



AHON SA HIRAP, INC.

(A MICROFINANCE NGO)



2020 ANNUAL REPORT



2020

ANNUAL REPORT

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2020

ANNUAL REPORT

President's message:

2020 started with a punch. We had resolved to become more efficient this year. The Staff showed their mettle right away in the first quarter. They achieved an unprecedented 90% of the new member target and 90% of the LOS target.

But on March 15, covid19 came, and the entire country was locked down. Nobody was ready for it. Literally it shook the entire country upside down. Many of our plans had to take a backseat to tackle what they called a “new normal”. The first order of the day was to adapt to the situation to survive.

It was the worst of times:

- Public transportation virtually ceased during the lockdown but was scarce and expensive when the lockdown was lifted
- Many of the Staff could not go home, so they stayed in the branch office
- Paranoia set in communities where we work
- Ending the year with a big loss was imminent

It was the best of times:

- Digital conference apps were discovered and put to good use, providing unbridled communication and teach-in webinars; enabling work from home for some
- The Staff stayed connected with members via SMS to check on their situation and to assure them that ASHI was still here to help.
- The Staff discovered innovative ways to meet up with members without transgressing the law, which limited gatherings to 10.
- Most members insisted on handing in their payments despite the government decree that there should be no collection
- Our funders continued their support

As soon as the lockdown lifted on June 15, the Staff buckled down to work. What helped ease restrictions for a branch was earlier accreditation with the LGU. But not all Barangays opened up right away. In cases where the Barangay kept closed, Nanays strived to meet with their DO at the border to hand in their payments.

ASHI made Staff protection a priority. There was no downsizing; benefits were maintained; health protocols and antiseptics were provided to protect them from infection.

In the last semester of 2020, the Staff worked doubly hard, even through holidays, to make up for lost time.

ASHI remains steadfast in its mission despite the pandemic.

Vision, Mission and Core Values

Vision

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

Mission

Through microfinance we provide a holistic approach for total human and environmental development.

Core Values

- Accountability
- Social Commitment
- Human Dignity
- Integrity

Executive summary:

Particulars	Target (Jan-Dec 2020)	Actual (Jan-Dec 2020)	%
Current Membership	97,282	91,251	87%
Active Members in attendance	92,687	79,870	86%
New Members	20,314	20,486	101%
Exits	4,263	14,388	338%
Loan Outstanding (in million)	1,427,416,012	1,250,117,266	88%
Loan Disbursement (in million)	2,291,118,902	1,535,756,437	67%
Collection (in million)	1,640,870,902	1,460,676,471	89%
PAR Amount	62,508,863	96,475,880	154%
PAR Rate	5%	7.64%	153%

	Growth rate						
	2016	2017	2018	2019	2020	2019	2020
Branches	33	43	54	65	65	20%	0%
New Members	14,086	18,084	19,267	21,145	20,486	10%	-3%
Active	36,658	55,595	65,499	82,703	79,870	26%	-3%
Inactive	8,631	5,687	8,638	10,847	11,381	26%	5%
Exits	3,142	2,389	3,896	10,871	14,388	179%	32%

Update as of December 31, 2020

Provinces	9
Cities/Municipalities	117
Barangays	1,140
Area	16
Branches	65
Grameen	59
AGAP	6
Centers	1,873
Grameen	1,745
AGAP	128

By Region

Region Calabarzon A

- i. Areas = 5
- ii. Branches = 22
- iii. Province covered = Cavite, Laguna, Quezon, NCR

Region Calabarzon B

- iv. Areas = 6 (5 Grameen +1 AGAP area)
- v. Branches = 21 (9 Grameen + 2 AGAP)
- vi. Provinces covered = Rizal, Laguna, Quezon, NCR

Western Visayas Region

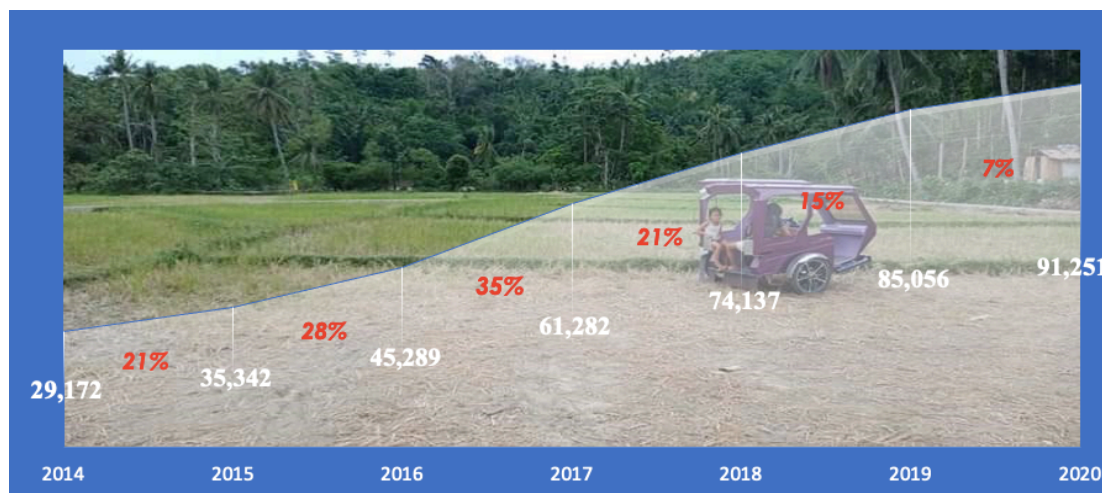
- vii. Areas = 5 (4 Grameen + 1 AGAP area)
- viii. Branches = 22 (18 Grameen + 4 AGAP)
- ix. Provinces covered = Antique, Aklan, Capiz & Iloilo

Strategic Goal 1. An innovative sustainably managed institution

Membership

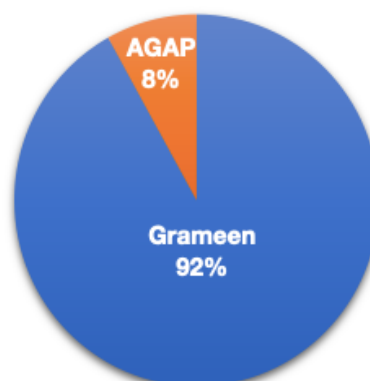
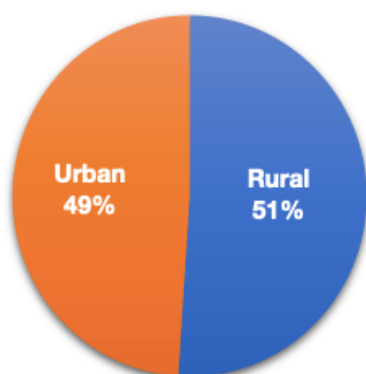
Although member recruitment was impressive (87% of target) despite the challenges caused by the pandemic, growth in total membership declined to 7% compared to 15% last year. This is mostly the effect of exiting 14,000 inactive members accumulated over the years.

