



AHON SA HIRAP, INC.
(A Microfinance NGO)

Annual Report 2021



2021

ANNUAL REPORT

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2021

ANNUAL REPORT

President's message:

The year 2020 was the pits. Unprepared for the extended nationwide lockdowns brought about by covid 19, we fell off the financial precipice and ended with a massive loss of 122 million.

We greeted 2021 with much anticipation. But the pandemic was still around, and LGUs would declare lockdowns when a surge was imminent. In Aklan, the lockdown was for two months, thus crippling operations there. Other challenges affected our members significantly:

- Everyone reeled from keeping up with inflation.
- The new educational system burdened parents
- There was always the possibility of contracting covid.

By this time, almost everyone had lost someone dear to the pandemic. The breakthrough news of vaccinations was welcome, but seemed remote to most of the population. As for the staff, with unrelenting promotion, vaccination hit 98%.

The staff did not allow the difficulties to subdue them. Instead, they innovated and looked for ways to go over the stumpers. They singled out Nanays who could no longer pay up and engaged them to know their situation more intimately. The staff assisted these members to navigate through the challenges of their businesses during the pandemic. This unrelenting but caring push strategy of operations enabled most members to pay up. Several big branches ended the year with acceptable PARs, or zero PAR. But the more significant result in connecting with members during their dark days is developing a more profound commitment to ASHI, which is now more evident.

One of the good things that went for ASHI was the ready support of funders because of our unblemished re-payment record before the pandemic. In 2021, the financial picture was reversed, and ASHI landed on the positive side of the economic yardstick, delivering a profit of 47.13 million.

Vision, Mission and Core Values

Vision

A community of Servant Leaders working with marginalized families for social transformation and prosperity.

Mission

We provide a holistic approach for total human and environmental development through Microfinance.

Core Values

- Accountability
- Social Commitment
- Human Dignity
- Integrity

Executive summary:

Particulars	Target (Jan-Dec 2021)	Actual (Jan-Dec 2021)	%
Current Membership	108,324	101,640	94%
Active Members in attendance	97,492	92,886	95%
New Members	20,402	22,841	112%
Exits	4,301	12,520	291%
Loan Outstanding (in million)	1,423	1,434	101%
Loan Disbursement (in million)	1,965,515	2,306,065	117%
Collection (in million)	1,650,425	2,737,155	166%
PAR Amount (in million)	28,672	53,681	187%
PAR Rate	2%	4%	200%

	Growth rate						
	2017	2018	2019	2020	2021	2020	2021
Branches	43	54	65	65	65	0%	0%
New Members	18,084	19,267	21,145	20,486	22,841	-3%	11%
Active	55,595	65,499	82,703	79,870	92,886	-3%	16%
Inactive	5,687	8,638	10,847	11,381	8,754	5%	-23%
Exits	2,389	3,896	10,871	14,388	12,520	32%	-13%

Update as of December 31, 2021				
	TOTAL	Calabarzon A	Calabarzon B	Western Visayas
Provinces	9			
Cities/Municipalities	114			
Barangays	1,193			
Areas	16	5	6	5
Branches	65	22	21	22
Grameen	59			
AGAP	6			
Centers	1,915			
Grameen	1,761			
AGAP	154			
Provinces covered		Cavite, Laguna, NCR, Quezon	Rizal, Laguna, Quezon, NCR	Antique, Aklan, Capiz, Iloilo

