use of the diagram Tools is expected to:

- ☑ Increase drawing, recording and communication skills
- ☑ Increase their skills in enterprise and financial analysis and to formulate realistic business plans to increase incomes.
- ☑ Provide a basis on which they can monitor and assess their businesses on an ongoing basis.

In addition, the participatory process through which the tools are implemented:

- ☑ Increases participatory skills and confidence.
- ☑ Increases economic and social networking and collaboration between clients.

For programme staff and planning the tools are also designed to:

- ☑ Increase staff understanding of client economic activities and credit needs, including the range of other resources at their disposal. This will enable staff to give much more reliable advice to clients on loan sizes, economic activities and ways of avoiding/addressing problems.
- ☑ Give a clear pictorial representation of a client's credit status ie whether or not they are able to repay and when problems may be likely.
- ☑ Give a more reliable and transparent means, in addition to the client self-monitoring, of assessing ways of being flexible to client crises and problems without becoming lax on necessary repayment discipline.

- ☑ Provide information to feed into a monitoring system to assess effectiveness of poverty targeting, promising and problematic areas of economic activity and programme impact on client incomes.

The Tools do require an intensive introductory first-time training. There will also need to be a period of piloting and refinement of the Tools and instructions in this first Draft. However once they are established within the programme and with further reinforcement through other LEAP activities, they will provide a very cost-effective means for ongoing programme financial and impact monitoring. The establishment of the Credit Agreements themselves is likely to enable more rapid expansion of the programme through giving potential clients more confidence and better business ideas, maximise repayment without staff time being wasted chasing bad debts and hence increase the sustainability of the loan programme.

BUT IT WILL BE CRUCIAL THAT SUFFICIENT COMMITMENT AND RESOURCES ARE GIVEN TO THE INITIAL REFINEMENT AND TRAININGS IN THE TOOLS.

1.2 'EAT THAT FAT CAT': BASIC METHODOLOGY AND TOOLS

Clients of the LEAP poverty-targeted credit programme are likely to be illiterate as well as extremely poor, though some may have very workable business ideas. PASED clients are poor, but not necessarily illiterate. This means that tools are needed which can be used by clients of very different levels of education and business experience.

The methodology proposed here is called '**EAT THAT FAT CAT**' after the 4 main tools:

- ▶ **Economic Activity Tree (EAT)**: analysis of the loan activity production process, inputs/costs and outputs/incomes
- ▶ **Total Household Analysis Tree (THAT)**: broad analysis of household assets/incomes and key expenditure needs which could contribute/will affect the loan economic activity
- ▶ **Financial Analysis Tool (FAT)**: summary calendar for expected net profits through monthly quantification of inputs and expected earnings.

- ▶ **Credit Agreement Tool (CAT):** summary calendar of credit needs and repayment based on subtraction of input needs (inputs minus resources available from other sources) and cash availability (earnings minus key household cash needs).

These four tools build up to a cumulative picture of enterprise, household and credit needs on one large chart which constitutes a credit agreement and a means of assessing impacts for future planning.

For illiterate women all the diagrams will have to be based on symbols (not elaborate drawings). For those with some literacy a combination of shorthand symbols with some writing will be the quickest way to do this. But even here shorthand symbols should be used as much as possible, both for speed and also to enable illiterate clients to follow these drawings also.

For calculations basic units which the women are comfortable with should be identified and each given a symbol eg (eg 100 small circle, 1000 large circle). Women can then place the appropriate number of symbols in each of the boxes, addition being done by simply adding symbols and subtraction by crossing them out and counting the remainder. For educated women, obviously normal numbers should be used in their personal books. But until all women are numerate then the symbol methods should be used in group discussions.

These analyses will feed into the enterprise learning process of LEAP so it is important that all women should be able understand as many drawings as possible and unnecessary status and communication barriers are not created between literate and illiterate clients. Ultimately it is hoped that all LEAP members will learn to read and write, but even then drawings are often a clearer and quicker shorthand for linear recording and thinking.

1.3 CREDIT ASSESSMENT PROCESS

The tools are intended as a substitute for the current credit appraisal interviews, and administered in partnership between the PASED and LEAP staff and the Women's Centres and clients themselves. The ways in which the tools are implemented may vary somewhat depending on the levels of education and experience of clients, and whether or not clients are using them for the first time or subsequent rounds. As indicated above, they complement the

organizational development training and the planned enterprise training.