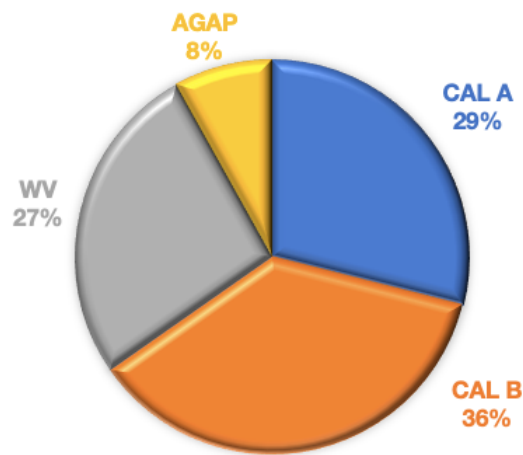
1. Total Membership



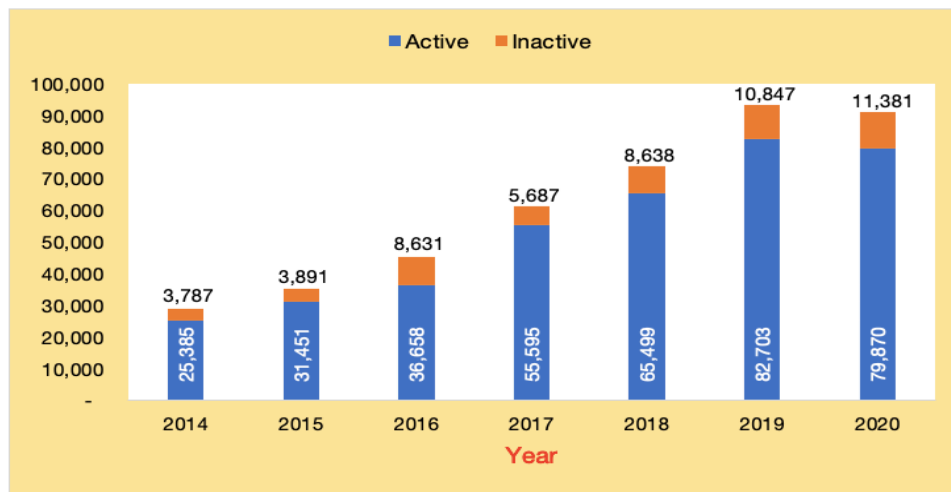
With its growth, ASHI membership has become younger, more following the Philippine situation.

Age group	Percentage
18-39	40.2%
40-59	48.3%
60-64	7.3%
65-69	3.1%
70-74	0.6%
75-79	0.3%
Above 80 years old	0.2%

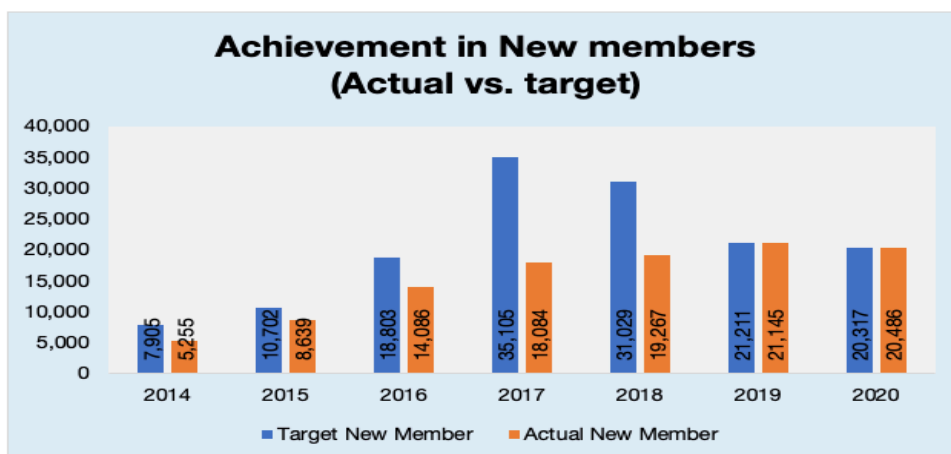




2. Membership Status



3. New Members

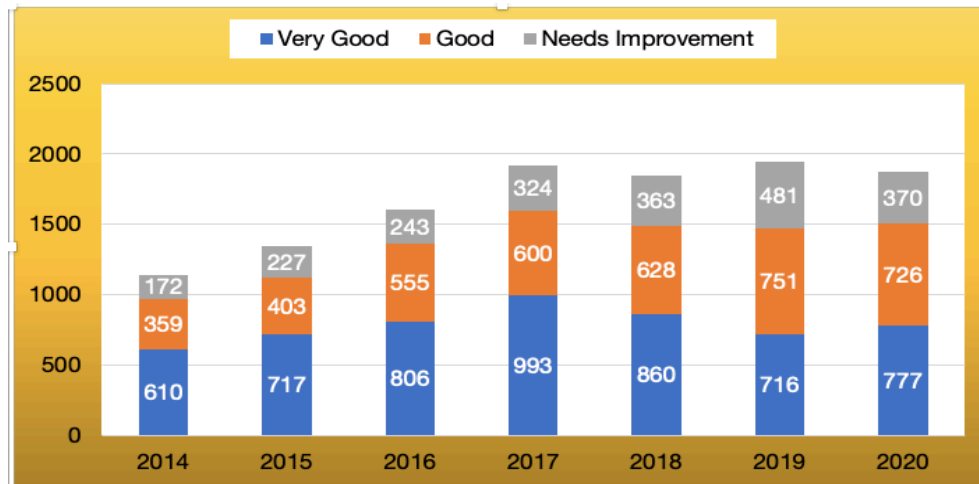


4. Other SPM Data

Other SPM data	CA-A	CA-B	WV	Totals	Target	% achieved
Members with 100K loans	22	38	55	115	273	42%
Members with + 1 MFI	4,038	3,317	6,436	13,791	0	