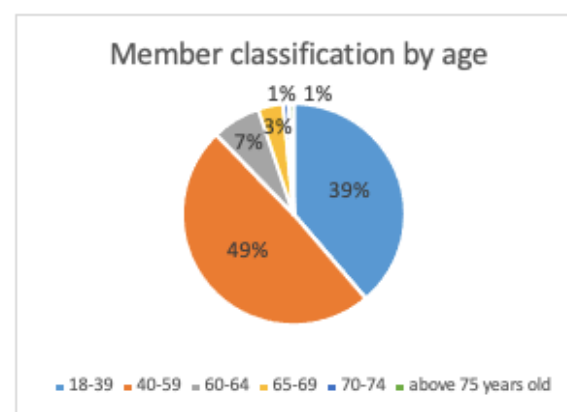
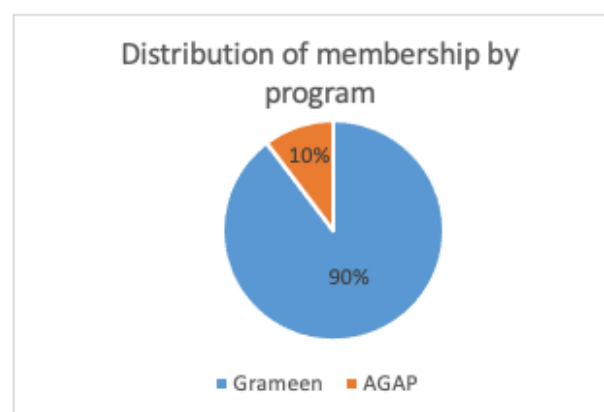
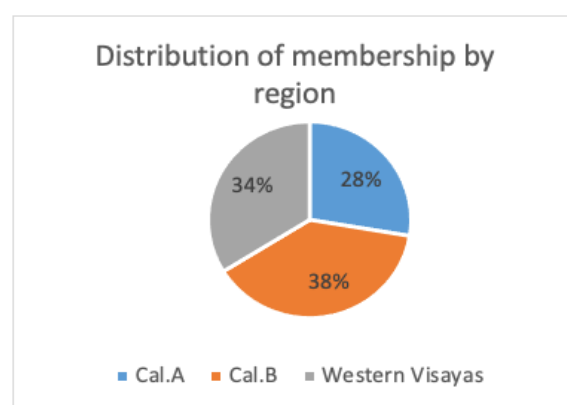
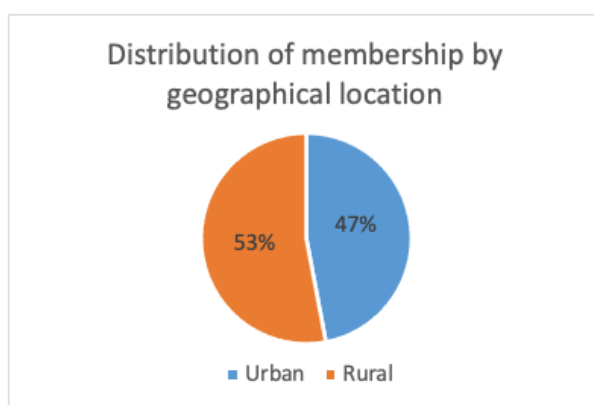
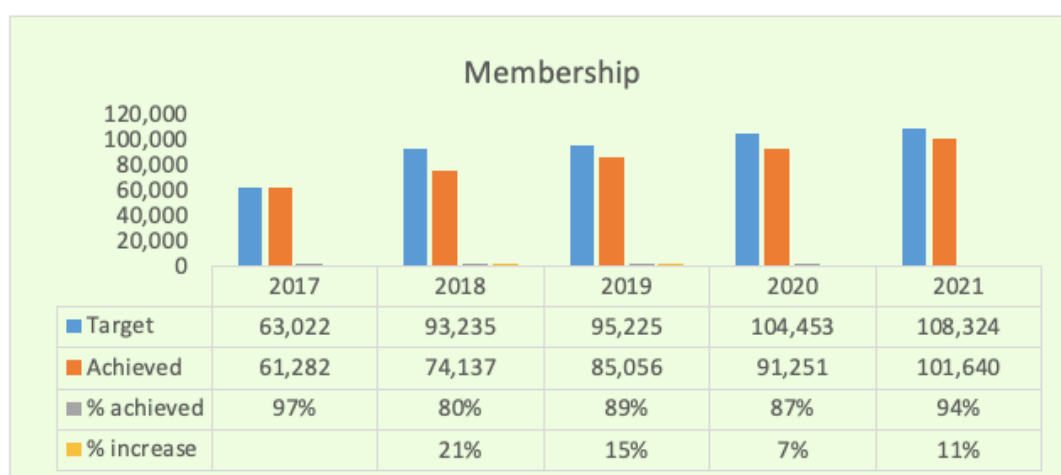
Budget Performance	2021				Income Statement		
	Budget	Actual	% as to Budget	% as to Revenue	2021	2020	Movement
Revenue from Microfinance Activities	487,316,866.63	413,587,451.38	85%	97%	413,587,451.38	264,878,411.00	156%
Other Income	13,370,627.91	11,321,543.57	85%	3%	11,321,543.57	11,983,195.53	94%
TOTAL REVENUES	500,687,494.54	424,908,994.95	85%	100%	424,908,994.95	276,861,606.53	153%
Operating Expense	257,170,846.04	235,656,893.20	92%	55%	235,656,893.20	216,355,891.37	109%
Administrative expenses	98,802,889.89	44,901,922.62	45%	11%	44,901,922.62	45,806,333.72	98%
Finance cost	62,362,118.79	59,886,479.60	96%	14%	59,886,479.60	56,194,816.00	107%
Loan Loss Provision	9,161,210.17	28,830,602.26	315%	7%	28,830,602.26	75,951,731.31	38%
TOTAL EXPENSES	427,497,064.90	369,275,897.68	86%	87%	369,275,897.68	394,308,772.40	94%
Excess of Revenues over Expenses	73,190,429.63	55,633,097.27	76%	13%	55,633,097.27	(117,447,165.87)	-47%
less: Tax	11,412,228.48	8,501,203.46	74%	2%	8,501,203.46	5,476,985.00	155%
Net Income	61,778,201.15	47,131,893.81	76%	11%	47,131,893.81	(122,924,150.87)	-38%

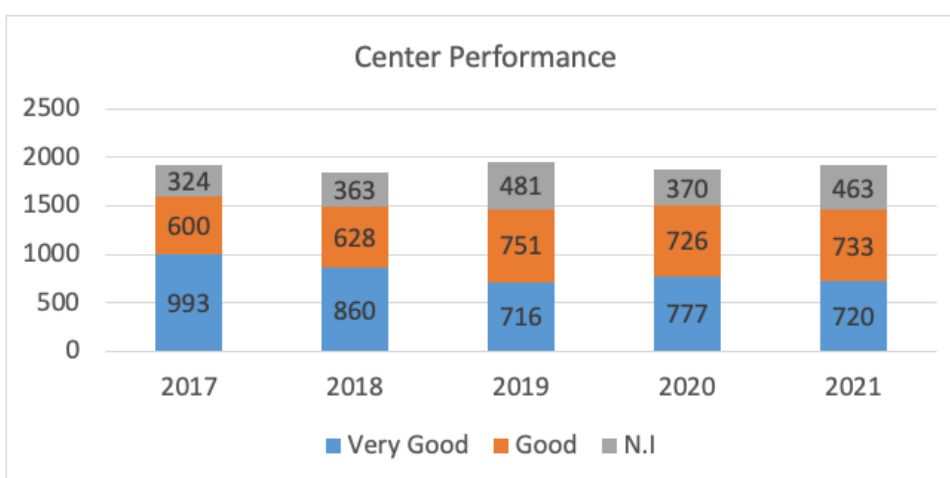
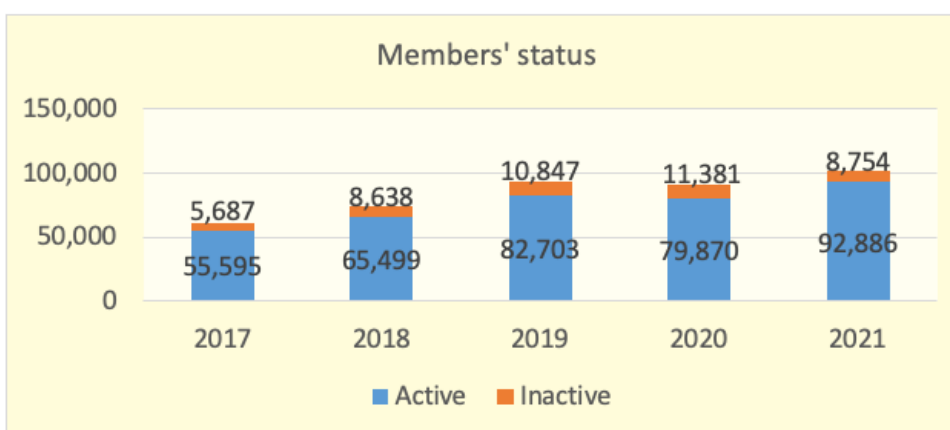
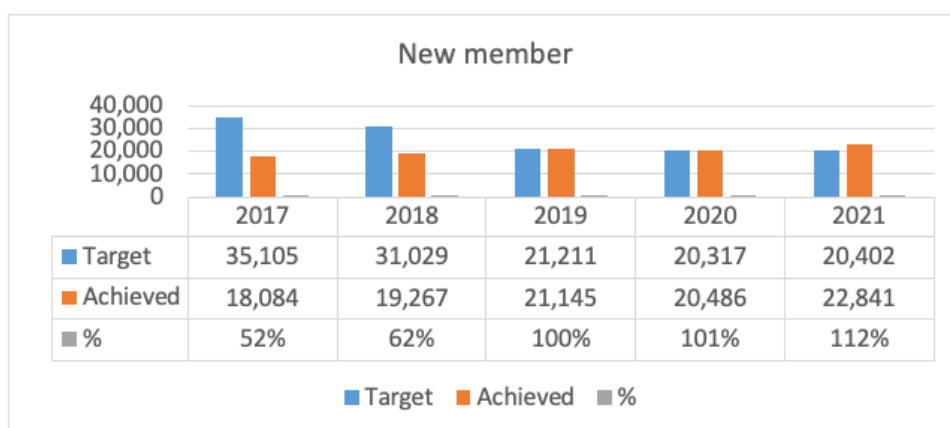
Strategic Goal 1. An innovative sustainably managed institution

