

FIVE TALENTS

Transforming Lives through Economic Empowerment

2017
Annual
Report

Restoring Dignity
among the Poor

Empowering
Entrepreneurs

Serving
the Vulnerable

Business
with Integrity





five**talents**

Vision

Five Talents' vision is to eradicate extreme poverty by restoring human dignity and creating strong, sustainable communities.

Mission

Transforming lives through economic empowerment.

Inspiration

Five Talents is inspired by the biblical Parable of the Talents (which teaches that we should all work to multiply the resources we are given) and the call of Jesus to minister good news to the poor.

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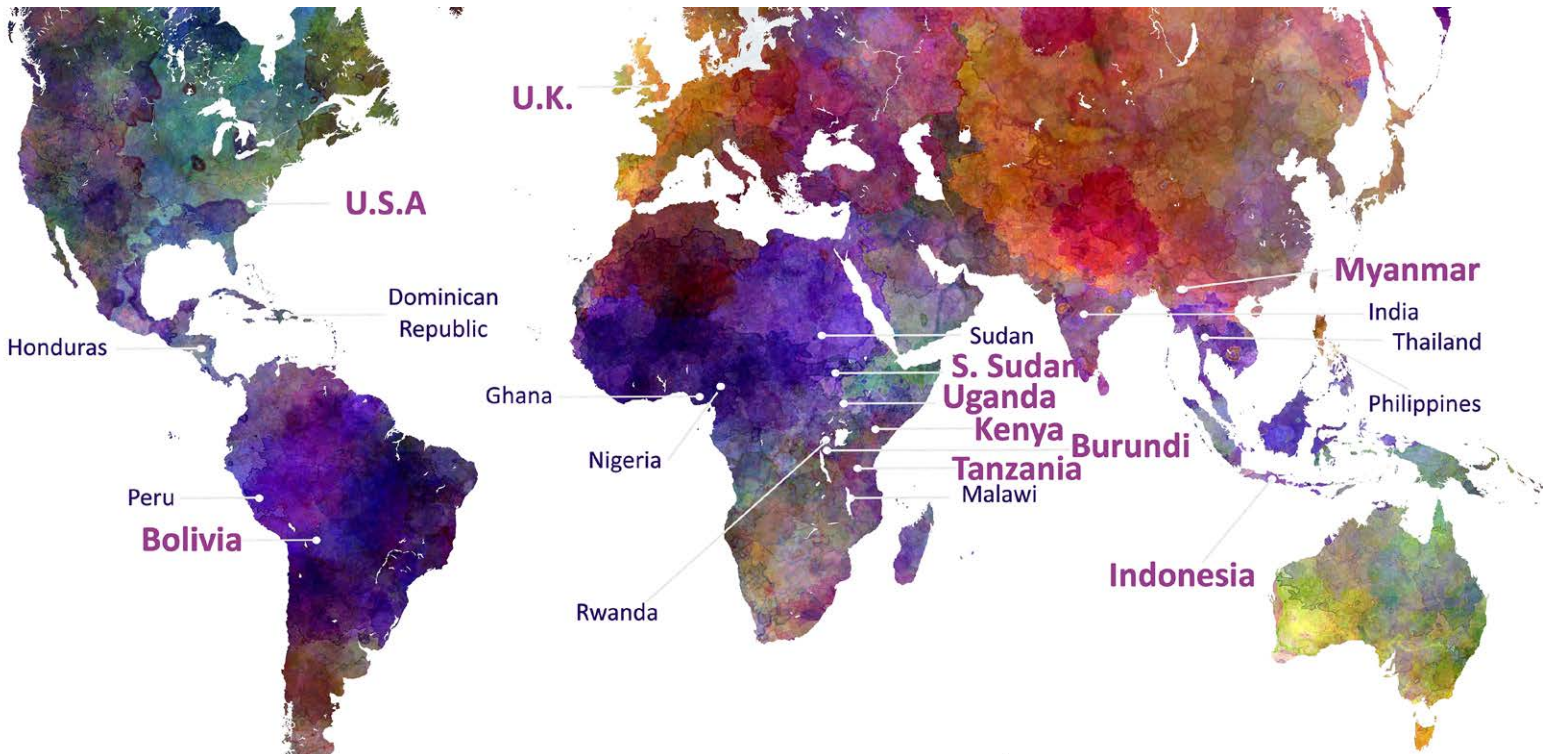
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This Annual Report highlights the work of Five Talents USA. Additional Five Talents programs are coordinated by our sister organizations: Five Talents UK and Five Talents Kenya.