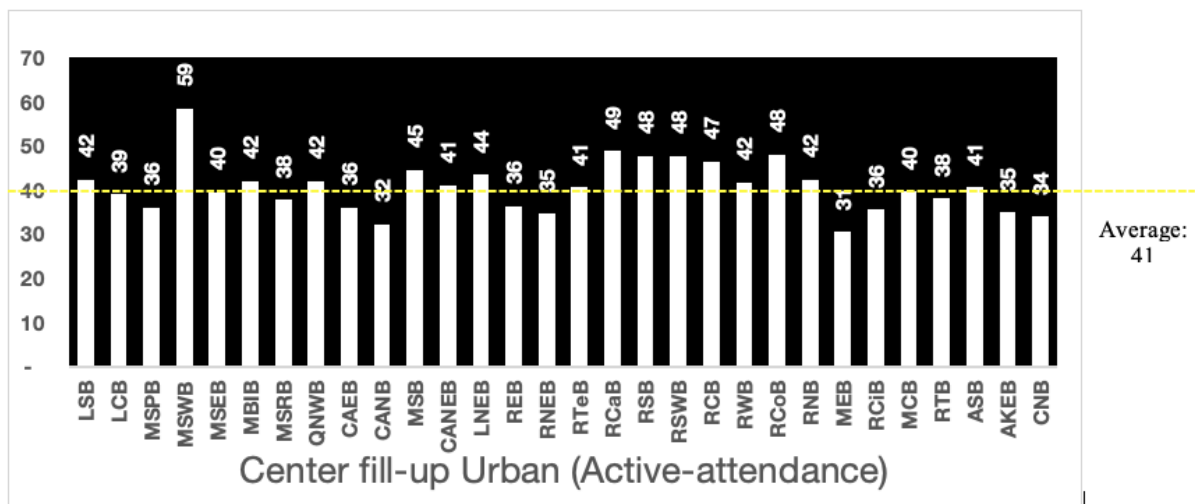
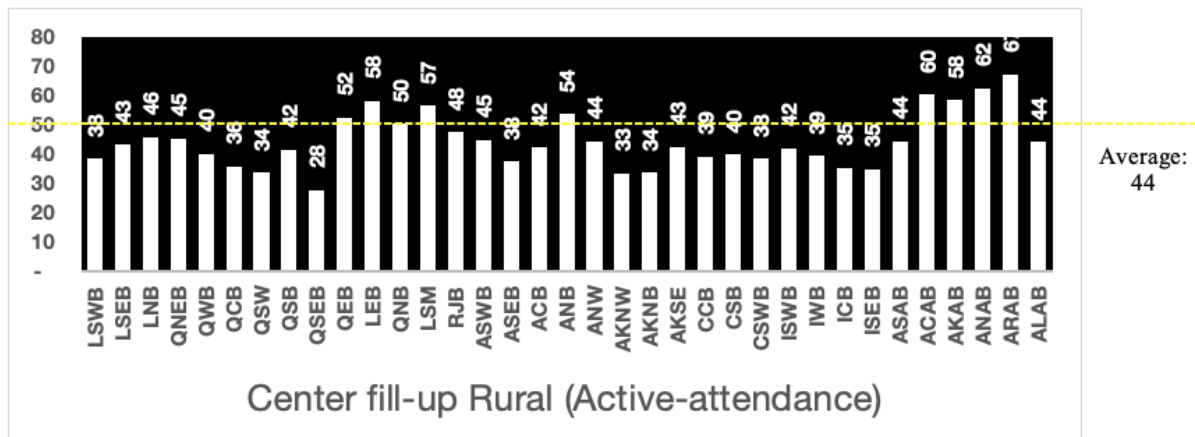
Centers

1. Center performance



2. Center fill-up by Branch

Currently, most centers still have to realize the 50 members/center standard for rural centers and 40 for urban centers set by the institution, to be viable. Low membership centers are merged for better efficiencies.



C. Loan Portfolio

As a response to the pandemic, government declared a 2 month moratorium on repayments as specified in the implementing rules and regulations of RA 11469, known as “Bayanihan to Heal as One Act”

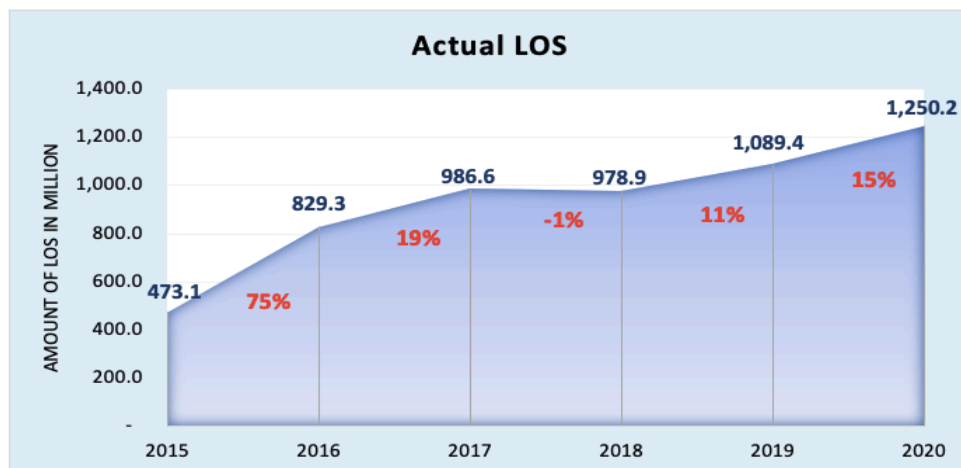
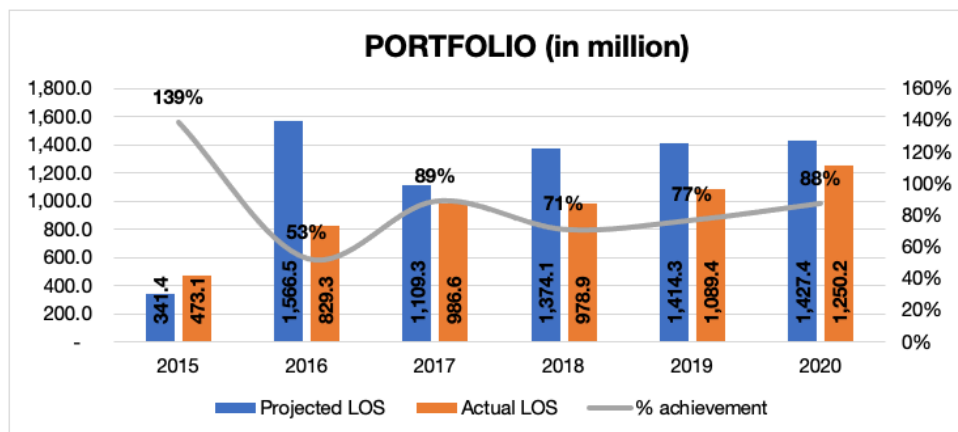
In compliance, ASHI granted a 30 day grace period to all existing loans and extended the moratorium or suspension of weekly payments until July 2020 when most of the provinces where ASHI operates were put under General Community Quarantine (GCQ), a more liberal protocol.

During the moratorium on payments, most ASHI members having developed a strong credit discipline, insisted on making their regular weekly payments and deposits, saying that it was the wiser and safer thing to do. They opined that it would be more difficult to pay a bigger lump sum at the end of the moratorium, and expressed concern about ASHI’s sustainability.

When more liberal protocols were implemented in the communities, operational innovations were devised by the staff to continue with ASHI’s mission to help the poor. Branches took advantage of the opportunity to visit and talk with members face to face or virtually. This provided the staff a first-hand assessment of how the pandemic has diminished the livelihood of most members. All the more they saw the need for restructuring some loans and for new capital. Center meetings conducted, staggered member attendance by 10’s which was the allowed number for gatherings.

ASHI was granted loans at lower rates via Landbank CARES, IRESCUE, and RestartMe.