Group discussions

These require flipcharts and thick coloured marker pens.

Client diaries

Each client should bring (or these would need to be provided for the very poor):

- ☑ Credit Notebook or diary (an A4 blank or graphpaper exercise book. Or possibly loose leaf ringbinders would be better if costs permit because these could then be used by the same client for other LEAP activities, can include blank, ruled and graph pages and are more flexible if mistakes are made)
- ☑ four coloured thin feltpens: black, red, green and blue. Orange and purple could also be added to make the drawings more colourful.

For illiterate women whose drawing skills do not develop over the course of the exercises, and/or those with some sight problems the final chart should be copied onto a final large flipchart. For blind/partially sighted clients, who may form a significant number of LEAP credit recipients, some method could be devised of producing large touch diagrams eg using wax/string. Or they would have to rely on relatives as they do now.

For first time clients

Clients who have never used these particular tools before should be shown them in the course of a one-day 6 hour group meeting, with one main facilitator per 20 clients helped by one co-facilitator (staff or client with previous experience of the tools) per four/five clients. Alternatively the tools could be introduced over a series of 2-4 shorter meetings with 'homework' between.

All the tools involve:

- ▶ individual drawing (about 30 minutes per tool depending on skill and complexity of the activity/household concerned).
- ▶ group discussions to exchange ideas and experiences and increase the accuracy and reliability of the individual information.

Staff should have patience with extremely poor and vulnerable LEAP clients who may need quite a lot of support and encouragement –

though they should already have some drawing skills through use of the prior enterprise tools as noted above. Less poor and more educated women should be able to do most of this analysis themselves and should be encouraged in the meetings to help others.

For follow-on clients

Clients would draw up their own draft plans to discuss in meetings with PASED/LEAP staff. They would also continue to network with other clients, and obtain information from them in order to produce the new diagrams.

For all clients, discussions would be continued through the Women's Centre meetings and activity-based associations.

1.4: PROGRAMME INFORMATION SYSTEM: RECORDING, MONITORING AND ASSESSMENT

The Tools enable clients to match actual enterprise performance against expectations and explain clearly the reasons for any deviations from the agreed repayment schedule. They also provide a means of tracking increases in incomes.

The Tools also provide quantitative and qualitative information which PASED and LEAP staff can input to the programme monitoring and evaluation systems.

Information needs may vary and evolve over time, and a wealth of qualitative and quantitative information can be added to the Tools. It will also be for the programme to decide whether data should be put directly to Excel spreadsheets just for these tools, or into a larger Access database covering the monitoring of all LEAP activities – or at which stage this transfer between the two software programmes should take place. Also the precise ways in which each of the data should be recorded eg amount of detail on loan history and precisely how poverty levels should be classified.

Sample Excel input sheets for basic initial information are given at the end of this manual covering:

- Basic client identification: name, address, symbol and previous LEAP/PASED involvement.

- ☑ Client skills information: literacy and economic activities and skills
- ☑ Client targeting information: age, health/disability status, family situation and poverty status
- ☑ Economic activity: type and anticipated net profit
- ☑ Loan details: Loan amount requested and agree monthly repayment schedule

The tools also provide the basis for client profit monitoring and programme repayment monitoring. The former to provide the basis for income impact assessment.

PART TWO:

'EAT THAT FAT CAT'

TOOL GUIDELINES

TOOLS OVERVIEW: TREES AND CALENDARS

The '**EAT THAT FAT CAT**' methodology is based (as noted above) after the 4 main tools:

- ▶ **Economic Activity Tree (EAT)**: analysis of the loan activity production process, inputs/costs and outputs/incomes
- ▶ **Total Household Analysis Tree (THAT)**: broad analysis of household assets/incomes and key expenditure needs which could contribute/will affect the loan economic activity
- ▶ **Financial Analysis Tool (FAT)**: summary calendar for expected net profits through monthly quantification of inputs and expected earnings.
- ▶ **Credit Agreement Tool (CAT)**: summary calendar of credit needs and repayment based on subtraction of input needs (inputs minus resources available from other sources) and cash availability (earnings minus key household cash needs).

These Tools are derived from the Participatory Action Learning System (PALS) tools which are used throughout LEAP (see LEAP website www.leap-pased.org for details of other uses).