Credits:

*Adam Dickens Photography
Ross Oscar Knight Photography
and Five Talents US and UK.*

GLOBAL IMPACT



Five Talents has served the vulnerable poor in 19 countries around the world. During 2016-2017, Five Talents programs focused on Bolivia, Burundi, Indonesia, Kenya, Myanmar, South Sudan, Tanzania, and Uganda.



Investing in Families

Families form the backbone of every society. The family unit is where faith is nurtured, love expressed, and identity developed. The family is also the place where the effects of poverty are most keenly felt.

Investing in strong families is key to the development work of Five Talents.

When parents can provide for their children, it creates an environment of security and enables each family member to live out their God-given purpose, caring for others and repeating this healthy cycle for new generations. Food, shelter, education, medicine, and love are essential ingredients to healthy living.

As we help parents save and build sustainable businesses, we also create an important place of fellowship where each member feels loved. The result is healthy families that experience and extend God's blessings.

As the new Executive Director of Five Talents, I am grateful to be part of this organization and I look forward to continuing to invest in building strong families.

Dale Steinhilber

Letter from the Executive Director



77,855

Families Reached in Five Talents USA Programs

And with the work of our UK partners, the number is even larger:

115,546

Increased income means

- ▶ families escape poverty
- ▶ children attend school
- ▶ improved medical care
- ▶ more nutritional food

“But for those who honor the LORD, his love lasts forever, and his goodness endures for all generations.”

PSALM 103:17



31,142

NEW BUSINESSES

in Five Talents USA programs



And with the work of our UK partners, the number is even larger:

46,218

97%

LOAN REPAYMENT

80%

WOMEN OWNED

6

Community Banks Established

(including 3 independent / branch banks in FTUS programs and 3 in FTUK programs).

389,275

Total Beneficiaries

And with the work of our UK partners, the number is even larger:

577,730

"He has filled them with skill to do all kinds of work."

EXODUS 35:35

Empowering Entrepreneurs

At Five Talents, we help the poor develop and build their own sustainable businesses.

BUSINESS TRAINING

Starting with financial literacy and basic business skills, Five Talents equips entrepreneurs through relevant training.

FINANCIAL SERVICES

By providing access to community savings and affordable loans, Five Talents helps to jump start businesses and community development.

Transformational Community Savings

-  1 A group forms with trusted friends who save collectively and loan to each other.
-  2 Members are trained in financial literacy and business development.
-  3 On average, after six months of savings, members are entitled to seek a business loan.
-  4 Loans are made to members at rates determined by the groups themselves.
-  5 1% Loans are repaid over 3-12 months with 1% interest per month.
-  6 Interest is kept as dividends and shared between members.
-  7 Money returns to savings group and is recycled for further business development.

Restoring Dignity among the poor

“Before we had nothing - just pots and our clothes. We didn't have any furniture or even good mattresses to sleep on. We were uncomfortable and grumpy. . . Now that we have beds, other furniture, and [even a car] we feel happy and comfortable. We feel very happy and there are more reasons why we rejoice.”

-Pastor Rivera, Savings Group Member, Bolivia

“I have now employed 5 people, working in my restaurant, and I am opening another one for cold drinks. One of the first ladies [who worked for me] has also opened her own cafeteria.”

-Yom Mayan, Mother of Seven,
South Sudan



“The training taught me how to spend the money for the raw materials in a tactful way, how to set aside the proceeds from sales, and how to manage the cycle of business properly.”
-Sukesih, Vendor, Indonesia



Serving the Vulnerable

Hope for Displaced Communities



Five Talents has always been committed to serving vulnerable and marginalized communities. In most societies around the world, refugees or displaced peoples are at the top of the list. Being forced from one's home includes trauma, distress, a loss of livelihood, and a crisis of identity and belonging.