1. Increase in Loan Portfolio



2. Loan outstanding by product

	# of Accounts	Total OLB (P)	%
General Loan	59,134	618,271,936.45	49.45%
AGAP Loan	6,733	122,840,398.32	9.83%
Recovery Loan	17,009	132,181,996.62	10.57%
Special Loan	5,222	183,203,926.51	14.65%
Incentive Loan	3,105	193,679,008.21	15.49%
TOTAL	7,587	1,250,177,266.11	100.00%

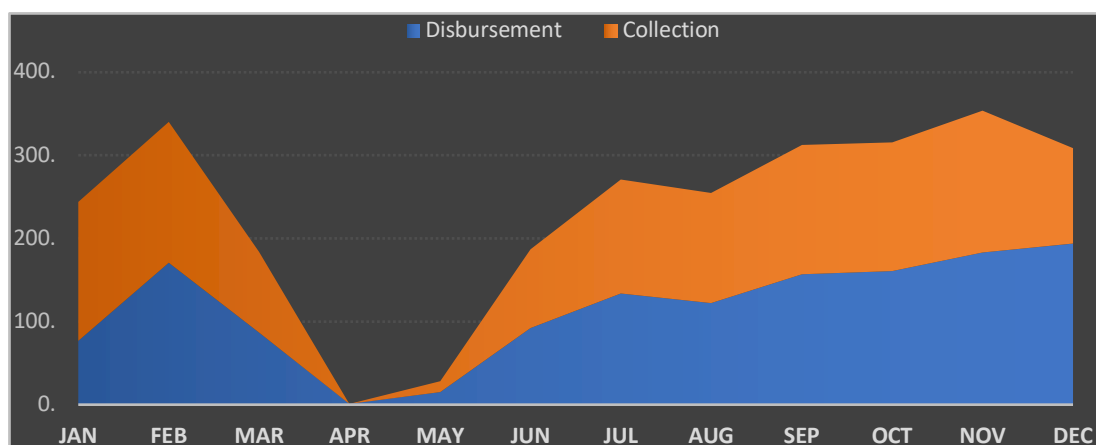
Notes:

General Loan includes quick loan products

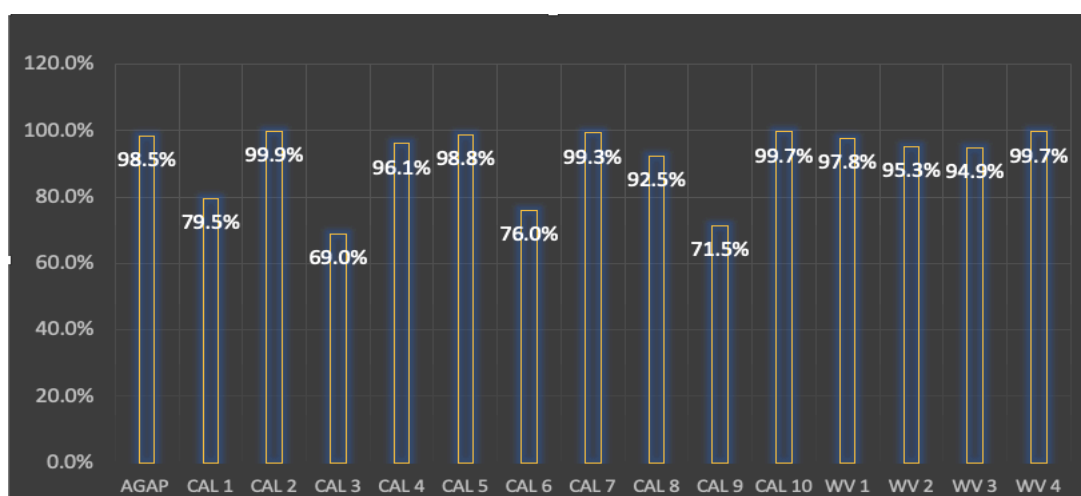
Special Loan includes emergency loan, center loan, K-loans, Resiliency loan & SSS Premium Loan

Incentive Loan includes house repair/renovation, education, toilet construction, toilet renovation, water & electric connection, APPROOT loan

3. Actual loan disbursement vs actual collection per month



4. Active Members with LOS by Area



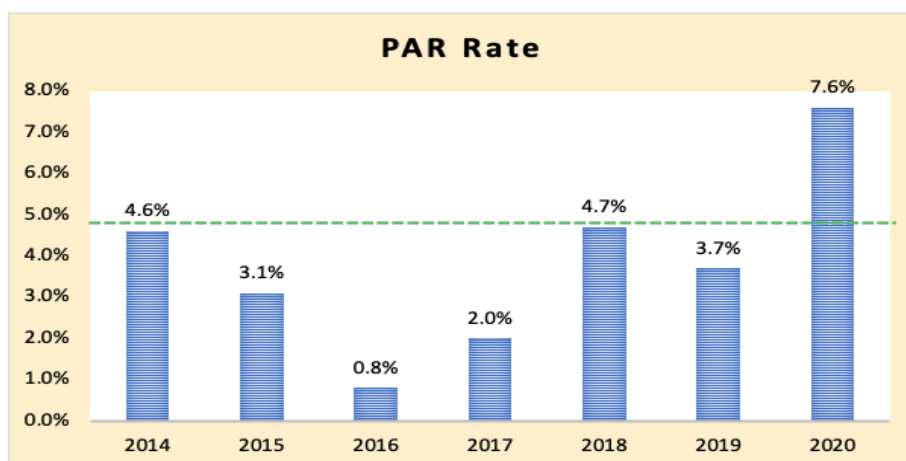
D. Portfolio at Risk

1. Portfolio at Risk

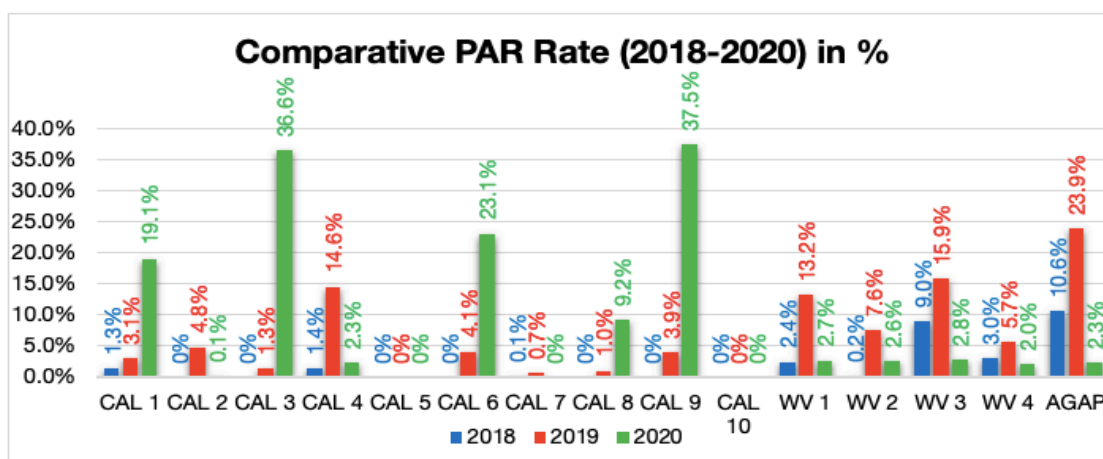
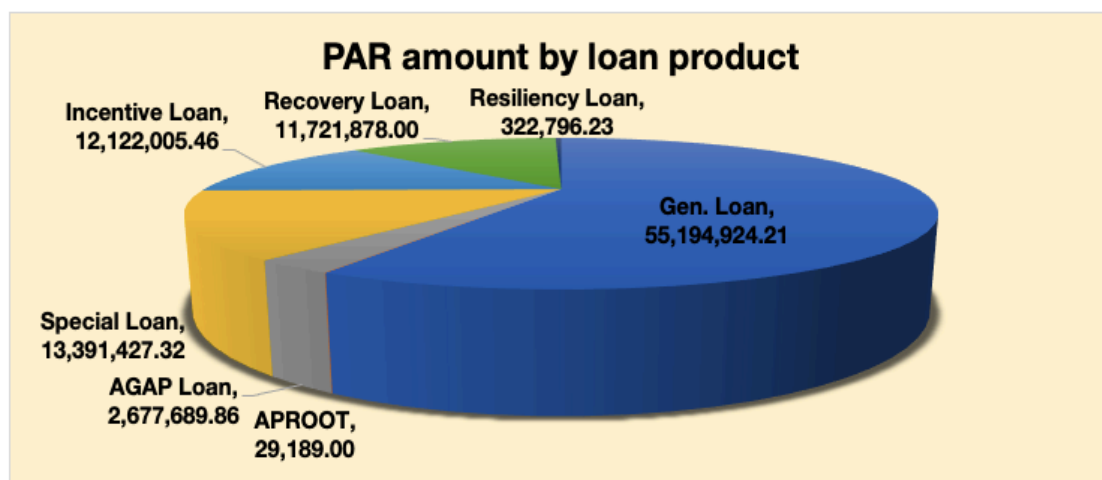
Actual PAR as of December 31, 2020 = **Php 95 Million** (7.6% of LOS)