Each of the Tools is drawn first on a separate double sheet in the Exercise Book/ring binder. Once the details and complexities have been discussed and simplified on the draft drawings, they should then be transferred to a summary cumulative chart picture of the client's enterprise, household situation, monthly net profits and credit needs and finally agreed credit repayment schedule. This then forms the Credit Agreement with the client. For educated clients this could be at the front of their exercise book, so space should be left there. For illiterate women with less sophisticated drawing skills, or those with sight problems, it may be better to transfer to a large Flipchart. **But it is important they themselves do the drawing/writing/calculation at all stages.** This will develop their skills for future activities, make sure they fully understand and also increase the reliability of the information by giving them a clear stake in accurate analysis. An example of the placing on the summary chart is given in Figure 1.

Credit Assessment focuses on two tools only:

- ▶ **Trees (Economic Activity Tree and Total Household Analysis Tree)** which start from a trunk representing an enterprise or household. Inputs/contributions are then shown as roots (and roots of roots) and outputs/expenditures as branches (and sub-branches).
- ▶ **Calendars** (Financial Analysis Tool and Credit Agreement Tool) which quantify the roots and branches by month to arrive at monthly repayment schedules.

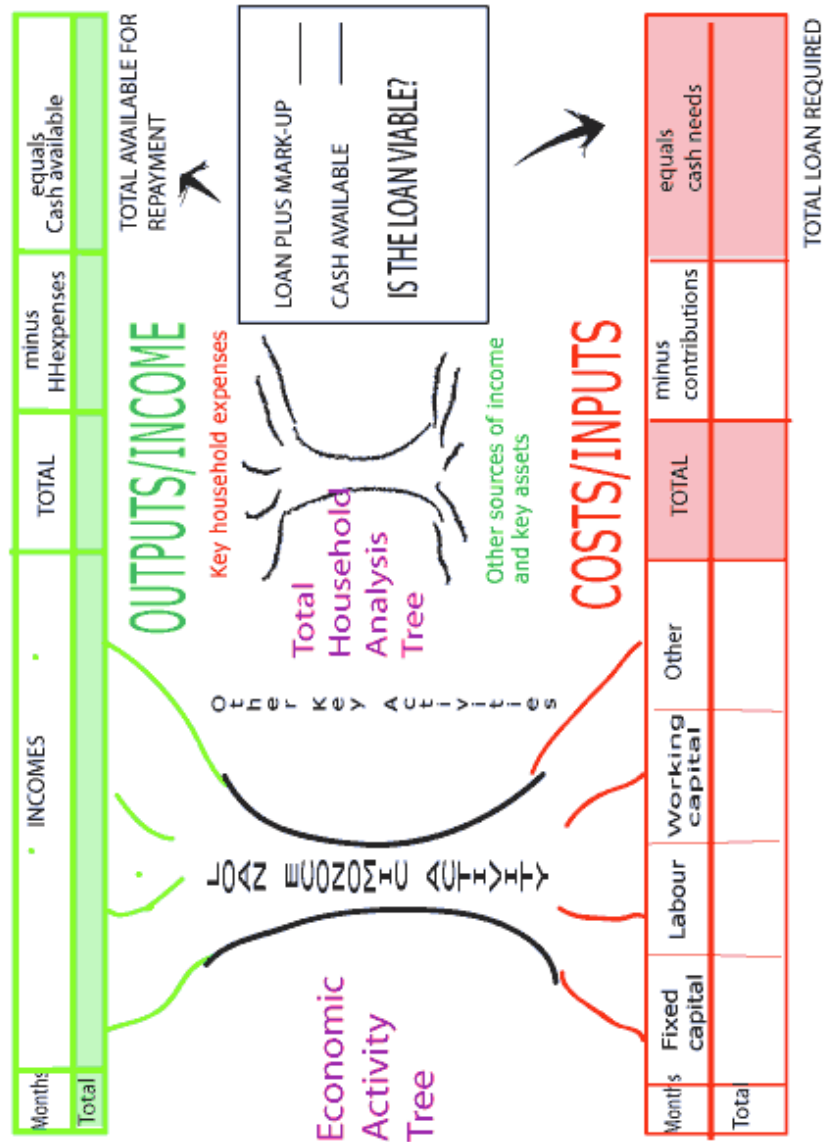
Further tools could be used, eg

- ▶ **Road Journeys**, to get clients used to drawing and calculating (See Note 1 above) and then to track enterprise progress and explain why clients take certain courses of action.
- ▶ **Market maps** to look in more detail at different products and markets from the enterprises.
- ▶ **Problem solution trees** to investigate particular problems encountered.