1.1 Membership

The new normal created situations that made it easier to recruit new members. Loss of jobs and migration to the provinces became an opportunity to form more groups.

By working on center-fill up, new member targets have been achieved in the last three years without opening new branches. By December 2021, inactive members are down to 9% of total membership, the lowest during the last five years.

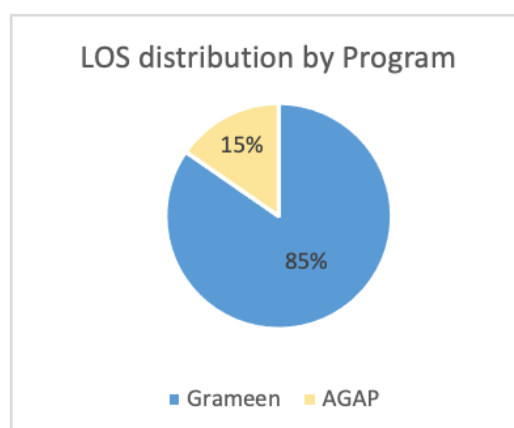
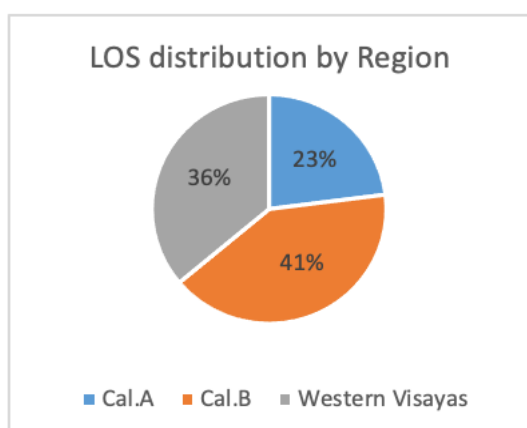
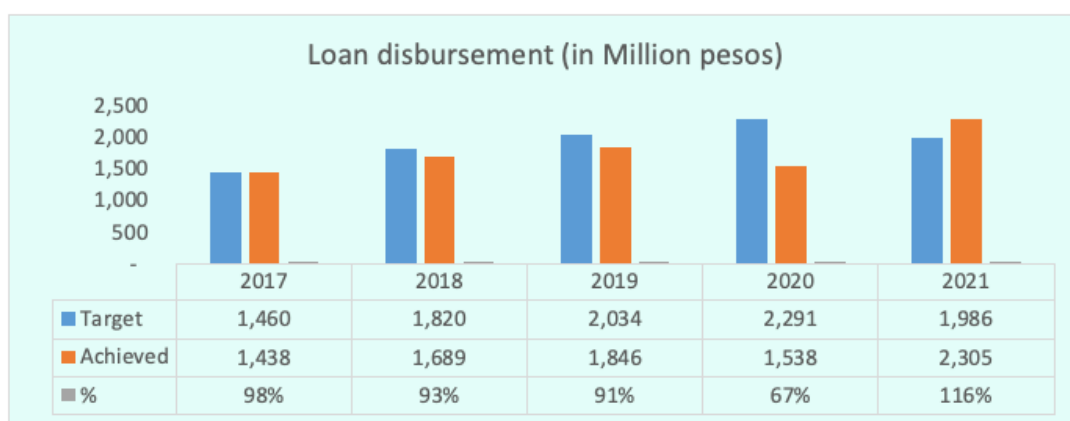




Center performance was affected by restructured loans, portfolio at risk and attendance in center meetings, which was a challenge, because of the safety restrictions imposed by local governments, on account of covid.