Amidst the worst refugee crisis since World War Two, Five Talents is working to address root causes while ministering to displaced people during their distress.

In South Sudan, Five Talents works closely with families in displaced communities, particularly around the capital city of Juba. The ministry to internally displaced people started when our program leaders and trainers in Malakal were forced to flee violence. Many of them lost loved ones and experienced other violations and tragedies of war.

In the brokenness and hardship of displaced communities, these women shared their faith and

began teaching other women that there was hope for healing. Together, they would pray, dream, save, and work for a brighter future. Starting with the most meagre resources, small savings groups and micro-businesses began to develop, restoring dignity and hope and creating a source of livelihood for women in the communities.

"I was hungry. And you gave me something to eat. I was thirsty. And you gave me something to drink. I was a stranger. And you invited me in. I needed clothes. And you gave them to me."
MATTHEW 25:36

This year Five Talents has focused on displaced communities near Juba as well as in Bahr-el-Ghazal, where the programs are reaching numerous ethnic groups. Meanwhile, our business and savings programs are helping to build peace, create economic stability, and promote local development - helping to address root causes of forced migration.

Limestone hills rise along the banks of the Salween River. Below, emerald terraces jut out into the water. One of the longest rivers in the world, the Salween provides a livelihood for millions of fishermen and subsistence farmers. Its seasonal floods nourish rice paddies and fields of maize or sesame, while the neighboring grasslands are home to thousands of rubber tree plantations.

But one stretch of the Salween has been largely neglected for cultivation. For years, insecurity has prevented farming in the region. In the forested hills above, the army continues to clear landmines left behind after 60 years of war. The conflict in Kayin State of Myanmar is one of the world's longest civil wars.

Myanmar is in the midst of a grand transition, moving from military to democratic rule. With peace declared between the national army and the Karen National Union, the region is opening up to trade.

Today, refugees are returning to Kayin after decades in exile, crossing the river from

Thailand and coming back home. For many the choice is not voluntary. The refugee camps are closing down and the only option is a return to Kayin. Rebuilding their homes and communities is not easy. In an ailing economy with poor infrastructure, health and education systems, the returned refugees must develop livelihoods that can support their families.

Five Talents is currently working in several villages along the border, serving 225 families who have returned from exile in Thailand. In partnership with local agencies, these families are receiving access to safe water, electricity, and basic household goods. They are also undergoing training in business skills and forming cooperatives for community savings and farming. The program in Kayin is in addition to another 1,500 farmers being reached across the Irrawaddy Delta in Myanmar.

This is part of Five Talents calling, to go where others don't and to serve the world's most marginalized and vulnerable poor.



When Communities Come F.I.R.S.T.



2,645
Villages Reached



FOUNDATIONAL: Working closely with churches in each country, our programs lay a foundation for spiritual and economic transformation, which leads to self-sufficiency.



INSPIRATIONAL: Our successful entrepreneurs are a beacon in their communities. They inspire others to join savings groups, to start new businesses, and to raise their families out of poverty.



REPLICABLE: With local leadership, a proven track record and strong demand, our programs are multiplying even in countries experiencing great challenges.



SUSTAINABLE: We build strong partnerships with local institutions. We train, equip, and then graduate participants from our programs. So, the local businesses are sustainable and do not depend on outside resources to continue to grow and succeed.



TRANSFORMATIONAL: Communities are transformed from extreme poverty to dignity by developing their talents through enterprise, community accountability and fellowship.



“Since joining the program, I have a lot of friends and I am integrated in the community. I have freedom to attend all meetings and I am happy to give my ideas and discuss with others.” – Matrone, Burundi

Case Studies: Medicine and Finance in South Sudan

The benefits of financial services among the poor are manifold. As Five Talents offers business training and provides access to community savings and loans, entrepreneurs are able to develop a wide range of businesses to serve their communities. One of the unexpected impacts we have witnessed from our programs is growing access to life-saving medicine for entire communities and regions.