However these are not covered here.

CREDIT AGREEMENT

Months	Estimated Profit	Actual profit	Agreed Credit repayment	Actual repayment
	1			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				



TOOL 1: ECONOMIC ACTIVITY TREE (EAT)

The economic activity tree provides:

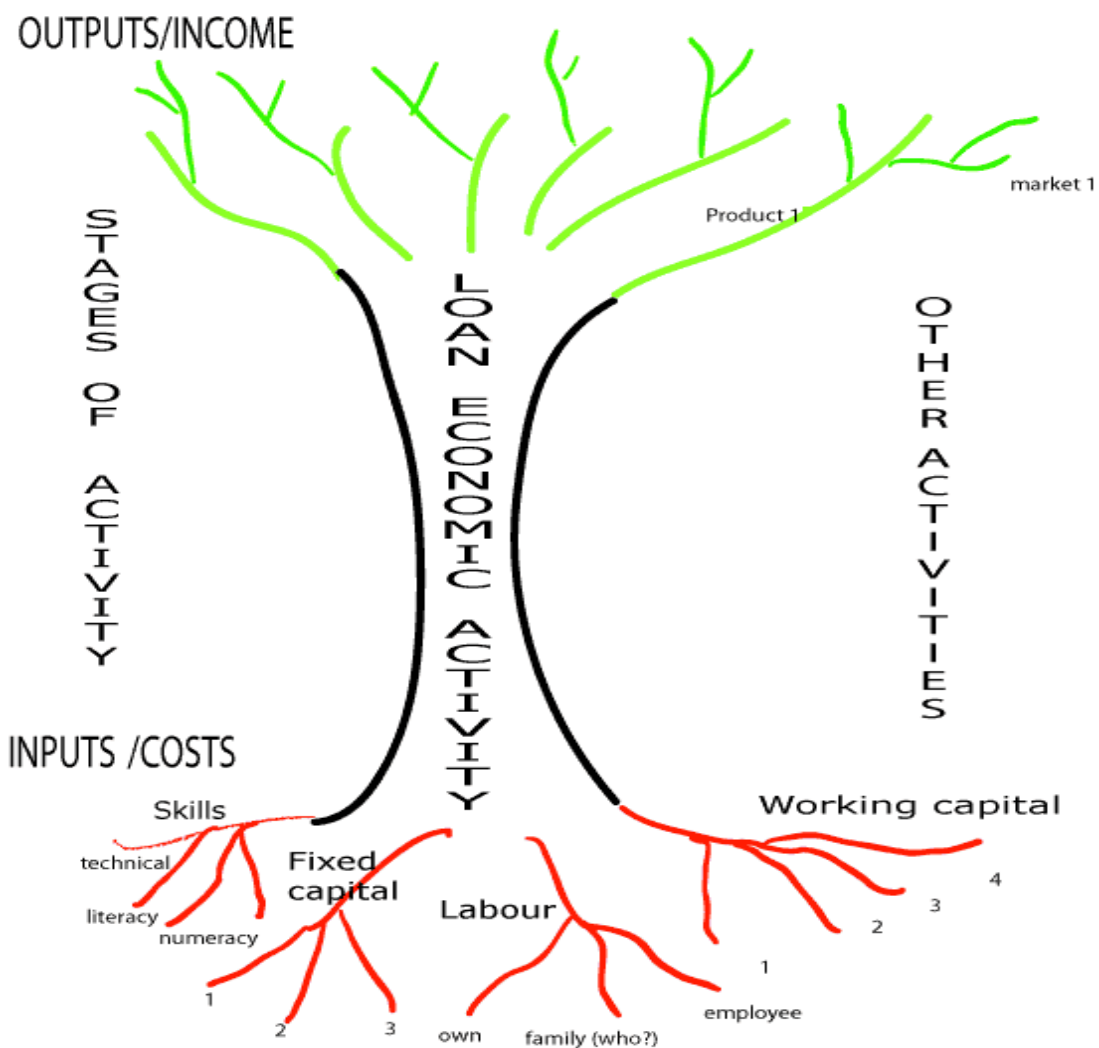
- ▶ **Overview** of the production process, inputs and products
- ▶ **Baseline individual data** on client literacy, skills and resources

WHAT ARE ECONOMIC ANALYSIS TREES? AN EXAMPLE

CLIENT NAME,
ADDRESS,

CLIENT SYMBOL

Economic Activity Tree



HOW IS IT DONE?