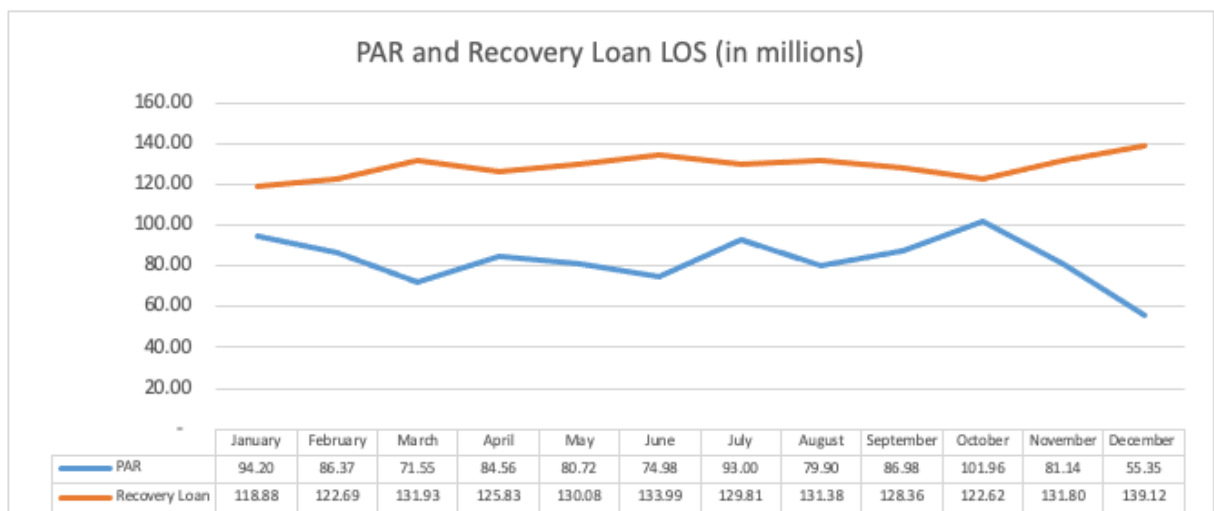
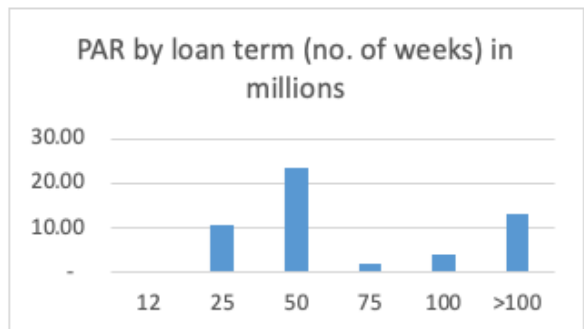
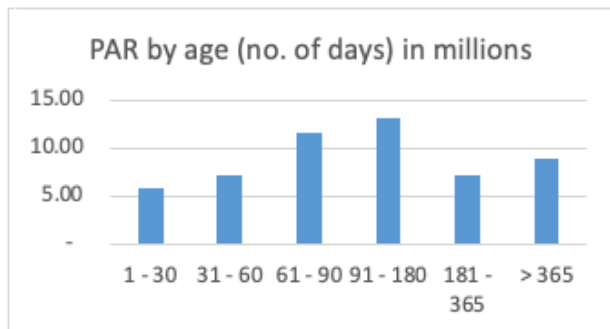
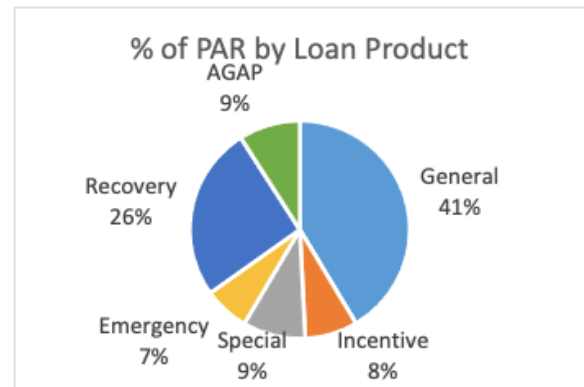
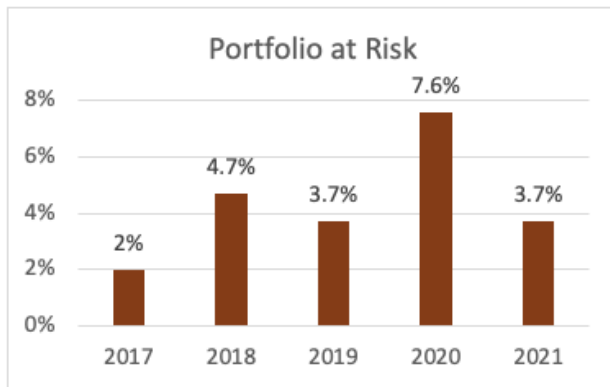
1.2 Loan Portfolio and Its Health

For the first time in the past 5 years, target for LOS (101%) and Loan Disbursement (116%) was achieved this year. The increase in new active members, and the settlement of some problematic accounts made it possible to disburse more new loans. The operations team was able to resolve issues on restructured loans earlier than expected, making it possible for members to be ushered back to regular transactions, thus opening opportunities for new loans in the fourth quarter.



The year ended with PAR below the 5% standard. Calabarzon B where several branches achieved zero PAR or close to it, contributed significantly to lowering the PAR. Western Visayas, on the other hand, registered an increase in PAR since the area, especially in Aklan and Iloilo, was affected by lengthy granular lockdowns lasting for two months.

Members with PAR are assessed based on capacity to pay. If they cannot cope with missed payments, loan restructuring may be approved with regular evaluation every three months, until they are able to afford their normal repayment. This strategy helps committed members work towards recovery without being pressured by the group or center.

