



ANNUAL REVIEW 2019



ADC Microfinance

1 April 2018 - 31 March 2019

OUR VISION

A world without poverty where people have access to the resources necessary to improve their lives.

OUR MISSION

To empower those living in poverty to improve their lives and enable transformation of households and communities, by providing access to client-focused microfinance and related services.

OUR VALUES

Sustainability:

Supporting economically sustainable forms of microfinance to produce positive change that continues into the future.

Responsibility:

Working towards and promoting best practice in protecting the interests of clients.

Inclusiveness:

Enabling services that target financially marginalised people and households without discrimination.

Outcome-focus:

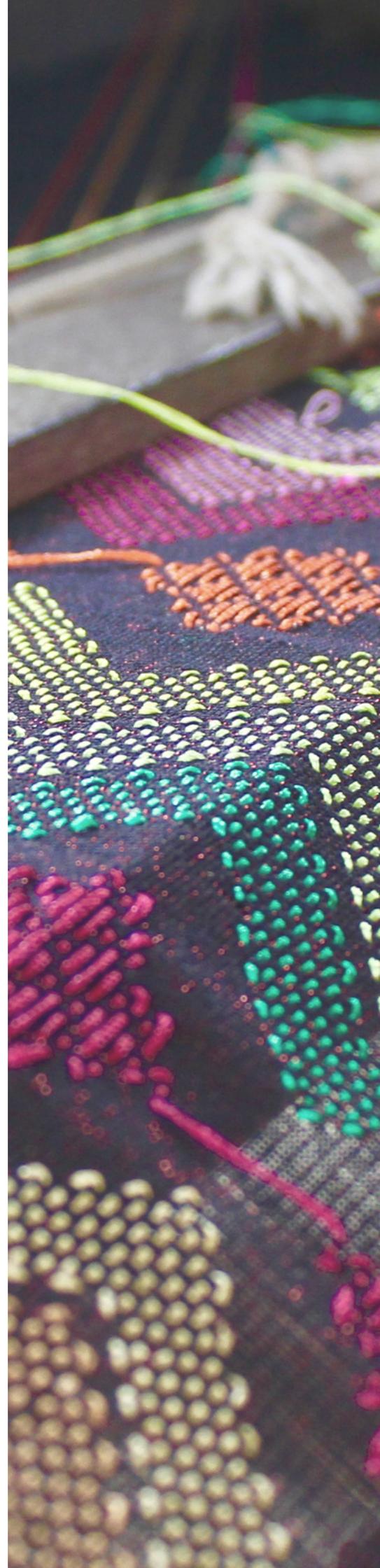
Working towards and promoting best practice in social performance management, and measuring success by improvement of lives and livelihoods.

Empowerment:

Providing opportunities for people to lift themselves and their households out of poverty with dignity and purpose towards financial independence.

Relationships:

Achieving of outcomes through long-term relationships built on trust, respect and common objectives.



HOW YOUR SUPPORT CHANGES LIVES

Your donations empower people by giving them a hand-up to build their own pathway out of poverty.



ZMF has distributed
\$8.67
for every dollar that has
been invested by ADC

Donations are used by our program partners to empower people in their community, like Lian Nu, with access to microfinance.

LIAN NU'S STORY

Lian Nu lives in Myanmar with her two children. She is a weaver and rents a loom. Her income provides only one meal a day for her family. She cannot send her children to school or save for the future.

Lian Nu applies to ZMF Bank for a \$200 loan. She receives training about her loan and meets her ZMF loan officer and business mentor.

With her loan Lian Nu purchases her own loom. Her loan comes with insurance to protect her from unexpected events. She also opens a savings account, allowing her to put funds aside for future purchases.

Every week, Lian Nu makes a repayment on her loan and after six months, she has fully repaid it. She is able to take out a new loan or loan funds can be used again to support others like Lian Nu.

After four subsequent loans over three years, Lian Nu has bought another four looms and employs four other women. She provides three meals a day for her family and her children can go to school.