The diagram should be drawn crosswise over two sheets: roots on one page and branches on the next.

Make sure that at the front of the diary the person has put name and address (staff should do this if necessary) and their identification symbol (eg flower, shape etc as decided at a prior group energiser session).

Also first enquire about experience with LEAP and/or PASED: which LEAP group do they belong to, for how long? Have they had PASED loans before?

Mark these details in the respective columns of the Excel sheet.

Then proceed to look at this particular loan application.

STEP 1: *What is the proposed economic activity for which the loan is to be used?* Draw the trunk and draw a symbol for the economic activity on it. Where the aim is to diversify activities, or products within the same activity the different activities can be drawn side by side on the trunk, the different products from the same activity as output branches under Step 4.

STEP 2: *What are the Stages of the proposed activity?* Then put stages up the trunk for all the different activities needed from beginning to end of the planning, production and marketing process. If the loan is intended for more than one activity then the stages of each should be drawn up the side of the trunk in columns.

☑ Ensure that all stages of each activity are covered.

STEP 3: *What are the inputs needed?* Draw roots for each of the inputs to the trunk. Mark each root with symbols and/or words. If more than one activity is involved then these will need to be put separately under each root. Roots should include:

- ▶ **skills** (eg technical skills, experience, general confidence and assertiveness, literacy, numeracy as subroots)
- ▶ **fixed assets** (what? as subroots)
- ▶ **labour time** (whose? as subroots for family labour and employees)

► **working capital** (what as subroots).

- ☑ Ensure that inputs are discussed for all stages of the activity. The person must fully understood all that is required. They should appreciate that the loan is intended to complement the skills, initiative and resources they can bring in from other sources – not create total dependence. Otherwise the activity will not be as profitable as it could be and/or will not be sustainable. However small their resource base people should gain confidence in their abilities and life achievements.

STEP 4: *What are the expected products and outputs?*

Draw branches for each of the products. These include goods which are marketed and also those which are not marketed but contribute directly to individual/family wellbeing or substitute for items which would otherwise need to be bought eg clothes/milk for own use. Different markets for the same products should be drawn as sub-branches. Mark all these with symbols and/or words.

- ☑ The aim here is also to brainstorm about different types of product and output which could be looked at over time, and also markets.

STEP 5: *What other economic activities is the person*

involved in? To the right of the trunk, symbols for other activities in which the person is involved should be drawn as a column with the most profitable main activity at the top then descending down. If this is a repeat PASED client then put a ring in red around those for which loans were given with loan amounts written next to them.

RECORDING POINTS FOR THE EXCEL DATABASE

Into the respective columns of the Excel sheet copy:

- ☑ Client's name, address, symbol
- ☑ LEAP/PASED involvement
- ☑ Intended loan economic activity
- ☑ Other economic activities and skills (for LEAP skills/diversification register)