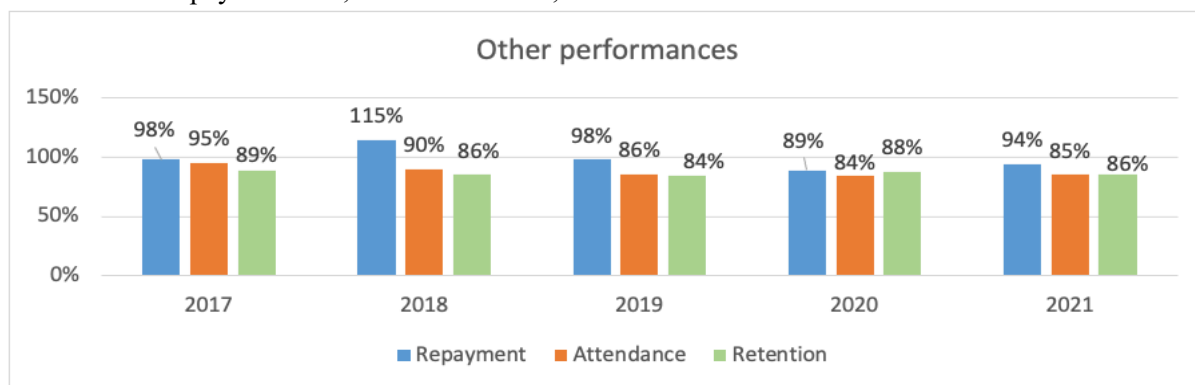


1.3 Performances Indicators

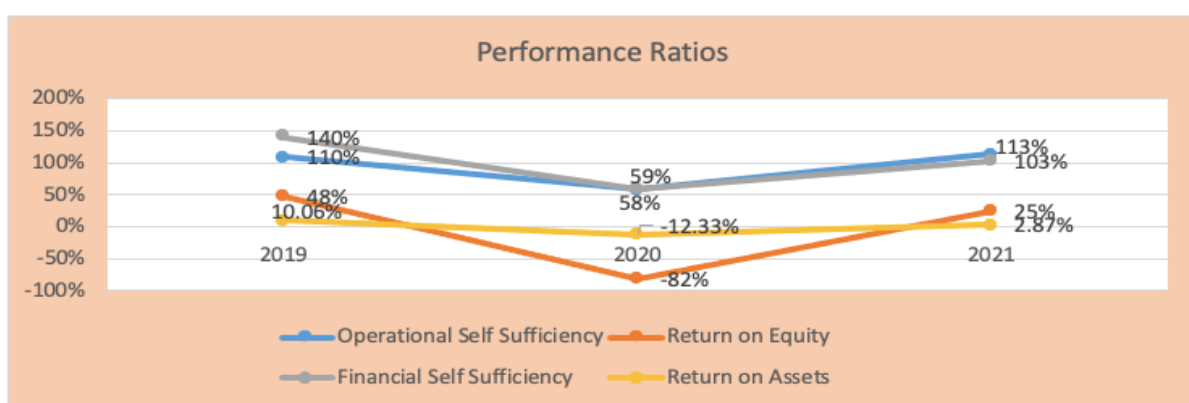
LGU protocol is strictly complied with so the lockdowns affected member attendance in center meetings. Attendance in the center meeting had to be staggered.

Retention rate is affected by the 11% exits this year. The center expels members who are slack in repayment and attendance. Most exited members have no more loans.