Recovery loan by end of December 31, 2020 = **Php 132 Million** (10.6% of LOS)

Total PAR and Recovery loan as of December 31, 2020 = **Php 227 Million** (18.2% of LOS). This exceeds target by 6.2%.



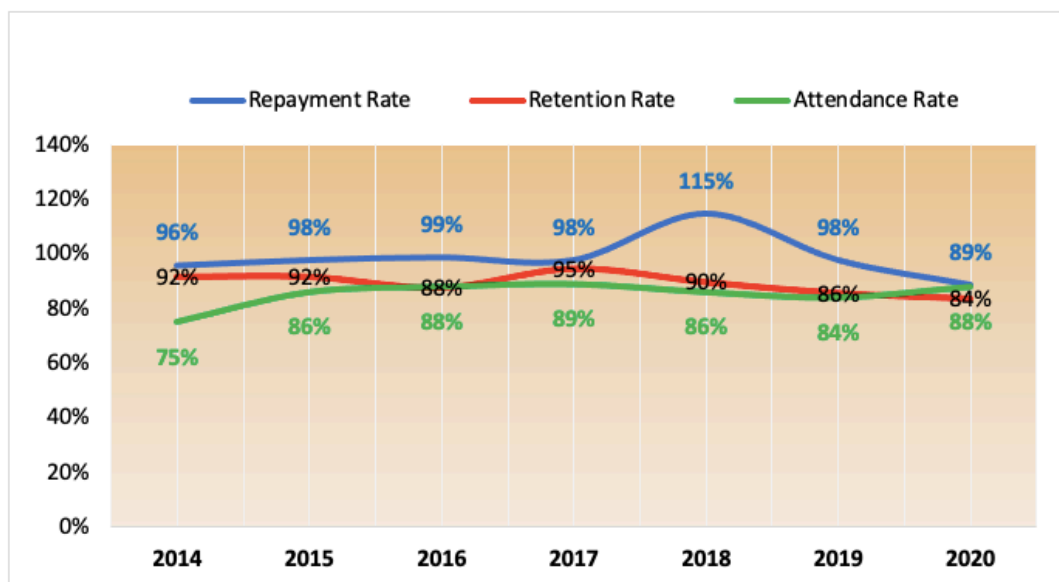
2. Portfolio at Risk by Loan Product



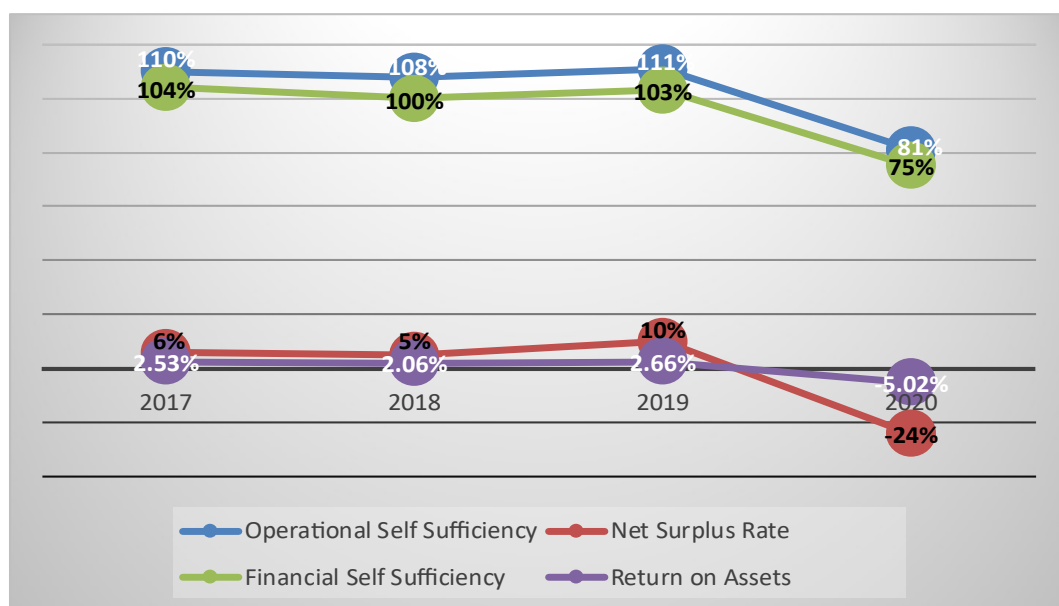
In 2020, five areas pushed the PAR above the required 5% limit: CAL 1, 3, 6, 8 and 9. Three areas maintained zero PAR: CAL 5, 7, and 10 while two areas achieved close to zero: CAL 2 and 4. All of the Western Visayas areas kept their PAR very low: 2-2.8%

E. Performance Indicators

1. Repayment, Attendance & Retention Rate



F. Financial Indicators

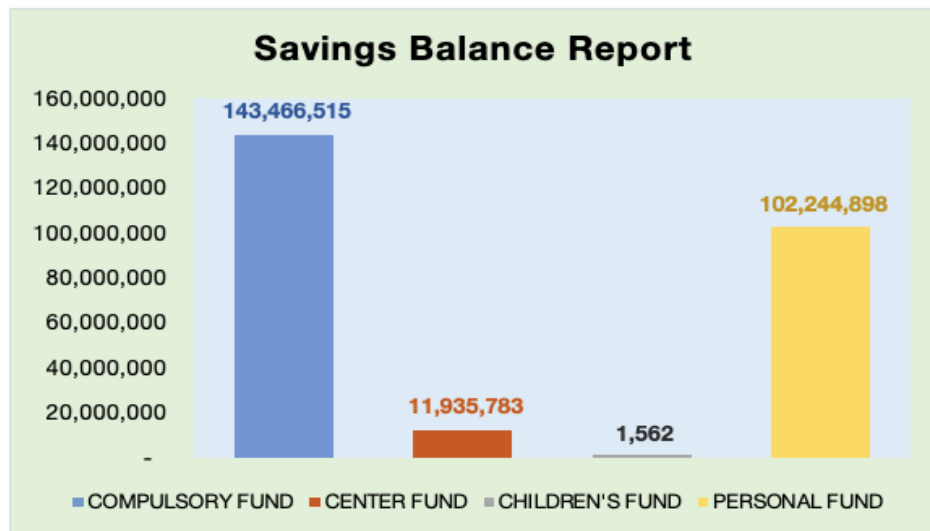


Using the Unaudited Financial Statements, 2020 vs 2019 financial status follows:



G. Savings Balance

	Number of savers	%
Personal Fund	93,245	102.2%
Compulsory Fund	91,182	99.9%
Children's Fund	975	1.1%
Center Fund	2,105	2.3%

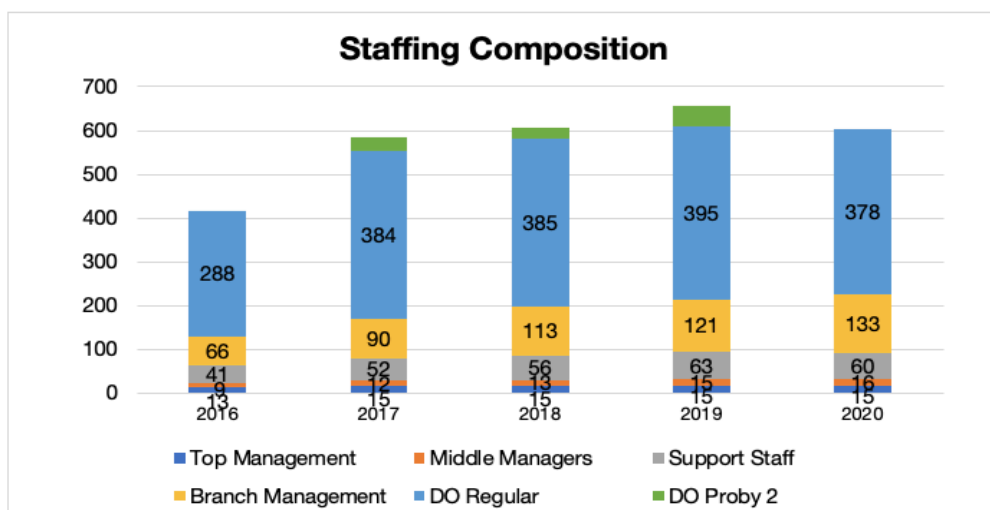


Strategic Goal 2. Efficient and effective workforce.

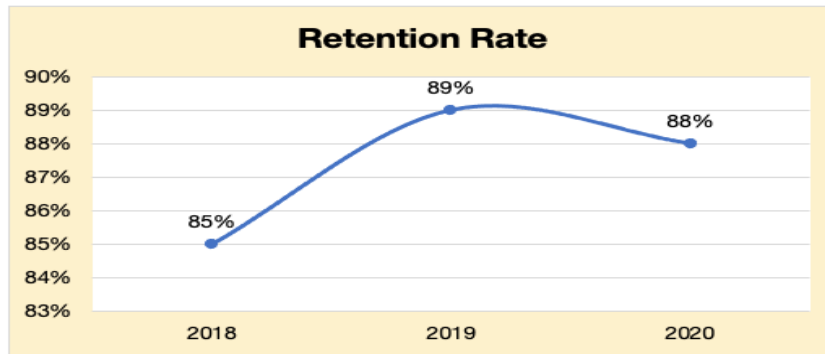
A. Staffing



1. Staff composition



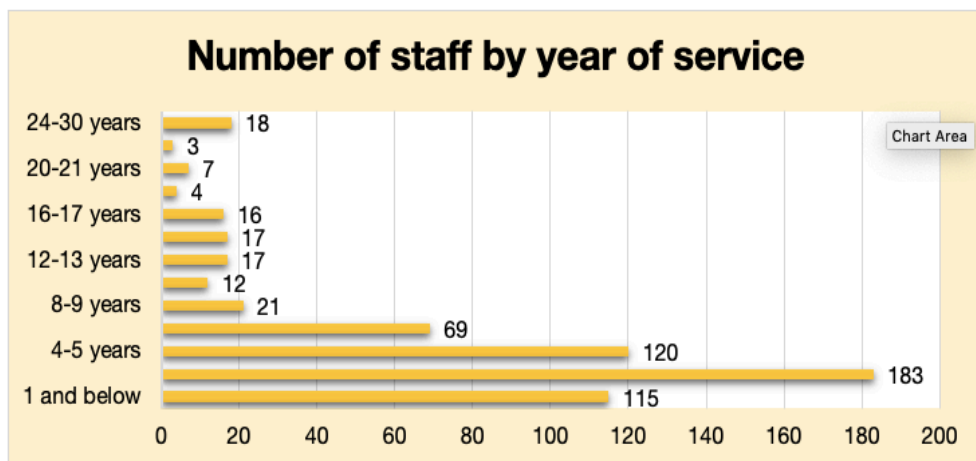
2. Staff Retention



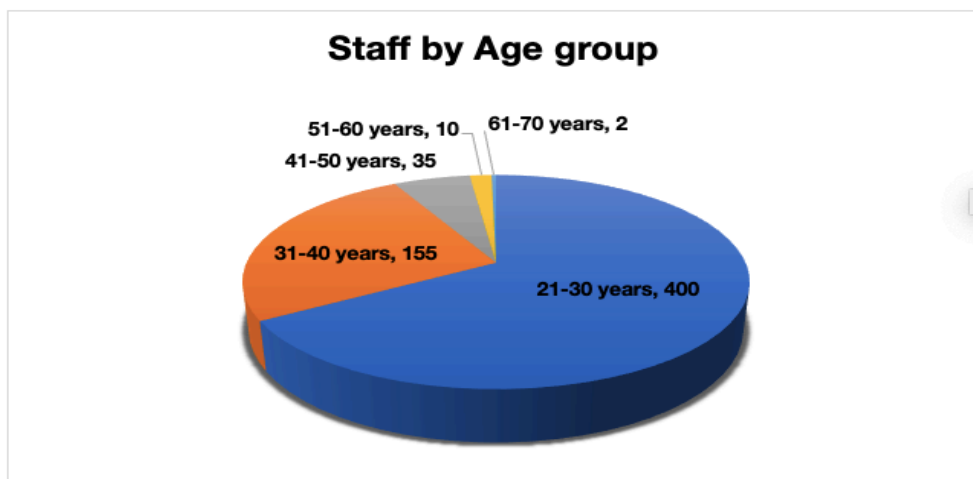
Staff attrition of 55 was not replaced. There were, however, no staff retrenchment nor diminution of staff salaries and benefits.

Going AWOL (23), dishonesty (8) and poor performance (5) make up almost half of the reasons for dropping out. The other big reasons are for greener pastures (19) and personal/health issues (14).