Lian Nu feels empowered because she is supporting her family and other women in her community.

CLIENT PROFILE: AYE HTOO



Aye Htoo lives in Kalay, Myanmar. ADC Microfinance facilitated her first loan five years ago through ZMF, our partner microfinance institution. Since 2014, Aye has had a total of 6 loans and is proud as punch that she has never missed a payment! Before Aye had ever heard of ZMF and ADC Microfinance, she was selling small snacks door to door in her neighbourhood. Her friends told her about ZMF, and her life took on a whole new and exciting phase.

Her advice to any budding entrepreneur is that “starting a business is difficult and hard work but well worth it.”



As Aye had experience selling snacks, she decided to use her first loan from ZMF to buy bananas and coconuts and to sell them in the local Tahan market. She also made snacks out of these ingredients such as sticky rice and coconut cakes, and sold them in her neighbourhood too. The remainder of Aye's first loan was used to support her family. Aye is the prime caregiver with eight other people living in her home, four of which are her grandchildren. The grandchildren attend both primary and high schools, and Aye covers the majority, if not all, of the fees. Since taking out her first loan, Aye noticed her financial situation steadily improve which encouraged her to continue taking out loans through ZMF. She follows the same method as she did with her first loan, and has clearly realised an improvement in her and her family's lifestyle over time. Some improvements include being able to provide more food and improved healthcare remedies for her family; she has also been able to pay for after and before (extra) school tuition for her four grandchildren which she is exceptionally grateful for. Aye Htoo is just one of the many ZMF clients that have improved their lifestyles thanks to the power of microfinance.

ZMF BANK (MYANMAR) HIGHLIGHTS

YEAR TO 31 MARCH 2019



2,231
microloans
disbursed



\$561,000
value of
loans



97.4%
loans repaid
in full



114%
operational
efficiency
(income/expenditure)

AS AT 31 MARCH 2019



1,435
microloans in
circulation



\$213,105
funds in
circulation



87%
loans to
women



9
full-time
staff

SINCE INCEPTION



9,987
total loans



\$2,323,589
total value of loans



NEW SOFTWARE ROLL OUT IN MYANMAR

ADC's former Executive Director, Zac Colborne, was in Myanmar this past year to work with staff of our partner project, ZMF Bank, on new cloud-based software being rolled out. With around 1,500 active clients all the time, the software helps track loans and monitor social performance, crucial for ZMF's goal of providing poverty-focused financial services that make a true impact in the local community. Zac now works with software provider Oradian. Below are some photos of Zac working with the team in training sessions.

"ZMF is empowering people to change their lives. I've been privileged to meet some of these incredible people and see their hopes and dreams for a better future. With the support of the ADC community, ZMF is poised to give a hand up to many more people living in poverty."

~ Zac Colborne



Zac Colborne (back, centre) with ZMF staff members (from left) Han Suan, Khaing Khaing Oo, Niang Deih, Siam Pi, Man Lam and Go Khan Suan.

FROM THE BOARD CHAIRPERSON

ADC Microfinance's fundamental belief is that people living in poverty have the passion, knowledge and capability to transform their lives and their communities – it is our mission to empower them to do so by providing support and microfinance.

This year has seen ADC Microfinance hit an amazing milestone by providing around 10,000 loans since the organisation began. While it is easy to see this as a figure, every one of these loans has gone to someone to give them a chance to start their own business and change the lives of their families and community.

I would like to acknowledge the teams of our partner organisations, ZMF in Myanmar and ESCD in Malawi, for all their ongoing work in their communities. It is exceptional to see the repayment rate for 2019 was 97% which is a testament to their capability and the support they provide to create success.

Thank you also to the team of volunteers in the New Zealand operations team who dedicate their time to supporting ADC Microfinance. They make time in their own lives to make a difference in others and their dedication is critical to the organisation. I would also like to note the huge amount of work put in by Pip Findlay, our Campaigns Manager, during the year as she has pushed the organisation further in our fundraising and partnerships.