Repayment rate, Attendance Rate, and Retention Rate



1.4 Financial Performance



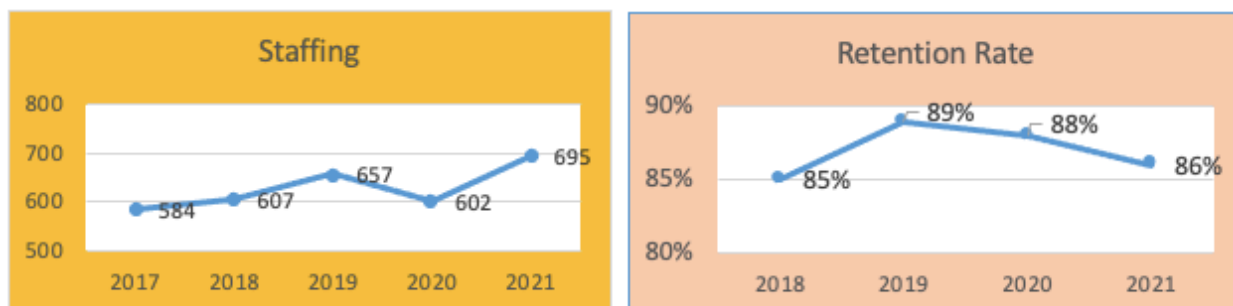
Savings Balances

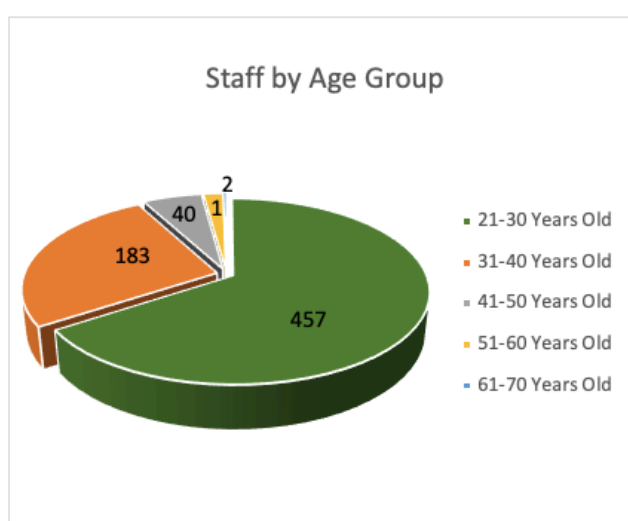
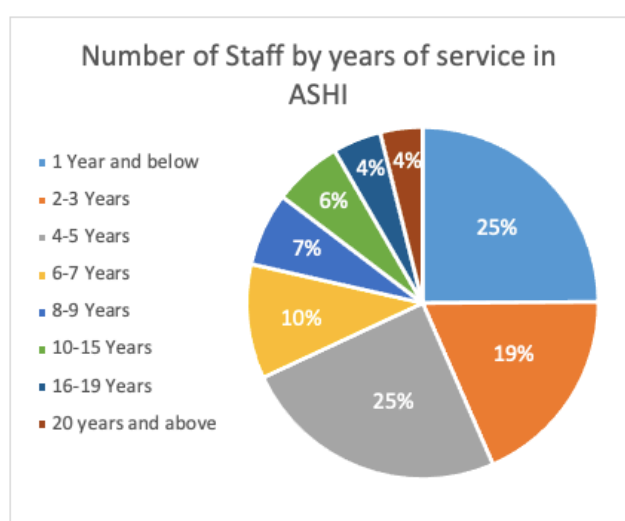
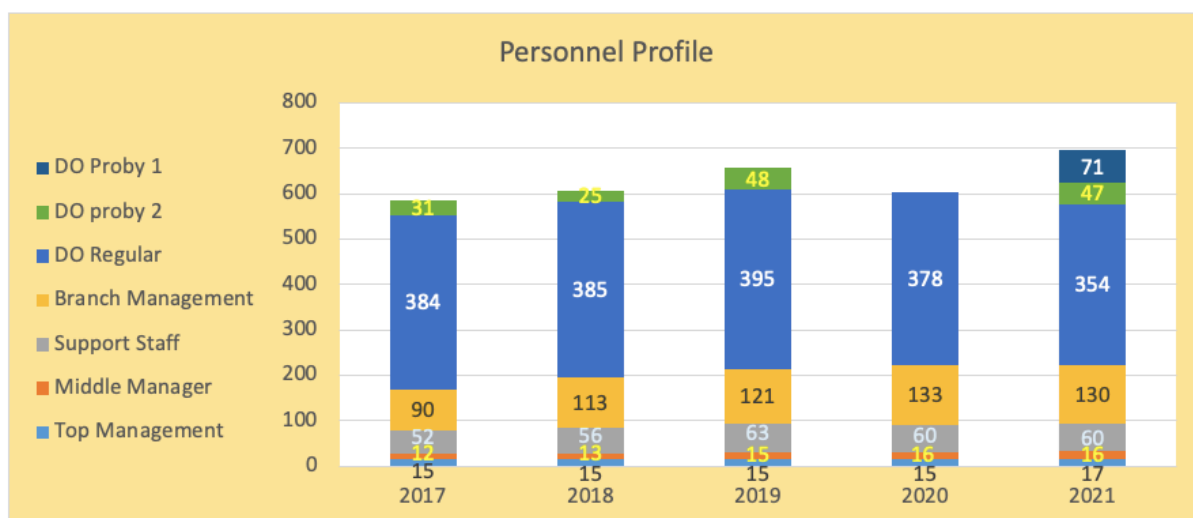
Savings Account Name	No. of Savers	Amount	Percentage
Personal Fund (Voluntary)	101,641	136,350,209.90	44.59%
Compulsory Fund	101,546	169,350,355.77	55.38%
Center Fund	2,032	92,036.47	0.03%
TOTAL		305,792,602.14	100.00%

Strategic Goal 2. Efficient and effective workforce.

2.1 Staffing

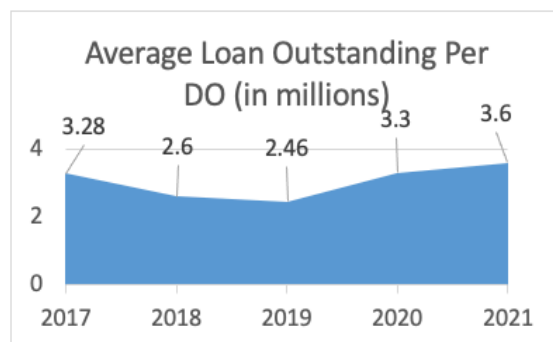
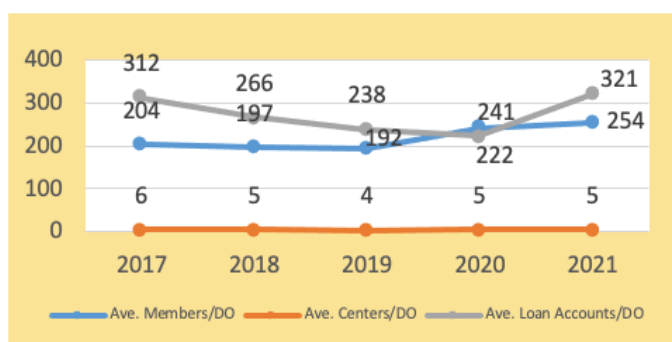
In 2021, ninety-four (94) staff exited. The major reason is their own failings (39): dismissed for offences (22), failed to meet work standard (6), health issues (6) and went AWOL (5). The other two main reasons are the call of other job opportunities (31) and family issues (22).





2.2 Productivity of Development Officers

Productivity of DOs significantly improved in terms of loan accounts, slightly improved in terms of member caseload.



2.3 Staff Training and Engagement

The Training Dept. (HRDD) was overhauled. A new head was assigned, the team evaluated, and as a result, a new training curriculum was developed.

In anticipation of our growth, 4 batches of DOs were trained.

TRAINING	DATE OF TRAINING	BATCH	Status of Trainee	# of Groups	# of New members
LUZON	January 18-April 13, 2021	Batch 1-2021	Practicum 1	158	790
	April 2021-July 15, 2021	Batch 1-2021	Practicum 2	112	560
	March 22 to June 15, 2021	Batch 2, 2021	Practicum 1	198	999
	July 12 -September 19, 2021	Batch 2, 2021	Practicum 2	126	630
	July 19- October 19, 2021	Batch 3, 2021	Practicum 1	103	515
	September 6- Nov. 29, 2021	Batch 4, 2021	Practicum 1	71	357
WESTERN VISAYAS	September 20-Dec. 15, 2021	Batch 1, 2021	Practicum 1	128	642
	November 20-Dec. 17 2021	Batch 2, 2021	Practicum 1	27	135
TOTAL				923	4628