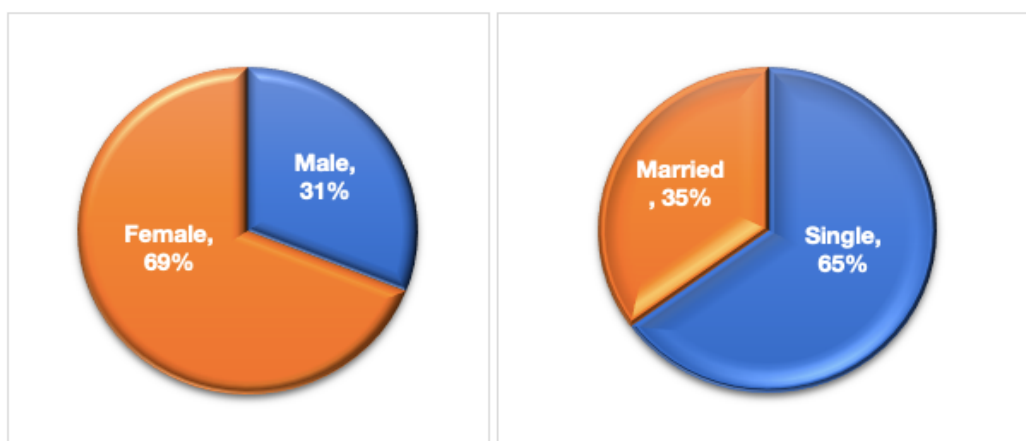
3. Years in Service



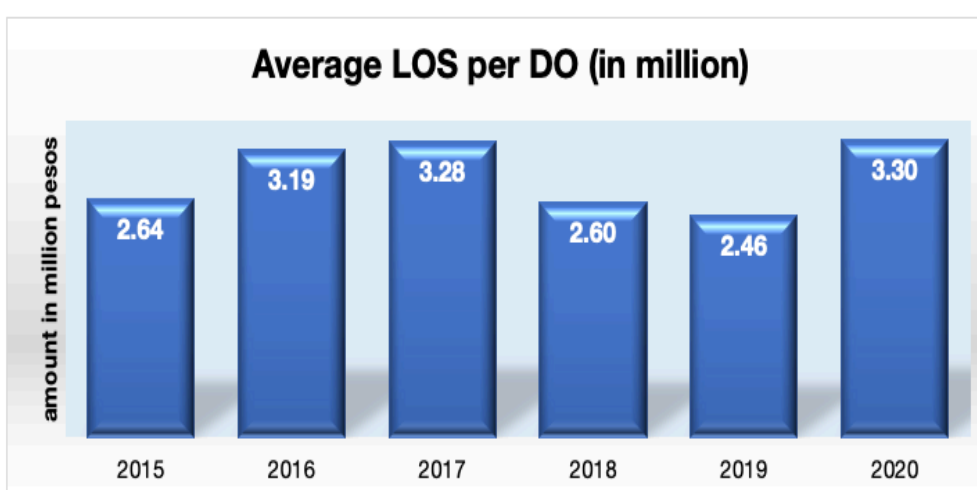
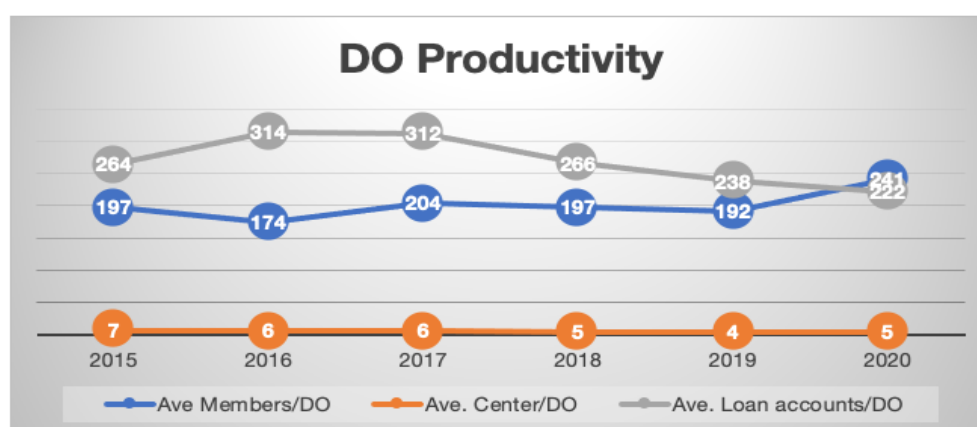
4. Age group



5. Gender and Civil Status



B. DO Productivity



C. Children of ASHI Members

Children of members make up 33% of ASHI staff, proof that ASHI has uplifted the lives of member families who now, are helping other families. Some have taken over management

levels. Out of 65 branches, 30 are managed by a child of a member, many of whom are performing very well.

Development Officer	116
Accounts Officer	29
Branch Manager	30
Area Managers	2
Head Office & Regional Center Staff	18
TOTAL	195

Highlights:

1. On-site Annual Physical Examination served to all staff last March 2020
2. Review and write SDP Modules/DO Training Curriculum for implementation in 2021 considering the new normal
3. Facilitated online coaching, counseling and mentoring to:
 - a. 65 Branch Managers and 14 new position Managers
 - b. Development Officers from Batch 2017 - 2019
4. Employee Engagement Sessions to branch staff
5. Released Employees' Handbook third edition
6. Implement the Human Resource Information System
7. Educated employees on the use of SSS online system for fast and convenient filing of transactions and inquiries.
8. Developed modules for Career Pathing, LGBTQ, and Common-Law session.
9. MED & HRDD trained all ASHI BMs & AMs on the 2015 PPI version to replace the 2009 PPI tool.
10. To ensure correct implementation of conducting Pre-GOT and GRT, HRDD conducted virtual review to 113 participants for Pre-GOT and 84 for GRT. HRDD also endorsed that a formal training and certification to officer entrusted of the responsibility to conduct Pre-GOT and GRT be done.

Staff interventions during the COVID pandemic

1. Regular virtual meetings with managers and accounts officers during lockdown to assess employees' status and condition during ECQ.
2. Conducted mental health survey to 326 employees. As a result, 13% of the respondents have severe anxiety.
3. Issued an Inter-Agency Task Force (IATF) ID to 327 staff that served as a travel pass.
4. Conduct virtual counseling.

Compliance with IATF/DOH Protocols

After the government lifted the quarantine protocol to GCQ and allowed financial services to resume work with 50% skeletal workforce, ASHI implemented the following:

1. GSD ensured that all branch offices and HO are compliant with GCQ guidelines.
2. HRAD issued health protocols to ensure virus free workplace and healthy workforce.
3. GSD provided thermal scanners for each branch
4. Health protocol warnings, safety barriers, disinfection area were provided in all branches

Staff Development in partnership with Sparkassenstiftung

1. Correct module of instructions (MOI) - participated HRDD & MED personnel.
2. Competency on writing modules for virtual trainings for MFI Managers.
 - a. Personal Competency
 - b. Social Competency
 - c. Technological Competency
 - d. Professional Competency
3. Performance Management System Training to selected staff from HRAD, HRDD and Operations.
4. Webinars for Dos, AOs & BMs
 - a. Chart of Accounts & accounting processes.
 - b. DO's Efficiency Webinar

Ahon Sa Hiras, Inc. Employees Credit Cooperative (ASHIECC)

Activities conducted:

1. 551 membership
2. 2020 General Assembly Meeting.
3. New external auditor for 2021.
4. Submitted 2019 annual reports to CDA and BIR
5. Provided Php 24,300.00 cash assistance to 21 members
6. Provided incentive amounting to P12,000 to five (5) ASHIECC volunteers
7. Finalized Cooperative Annual Progress Report (CAPR), Social Audit, Mediation, Governance & Management Report duly submitted to Cooperative Development Association (CDA).
8. Compliant to BIR AFS subsystem (ASHIECC).