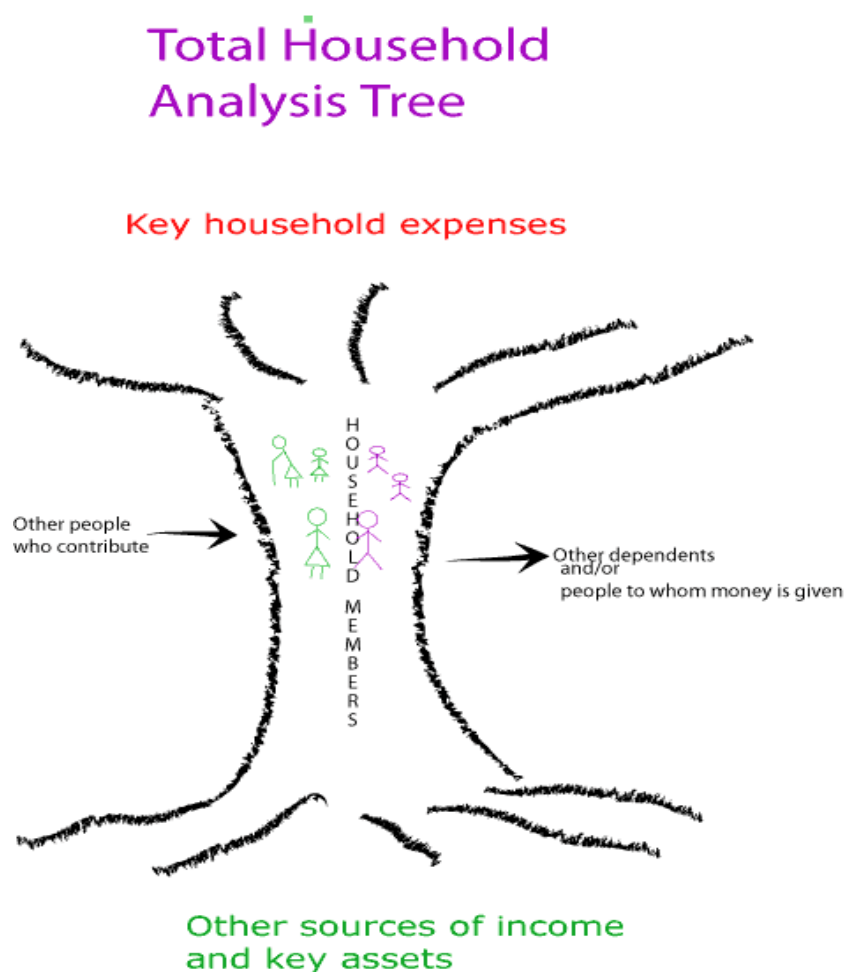
TOOL 2: TOTAL HOUSEHOLD ANALYSIS TREE

The Total Household Analysis Tree provides:

- ▶ **Complementary household data** on members, other incomes and assets which will serve as proxy for household poverty status.
- ▶ **Analysis of potential complementary inputs and seasonal household cash needs**

This is only a rough diagram needed to understand the other factors which affect credit needs and loan use and also to assist in collecting and crosschecking baseline data. A full livelihood tree could later be drawn as a separate exercise, but is not needed here.

WHAT MIGHT IT LOOK LIKE? A CLOSE-UP EXAMPLE



HOW IS IT DONE?

Underlying this tool is an understanding that 'households' in Port Sudan may not conform to the normal assumptions of one husband, wife and children. Some marriages are polygamous. Some couples live separately in order to maintain property in the rural areas and/or earn more income elsewhere. Other women live separately with their children, or alone with their children left with husband or husband's relatives. All these will affect the context for the loan activity: how far women are able to draw on resources of other family members to help with their business, and what other sorts of necessary expenditure a woman has to maintain.

- STEP 1:** First ask questions about the woman's household status: eg is she married, unmarried, widowed, separated/divorced? Does her husband live separately in rural areas? Does he have other wives? Does she have children or elderly relatives with her? Who lives together in the same house.
- STEP 2:** Draw a trunk to represent the household of people living together. Put symbols to represent the different household members in the trunk: women and men in different colours on different sides. Earning members should be underneath to link down to the income roots. Non-earning dependents eg children, the elderly should be put at the top to link to the expenses branches.
- STEP 3:** Other people who may give support, eg woman's non-resident husband, brother, parents, adult son etc, should be drawn on the left hand side of the tree. Other people to whom significant amounts of money are given (eg sick relatives, traders to whom the household is indebted) should be marked on the right side of the trunk.
- STEP 4:** Any significant income activities of other household members should be drawn as roots, focusing on those which the client could possibly draw on as complementary loans and inputs.
- STEP 5:** Household expenses which may need to be met from the economic activity income eg school fees, routine health care for the elderly etc should be marked as branches.
- People should be asked to consider whether any other family members would contribute to investment in their business

and/or loan repayment – such informal loans are free of mark up.

- ☑ People should be encouraged to be honest and make explicit the thinking behind any use of credit for consumption or 'income smoothing' ie expenditure on items which would over the loan period free up other cash for the economic activity. Examples might be purchase in bulk of foodstuffs at times of lowest prices, lump sum expenditure on school fees/clothing to avoid penalties².
- ☑ At the same time it must be stressed that economic success of the enterprise will depend on maintaining levels of reinvestment in it and not using incomes for any unnecessary household or personal expenditures. This is also a gender issue in that women's enterprises are often expected to cover household expenses to free up male income for themselves.