It's the peak of malaria season and the nearest hospital is a five-hour drive on unpaved roads. Most parents in Lietnhom can't afford to make the journey. For children under five, malaria is the leading killer. South Sudan has one of the highest malaria burdens in the world. In a country where the average life expectancy is only 42 years, malaria is responsible for 25% of deaths and two out of every ten people who visit a health facility will die from malaria.

By helping families access community savings and emergency loans, Five Talents is saving lives and increasing access to medical services. Here are four recent testimonies:

Testimonies from South Sudan

Starting with a small loan, Metelida employed a doctor, purchased supplies, and launched the first community-run medical clinic in her region. Today she serves over 8,000 residents with access to life saving treatment.

Snake bite is a common problem in areas such as Lietnhom and kills up to 3% of the population each year. After being bit by one of the world's most poisonous snakes, Mawien had only a few hours to live. Thankfully, his family received an emergency loan and was able to rush him to the hospital. Mawien lost his leg, but his life was saved.



Agany Madut started his pharmacy in a grass thatched hut over ten years ago. After receiving business skills training and joining the Five Talents sponsored Amat Wuot Community Bank, Madut constructed a permanent shop and now employs four staff, serving a community of over 10,000 residents.

"Thank God for this program in our community, we will improve our lives and our children will be healthy and go to schools."
- Agany, Pharmacist



George Ayok is a father of six who has witnessed many suffer needlessly from infectious disease. After attending adult literacy classes and starting a small business, he went on to pursue studies in pharmacy and medicine, funded solely by his business income. After completing his studies, George used loans from his savings group to set up the only health clinic in his community, serving 1,000 residents.

Business with Integrity

Across the globe, in every culture and society, business is built on trust. Whether through trade or bartering, trusting relationships are key to God-honoring and mutually beneficial business transactions.

At Five Talents, we believe that the foundation for successful business requires honesty, fairness, and integrity.

Our curriculum provides entrepreneurs with wisdom on how to use their God-given talents to create businesses with integrity. In God's design, business is not meant to exploit but to empower and to serve.

Since our founding in 1998, we have sought to go where others don't; to operate in smaller, poorer, riskier environments, and to provide a vehicle for hope in some of the most desperately poor and war-torn areas of the world.

We believe our approach is paying off. As entrepreneurs learn to appreciate the value of spiritual and social capital, they are translating trusting relationships into the ability to create wealth and use it for good.

This is the work of Five Talents and I am proud to be a part of it.



Jim Oakes, Board Chairman

BOARD OF DIRECTORS (FY2017)

Jim Oakes, Chair
Kimberly McClure Pacala, Vice-Chair
The Rev. Jeffrey B. MacKnight, Secretary
Hooks Johnston, Treasurer
Bill Eggbeer
Dr. John Beyer
Paul Collins
The Rev. Corky Eddins
Aimee Davis
Art Medici
Steve Tees
Dr. April Young



“Prayer is my foundation as a business woman. Because of my faith, I have become honest. As a consequence, I am loved by clients, and thus my business is going very well.”

-Genevieve, Burundi

“One of my principles is to serve customers with all my integrity. For example, I don't put a high price tag on the items I am selling. I don't sell broken or expired goods to customers, and I don't put false weights. I put the exact measure on my scale”

-Corby, Rice Vendor, Indonesia

“Good will come to those who are generous and lend freely, who conduct their affairs with justice.”

PSALM 112:5

Financial Notes

Five Talents USA is a member of the Five Talents International Family, which includes sister organizations in the United Kingdom and Kenya. FTUS was incorporated in the Commonwealth of Virginia in March 1999 as a not-for-profit organization under section 501(c)(3) of the Internal Revenue Code. The office is located in Falls Church, Virginia outside of Washington, D.C. Our external auditors are SB & Company, certified public accountants in Washington, DC and statements are available upon request.