ADC Microfinance is fortunate to have a group of members and donors who have been loyally supporting the organisation for a number of years. This ongoing support enables ADC Microfinance to make the impact that it does and the outcomes this year are a direct result of this ongoing belief in the impact of ADC Microfinance.

I would also like to acknowledge the generosity of the partner organisations who share the vision of ADC Microfinance and have supported our fundraising initiatives this year. We have been fortunate to have significant ongoing support from Swiss-Belhotel International and we have formed new partnerships with One Percent Collective, The People Place, Generosity Coffee and Raizor during the year.

It has been another exceptional year in the ADC Microfinance journey and I would like to thank on behalf of the ADC Microfinance Board, all those who have contributed to making a difference in the lives of others.



A handwritten signature in black ink that reads "Nick Hammond". The signature is written in a cursive style with a long horizontal line underneath.

Nick Hammond

FUNDRAISING & EVENTS



ANNUAL KEY GALA & QUIZ NIGHTS

The Gala and Quiz evenings are the events most looked forward to by our supporters and donors. This year we celebrated a great milestone, reaching 10,000 loans over 10 years since inception. A huge thank you to all sponsors who help bring these events to life and to our supporters for coming in and joining in the fun, helping to make a difference in the lives of others.

WELCOME TO OUR NEW PARTNERS

We are so thankful for the generous support from our Partners. It's fantastic news that we have welcomed Generosity Coffee, One Percent Collective, The People Place and Raizor into the ADC Microfinance family this past year. Along with our long-time standing Partner Swiss-Belhotel International, they have provided invaluable support with our fundraising streams and events.



the people place



To learn more about our Partners
visit adc.org.nz/support-our-partners



A DAY OUT AT GIBBS FARM

A wonderful day was had at Auckland's renowned Gibbs Farm. We sold 250 tickets in a record of under 5 days, raising \$18,000 net on this event alone. This helped to attribute to supporting 90 women start up businesses in Myanmar.

OUR BOARD



Nick Hammond - Chair

Nick is a founder and the COO of Spring Sheep Milk Co, a start-up business successfully building a high value sheep milking industry in New Zealand. Creating opportunities for entrepreneurs is one of the reasons Nick is so passionate about ADC.



Sarah Colgan

Sarah is a Health Psychologist with the Counties Manukau DHB, having previously worked as an employment lawyer. She has been involved in ADC since its beginning, and up until 2018 was Chair of the Board. She believes strongly in microfinance as a tool for empowerment of women and their families.



Kate Tindall-Lum

Kate has over 10 years experience in grant making in New Zealand and the UK, and is the Special Projects Manager for The Tindall Foundation. She has a passion for providing people with the resources to support themselves. Kate recently became a mum and has stepped down from the Board as of Dec 2018. We thank Kate for her support.



Jeremy Kenealy

JK works for Palantir Technologies, an international data software company. He spent more than 5 years as ADC's Project Director, a role that took him multiple times to Myanmar and Malawi. He is constantly inspired by the empowering impact microfinance has on entrepreneurs in these communities.



Fiona Millar

Fiona works for the NZ Transport Agency as the Community Engagement Lead for their Innovation Team but her background is in international development and non-profit operations. She is passionate about connecting people and solving social problems using human-centred design and empathy-based practices.



Nadine Hill

Nadine is an Investment Manager with NZ Trade & Enterprise, having previously worked for 20 years in business and corporate banking in NZ and the UK. She believes strongly in the importance of poverty alleviation for protecting vulnerable children. Nadine stepped down in Dec 2018, thank you Nadine for your contributions to ADC.



Andrew Colgan - Chief Executive

Andrew is a Senior Associate at litigation law firm McElroys. He co-founded ADC in 2007 and has visited the project partners on a number of occasions. Andrew's passion for ADC stems from a belief that access to affordable credit can transform lives and empower communities.