RECORDING POINTS FOR THE EXCEL DATABASE

From the Total Household Analysis Tree copy the basic background data for applicant to assess effectiveness of targeting:

- ☑ age
- ☑ marital status
- ☑ broad household income status (to be crosschecked with any information from poverty diamond),
- ☑ health/disability status
- ☑ any other indications of vulnerability eg domestic violence which may come up in discussions of possible contributions by other household members.

² In other contexts this would include paying off high interest loans from moneylenders. But this is not applicable in the Sudan context??

TOOL 3: FINANCIAL ANALYSIS TOOL (FAT)

The Financial Analysis Tool aims to:

- ▶ *quantify the estimated cash needs from the loan:
enterprise inputs minus resources from elsewhere*
- ▶ *quantify estimated cash availability for repayment:
enterprise outputs minus any key household expenditures*
- ▶ *to IDENTIFY WHETHER OR NOT THE LOAN IS VIABLE or
the plan needs to be rethought.*

This then forms the basis for client self-monitoring of estimated enterprise costs and incomes.

The coloured columns then feed into the Credit Agreement Tool.

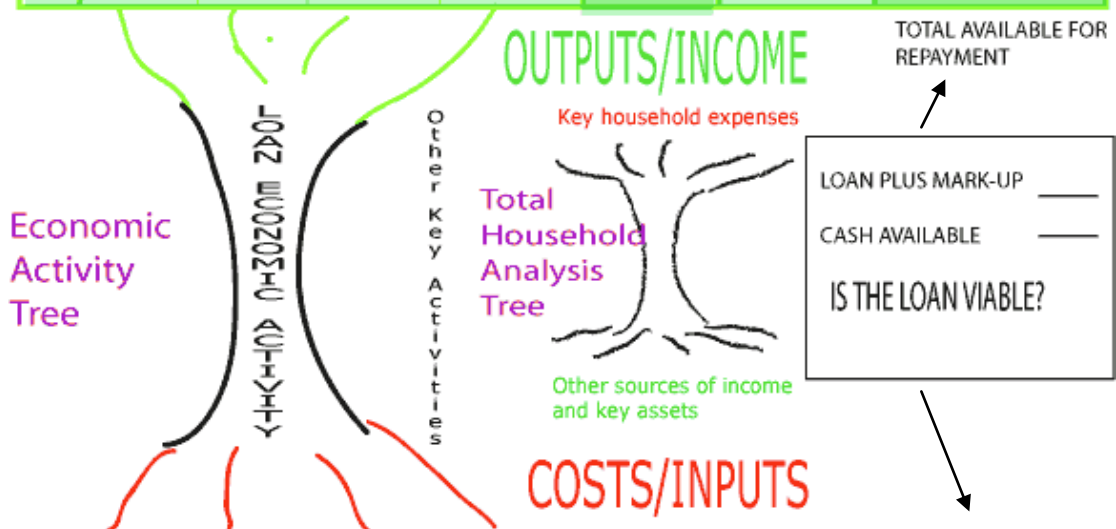
Whether or not this Tool should be reproduced for clients to fill in or whether it should be redrawn from scratch in order to give more drawing practice would need to be decided after initial piloting. Different formats will probably be needed for different levels of literacy and numeracy. However as far as possible clients will use symbols and do their own calculations on large charts which they can understand. For illiterate clients the cells in the Boxes would need to be large enough for them to put in symbols for figures and so would need to be drawn over two full pages. For educated clients one page should be sufficient.

WHAT MIGHT IT LOOK LIKE? A CLOSE UP EXAMPLE

See overleaf.

FINANCIAL ANALYSIS TOOL

Months	INCOMES			TOTAL	minus HHexpenses	equals Cash available
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
Total						



Month	Fixed capital	Labour	Working capital	Other	TOTAL	minus contributions	equals cash needs
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
Total							

TOTAL LOAN REQUIRED

HOW TO DO IT: KEY STEPS

Building on the EAT diagram:

STEP 1: *What are the credit needs?* On the EAT ring those inputs which will require credit injection in red. Estimate for each the monthly requirements from the start of the loan and put these in the appropriate columns in the red root Table. Then add up the total monthly requirements and total input needs in the appropriate coloured cells.

STEP 2: *What are the potential other contributions?* On the THAT ring those resources which could contribute to the enterprise. Estimate the potential monthly contributions from these sources and mark these in the appropriate column in the red root Table.

The aim here is to ensure the person examines fully all the other resources available, and then identifies exactly how the credit loan from LEAP/PASED would complement this in order to maximise their benefit from it.