FINANCIAL SUMMARY

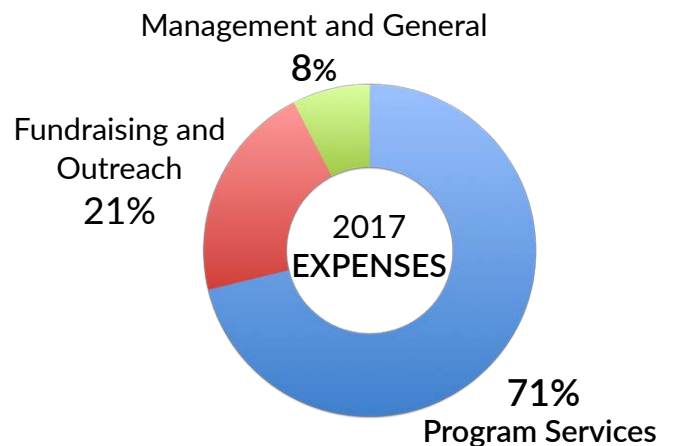
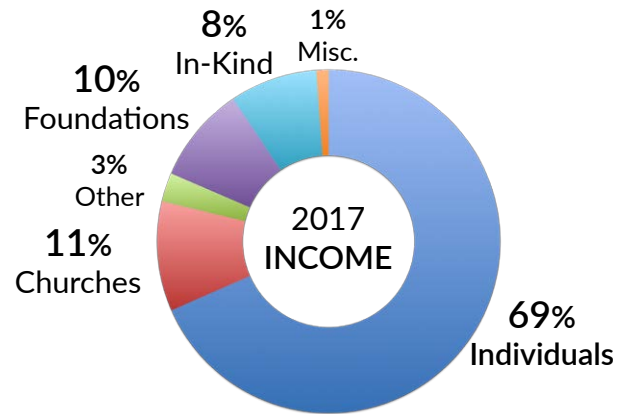
Five Talents is committed to wise stewardship of its funding to fight poverty, create jobs and transform lives for the world's poor. We consider every donation a sacred trust and our programs operate with efficiency, transparency, and the highest standards of accountability. Our independently audited accounts and external accreditations help to assure our donors and other constituents that the way we use funds is honorable both to God and to others.



INCOME	2017	2016
Individual Contributions	\$540,930	\$409,217
Church Contributions	\$81,795	\$105,363
Foundation Support	\$72,067	\$156,577
Other Contributions	\$21,371	\$62,227
In-Kind Donations	\$65,359	\$48,739
Miscellaneous Income	\$8,989	\$12,653
Total Revenue	\$790,511	\$794,776

EXPENSES	2017	2016
Program Services	\$578,379	\$637,922
Fundraising and Outreach	\$172,739	\$161,345
Management and General	\$61,354	\$73,217
Total Expenses	\$812,472	\$872,484

Net Assets, End of Year	\$179,566	\$201,527
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Dedicated to the Memory of Hooks Johnston

During 2016-2017, Five Talents worked to maximize the impact of every dollar we received. With the generous support of individuals, churches, and select foundations, Five Talents USA was able to support services to 77,855 low-income families in some of the world's most difficult places, including 2,637 new families this year.

As the highlights from our audited accounts show, our commitment to faithful, transparent, and wise

stewardship continues. Overall, Five Talents' careful balancing of operating costs with program and fund development resulted in a near break-even bottom line for the fiscal year. Five Talents celebrates the service and memory of long-time Board Member and Treasurer Hooks Johnston who helped lay a foundation for solid financial management and growth.



“Out of my savings I manage to take two of my children to school and now I have opened up a kiosk for selling tea and snacks . . . I am able to provide food, medical, clothing and other needs for my family.”

We are big believers in small businesses. We believe everyone should have a safe place to save plus the opportunity to: develop their skills; build their business; educate their children and feed the whole family, to the benefit of the entire community.

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How to Give

You can donate by check payable to:
Five Talents USA

Or visit our website for more giving options

Five Talents is a registered 501c3 charity organization. Your contributions are tax-deductible.