- Selected HO staff attended the Coshemap's Safety Officer 1 Training
- AO workshop (94)
- Mini MBA given by International Business Management Institute (IBMI) of Berlin, Germany (27 managers)
- Trained with UP Cifal to develop Civic Education Modules
- Employee Safety, Welfare, Wellness, and Health
 - HMO coverage
 - Series of online Staff Wellness Seminar conducted to promote healthy living conducted by health care provider.
 - Enforced strict observance of health and safety protocols in the workplace
 - Encouraged wellness initiatives through recognition and reward programs
 - Encouraged employees to get vaccinated (COVID vaccines and flu shots) to prevent illnesses (98% compliance)
 - Free supply of vitamins and medicines
 - Close monitoring of and support to staff when sick
 - Maintain cleanliness in the workplace
 - Attended Retreat :148

2.4 Children of ASHI Members

Children of members make up 28% of ASHI staff, an evidence that ASHI has uplifted the lives of member families who in return are now helping other families. Some of these children have taken over management levels. Out of 65 branches, 30 are managed by a child of a member, and they are performing well.

Development Officer	116
Accounts Officer	28
Branch Manager	30
Area Managers	2
Head Office & Regional Center Staff	18
TOTAL	194

Strategic Goal 3. Empowered members towards self-sufficiency.

3.1 AGAP

Partnerships

In 2021, we sealed partnership with five (5) institutional markets: Chowking (Direct to Restaurant Deliveries in 2022), Yellow Cab (Spring Onions), WalterMart (Assorted Vegetables), Max's (Assorted Vegetables) and Mang Inasal (Ginger).

Delivery Report to Institutions

MARKET	PRODUCTS	VOLUME DELIVERED	GROSS SALES
Mang Inasal	Ginger	21,964 kg.	3,032,170.00
WalterMart	Assorted Vegetables and Salted Eggs	31,985 packs	1,077,674.50
Yellow Cab	Spring Onions	8,789 packs	307,615.00
Max's	Assorted Vegetables	4,818.97 kg.	455,813.89
TOTAL			4,873,273.39

- ✓ AFAP Accreditation at LGU Pangil
- ✓ Accreditation of AGAP Magalolon at LGU Kalayaan
- ✓ Partnership with MAO (Liliw and Kalayaan, Laguna)
- ✓ Approval of Project Proposal at Barangay San Antonio, Kalayaan, Laguna
- ✓ Approval of Financial Support from Office of Provincial Agriculturist for AFAP
- ✓ Partnership with Green Nature (Plant Catalyst)
- ✓ Partnership with East West Seeds Philippines (technical support)
- ✓ Partnership with Seminis Grow Forward (technical support)
- ✓ Partnership with Harbest Philippines
- ✓ Partnership with Jollibee Group Foundation



Good Agricultural Practices (GAP)
Awarding Ceremony at Municipal Hall
of Pangil, Laguna

PRODUCT SAMPLING AT CHOWKING

AGAP Sulib and AGAP Magalolon Clusters bring samples of 13 different vegetables to Chowking Sta.Cruz, Laguna Branch.



Varietal Trial of Sweet Bell Pepper in partnership with Jollibee Group Foundation and East West Seeds Philippines

3.2 ASHI Entrepreneurship Program (AEP)

Farmer Clusters trained on how they can sell their products to local markets, restaurants and the likes.

No. of trained leaders (Branch and center level initiatives from January to December 2021)						
	CA-A	CA-B	WV	Totals	Target	% achieved
Leadership and values	1,691	4,111	1,351	7,153	21,319	34%
Financial literacy	391	5,011	5,148	10,550	30,874	34%
Disaster management	0	14	12	26	3,400	1%
Livelihood program	280	531	10	821	4,715	17%

3.3 Product Innovation and Promotion

ABOUT US

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BNN 1185774

FOR ORDERS

Coco Jam Classic (Buko, Langka, Pinya Flavors)
Small Php 80.00
Big Php 140.00

Coco Jam with Pili
Small Php 100.00
Big Php 160.00

Miranel's Macapuno
Small Php 75.00
Big Php 120.00

Bulk Orders (1 box with 24 jars)
Small Php 70.00 each
Big Php 120.00 each
(Shelf Life 5-6 months)

MIRANEL'S COCO JAM AND SWEETS

Coco Jam with Pili

Coco Buko Jam

Coco Pinya Jam

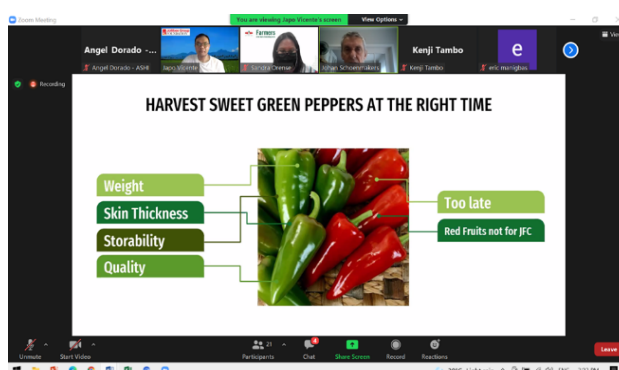
Coco Langka Jam

Product catalogs were prepared to promote members' products. In 2021, six (6) catalogs were completed: for Coco Jam, Vegetables (Sulib and Oples), Ginger tea and turmeric, Salted Eggs and Vermicomposting. The catalog helped Mrs. Almira Paz promote and sell more Coco jam products.