STEP 3: *What are the total credit requirements from the loan?* Subtract the monthly figures in the contributions column from those in the costs column and mark the monthly requirements in the end coloured column of the red root chart. Total the monthly requirements to get total loan required.

STEP 4: *What is the likely cash income from the loan activity?* For each of the branches on the EAT estimate the monthly income and mark this in the appropriate column of the top green Table. Add up the monthly totals and the income totals in the coloured rows and columns.

STEP 5: *What are the key household expenses which need to be funded from this income?* On the THAT ring only those expenses which really need to come out of this income after considering all the other resources identified on the THAT. Then estimate the monthly requirements and mark these in the appropriate column. Add up the total.

STEP 6: *What is the likely cash availability for loan repayment?* Subtract the monthly expenditure requirements from the income and fill in the final column and total in the green Table.

STEP 7: IS THE LOAN VIABLE? If the total loan required is more than the total cash availability then the loan is not viable and the client needs to rethink the plan. Either decreasing the inputs on the EAT, or thinking of more outputs. Or identifying more external resources on THAT or decreasing the other expenditures which will need to be met.

STEP 8: DOES THE LOAN PERIOD NEED TO BE LONGER? Given that much of the loan amount is likely to be needed for initial fixed capital investment and incomes may take some time to materialise, would a longer time period for repayment enable the figures to balance? This would need to take into account the additional mark up.

RECORDING POINT FOR THE EXCEL DATABASE

None of this need be recorded. The main purpose is to provide the basis for calculation in the Credit Agreement Tool.

The Tables should be copied with triple columns (estimated, actual and difference) to serve as a basis for client monitoring.

TOOL 4: CREDIT AGREEMENT TOOL (CAT)

The Credit Agreement Tool aims to:

- ▶ Clarify net profit (incomes minus working costs) to go further into the required loan repayment period.
- ▶ Calculate an agreed monthly repayment schedule

WHAT MIGHT IT LOOK LIKE? A CLOSE-UP EXAMPLE

CREDIT AGREEMENT					
Month		Monthly average repayment (total loan divided by number of months)	Monthly net profit (incomes minus costs)	Monthly cash availability: net profit allowing for other contributions and expenditures	Agreed repayment schedule
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
TOTAL					

HOW IS IT DONE?

It may again be necessary to reproduce actual formats for this. Different formats will probably be needed for different levels of literacy and numeracy. However as far as possible clients will use symbols and do their own calculations on large charts which they can understand. These will then be copied onto smaller formats for staff use.

Building on the FAT and using a reproduced Table like the above:

STEP 1: *What is the average monthly repayment?* From FAT divide the total loan plus markup figure and divide by 12 or by the appropriate number of months. Put these figures in the monthly column as a guide for the following calculations.

STEP 2: *What is the expected net profit of the activity per month?* From the FAT subtract the monthly costs from monthly profits and put the calculation in the net profit column. This calculation is useful in itself, particularly once the initial capital investment period is finished. But it is the next calculation which is used as the basis for the repayment calculation.

STEP 3: *What is the expected cash availability for repayment?* From the FAT calculate the monthly difference between the two final columns ie total cash availability minus total total credit requirement. Mark these calculations in the appropriate column.

STEP 4: *What is a feasible loan repayment schedule?* Comparing the monthly cash availability column with the average monthly repayment amount discuss and agree with the client an acceptable repayment schedule. Also consider whether or not a longer repayment schedule would be more appropriate based on the FAT viability analysis.

RECORDING POINTS FOR THE EXCEL DATABASE

From the CAT matrix copy

- ▶ the total estimated net profit over the loan period
- ▶ the monthly credit repayment agreement

into the appropriate cells on the Excel sheet.

Use the FAT and CAT to fill in the appropriate columns on the client monitoring sheet.

PART 3:

MONITORING AND ASSESSMENT FORMS

<u>ECONOMIC ACTIVITIES AND SKILLS</u>						
Name	Address	Intended loan activity	Previous LEAP/PASED	Other economic activities and skills	Literacy	Numeracy
Client 1						
Client 2						

Month	Agreed repayment schedule	REPAYMENT MONITORING			ENTERPRISE MONITORING						
		Actual repayment	Difference	Reasons and remarks on difference	Actual incomes	Actual costs	Actual net profit	Difference between actual and estimated net profit	Reasons and remarks on reasons for difference		
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											