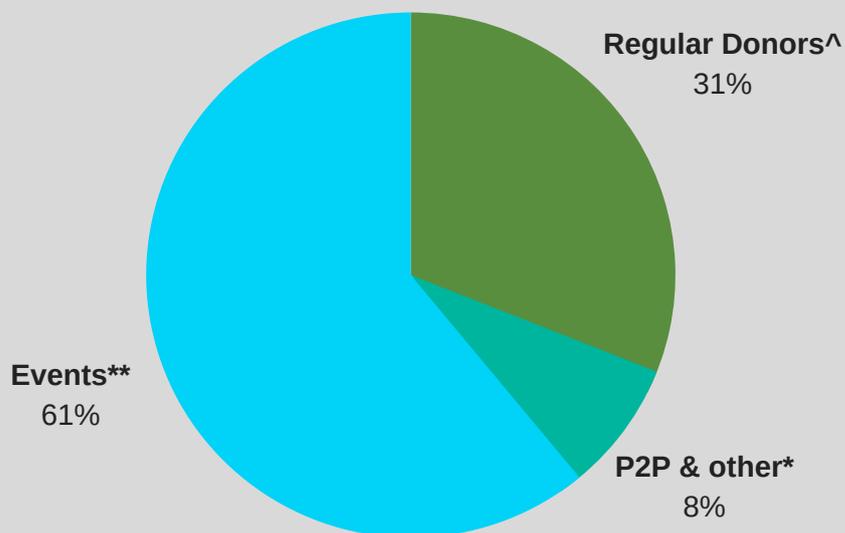
Kerry Stotter

Kerry has been a mentor to the Board up until Dec 2018. He remains a member and supporter of ADC. Thank you Kerry for your support and knowledge in governance for ADC.

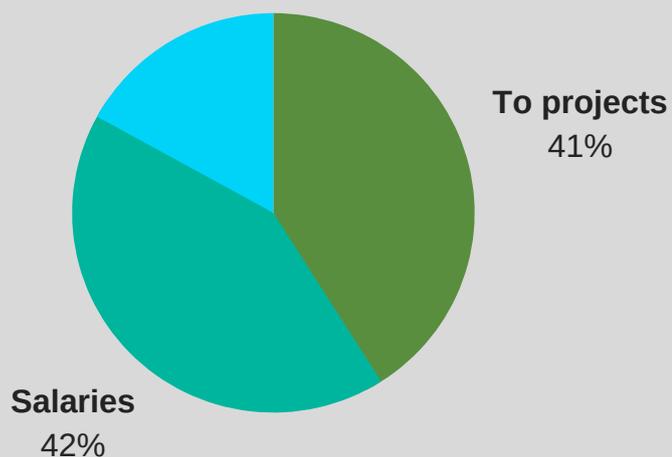
ADC YEAR IN REVIEW

INCOME: \$100,145

EXPENDITURE: \$45,615



Admin/Marketing
17%



Full financial details in Annual Report to be filed with DIA Charities Services

*Peer-to-peer fundraising, appeals and all other income. These have been lower than 2018 with the focus on events and bringing on new partnerships this year.

**Events were our big success this year. We had 3 major events (Gala, Quiz, Gibbs Farm) which raised a net of \$61K.

^Regular Donations were steady vs 2017/18.

PROGRAMME PARTNERS

Zozam Microfinance (ZMF), Myanmar

ZMF continues to go from strength to strength with the support of ADC and our generous supporters. As at March 2019 ZMF has provided over \$2.3 million in loans.

Ekwendeni Savings and Credit Department (ESCD), Malawi

ADC supports ESCD as a minor programme partner through grant capital and some operational expenses. As at March 2019 ESCD has approximately 21 active loan clients and \$20,000 in assets. Due to high inflation in Malawi, no new loan capital is being invested currently.





ADC Incorporated

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ADC is a registered Incorporated Society

Charity registration: CC50855