3.4 Capacity Building

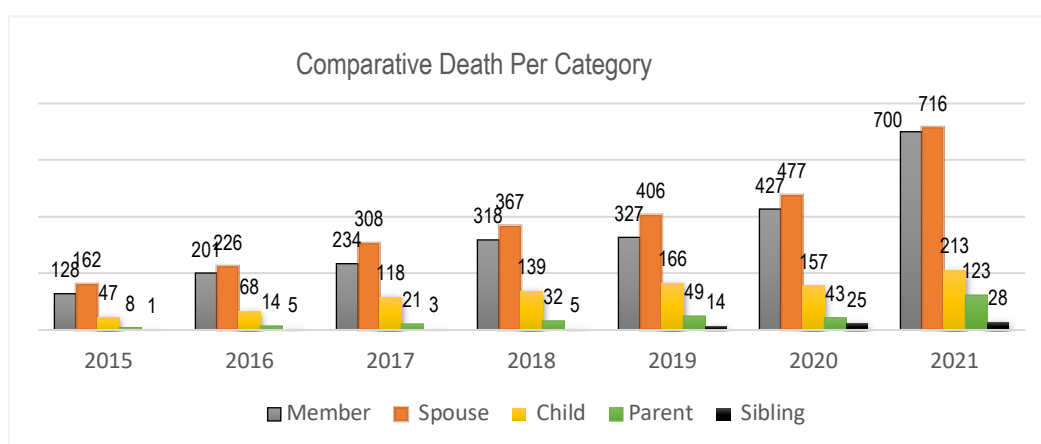


- Members in AGAP Magalolon attended the training on Cultural Farming Practices conducted by Harbest Agribusiness Corporation.
- Farmer to farmer sharing of expertise
- Market Development Planning in Preparation for Direct to Restaurant Deliveries
- Learning Session on Sweet Bell Pepper Production conducted by Jollibee Group Foundation and East West Seeds Philippines.



3.5 Microinsurance

Effective May 4, 2021, micro insurance partnership was transferred to SUNLIFE & STRONGHOLD to provide program enhancements. In July to August, collection rate dropped since members were finding it difficult to pay their weekly insurance premiums. ASHI advanced late payments to preserve their coverage.



Member Death Rate

	2017	2018	2019	2020	2021
Member Number of Deaths	234	318	327	427	700
Death Rate	0.51%	0.42%	0.38%	0.46%	0.69%
ASHI Membership	45,289	74,132	84,507	92,682	101,620

Average Age of Death	2017	2018	2019	2020	2021
Member	54	55	54	54	56
Spouse	52	55	54	55	56
Child	21	19	22	24	25
Parent	56	57	53	57	58
Sibling	33	32	34	25	31

3.6 Social Security System (SSS) and HDMF/Pag-ibig Fund Enrollment

Although SSS and Pag-ibig registration are improving among members, maintaining membership in these institutions was a great challenge in 2021.

AS of 2021	Member Registration	Active Member	Premium Contribution SSS LOAN from ASHI
SSS	3425	238	1,464,680
PAG IBIG	1323	0	0

3.7 Health & Welfare

Partnership with Antique DOH Provincial Health provided online tele-consultation, and free medicine to 134 members of Western Visayas 1 & 5, including their families. MDD is checking out similar services in other provinces which we might be able to avail of.

Jollibee Group Foundation donated 275 doses of the AstraZeneca Covid-19 vaccine.

Medicard Foundation donated 15 wheelchairs and 7 nebulizers

Eye consultation: 184; operated on:35

Cleft palate operation: 2

Covid 19 vaccine: 898

Relief packages from Medicard Foundation, Ang Hortaleza Foundation Inc., and Jollibee Group Foundation to 6,927 ASHI members affected by the pandemic, flash flood, fire, and typhoons (Odette & Jolina) in Western Visayas and Luzon.

3.8 Partnership with Grameen Foundation

Grameen Foundation, which has been a supportive partner for many years now, gave a grant to train DOs for the Resilient Life, Resilient Business (RLRB) Curriculum. CALABARZON Regions A & B Development Officers attended with total of 1,207 mentees out of 1,132 target.

3.9 Partnership with Build Change

Build Change assists members to have a resilient and retrofitted type of housing.

1. Awareness raising of 501 active members of Laguna Central Branch.
2. Grant component amounting to 1.5 million from Build Change.
3. A loan amount of P290, 000 (gross) to nine ASHI members as a counterpart for House Strengthening.
4. Temporary shelter subsidy of twenty-five thousand pesos (P25, 000) from Build Change.



Photos of the house of Nanay Roselia Tubig (Build change program beneficiary)

3.10 Tax Identification Number (TIN) e-registration

2

Region	Membership as of Dec 31, 2021	Membership with TIN registration	%
CALABARZON A	28,083	9,032	32%
CALABARZON B	39,199	7,435	19%
WESTERN VISAYAS	34,358	11,005	32%
Grand Total	101,640	27,472	27%

Strategic Goal 4. Responsible ASHI communities in caring for the planet.

Branches obtain accreditation with Local Government Units to be acknowledged and to participate in social development activities. Good relations with the LGU has given us the advantage of benefitting from their programs and to be treated less harshly during lockdowns. Also it is good exposure for members, as citizens, to be involved in their locality.

4.1 Water, Sanitation & Hygiene

WaSH Program in partnership with Water.org

Beneficiaries of water filter, sanitation renovation, water connection and new toilet: 2,975

SATO Project

1. Installed 50 toilet bowls in Western Visayas 1
2. Another batch of 50 units of toilet bowls arrived for installation
3. Received a donation of 800 pcs of SATO tap for distribution.



4.2 Environmental Initiatives

ASH observed its 32nd Anniversary on July 2021 with the theme “Araw Para Sa Kalikasan”. The entire organization engaged in tree planting and coastal cleaning.

Other SPM data	CA-A	CA-B	WV	Totals	Target	% achieved
Members who availed of:						
*Pureit	103	14	0	117	951	12%
*Solar products	262	6,382	1,423	8,067	12,144	66%
No. of centers with eco-yard	58	569	321	948	1,613	59%
No. of community clean and green activities	248	648	337	1,233	472	261%
No. of trees planted (GL=1plant)	3,484	16,559	7,918	27,961	41,841	67%



4.3 ASHI HO Pililla Constructions Updates



Progress:

1. Main Building is 94% accomplished.
2. Ongoing construction of the roadway by MNSY.
3. Submission of necessary documents to Meralco for the connection of electric service to the site.
4. The internet connections are contingent to the Meralco post.
5. Awaiting approval from the town engineer for the water connection

PHOTO GALLERY