Strategic Goal 3. Empowered members towards self-sufficiency.

A. AGAP

Delivery Report to Institutions

Period	FEP Cluster	Institutional Market	Product/s	Volume (kg)	Gross Sales
1st Quarter	FEP Sulib	Chowking, Max's, Yellow Cab	Spring Onions	12,537.66	1,345,940.34
			Assorted vegetables		
2nd Quarter	FEP Sulib	Yellow Cab	Spring Onions	272.74	81,335.10
3rd Quarter	FEP Sulib	Max's, Yellow Cab	Spring Onions	2,894.80	345,396.52
			Assorted vegetables		
4th Quarter	FEP Sulib	Max's, Yellow Cab, WalterMart	Spring Onions	5,094.74	855,385.55
			Assorted vegetables		
TOTAL				20,799.94	2,628,057.51

B. ASHI Entrepreneurship Program (AEP)

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

C. Farmer to Farmer Capacity Building of the Coconut Sub-sector-a project with Grameen Foundation

- Completed workshops in different regions to train field staff on the use of the profiling tool designed by consultant Eric Doesburg
- Conduct interviews
- Consolidation of output and present to management and partners

Panelists

 Michael Pascual Recruiter F2F COCOS Moderator	 Judith Agnoletto Country Director F2F COCOS Speaker	 Eric Doesburg Supply Chain Expert F2F VOLUNTEER Speaker	 Jimmy Ramos Operations Head ASHI Speaker
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D. Training of members

No. of trained leaders (Branch and center level initiatives)						
	CA-A	CA-B	WV	Totals	Target	% achieved
Leadership and values	1481	1143	1869	4493	27269	16%
Financial literacy	266	1343	387	1996	45368	4%
Disaster management	0	10	0	10	7207	0%
Livelihood program	137	40	120	297	12935	2%

E. Enhancing livelihood during COVID (Grameen Foundation Partnership)

A project sponsored by JPMorgan Chase Foundation: Covid-19 response to enhance the livelihood of individual entrepreneurs and families (Covid-19 relief)

Accomplishment:

- 2,150 members received non-cash benefits amounting to P5,000 each.
- Training of ASHI mentors for Metro South Branch, Metro Central Branch, and Metro East Branch
- Roll out of Resilient Life, Resilient Business (RLRB) Training to three hundred (300) identified beneficiaries.
- Release of different modules to wit;
 - Module 1 - Crisis Management
 - Module 2 - Emergency Funds
 - Module 3 - Safety Plan
 - Module 4 - Support Networks

- Virtual training on Bookkeeping with Bankers without Borders participated by (35) selected AMs, BMs and senior DOs.

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

Cumulative Report	SSS	Pag-ibig Fund
Enrolled members	2,404 (47.17%)	3,359
Active members		1,323
Amount of Premium Contribution / savings	2,175,625.00	155,050.00

G. Microinsurance

- MIPP guidelines issued
- Micro insurance information campaign conducted to 65 BMs, 11 AMs and 1 OM
- Calamity benefits distributed to 3,216 members amounting Php 6,472,000.00

Damage report on members after big typhoons

Affected Branches	Calamity /Typhoon	No. of Houses Partially Damaged	No. of Houses Totally Damaged (Wash out)	No. of Houses flooded with water/mud	Member/Family in Relocation Area
23	Quinta	2,485	0	0	0
34	Rolly	1,850	6	17	18
39	Ulysses	6,166	1,493	8,205	3,672
		10,501	1,499	8,222	3,690

Relief programs

- 9,651 members in 39 branches affected by typhoon Ulysses, were immediately given cash assistance of P300 each, amounting to Php 2,895,300.00.
- 11,163 members during COVID-19 were provided relief food packs, medicines and sanitary care through the generosity and kindness of partners: PhilUSA, AHFI (Ang Hortaleza Foundation Inc.), Jollibee & Medicard Foundation.
- Food and clothing distributed after a storm

Assistance for demise of family members

	DAMAYAN	KMSB
No. of Claimants	78	22
Amount of Benefits	780.000	134,550

H. Health Welfare Programs

	TARGET	ACTUAL	PERCENTAGE
General Medical Consultation	280	560	200%
Eye Consultation	338	579	171%
Eye Surgery	35	36	102%

Eye Glasses	200	241	121%
Dental -Tooth Extraction	75	75	100%
Medical Equipment Device	10	23	230%
	938	1,514	161%

I. Senior Members Project

To keep senior members productive, they are taught to make rosaries, and bracelets which are sold. More projects will be developed in the future.

J. Tax Identification Number (TIN) e-registration

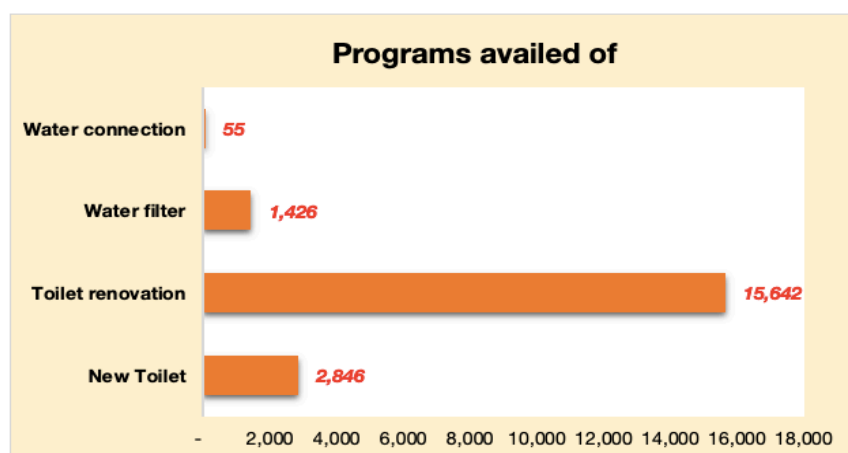
Region	Membership as of Dec 31, 2020	Membership with TIN registration	%
CALABARZON A	26,395	8,212	31%
CALABARZON B	35,502	3,425	10%
WESTERN VISAYAS	29,354	7,019	24%
Grand Total	91,251	18,656	

K. Regional Consultation

In view of the pandemic, regional consultations and election of Area member-representatives to the ASHI Board was completed only for Calabarzon 6, 8, 1, 3, and 4. The rest were rescheduled, hence current member-representatives were retained until their successors were elected.

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

A. Water, Sanitation & Hygiene (WaSH) Program in partnership with Water.org



19, 969 member families benefited from the program for a total value of Php 262.5 million which translates to 97,296 beneficiaries, counting their family members.

To sustain the program, branches and PPD staff promoted and educated members and their families on proper sanitation and hygiene during center meetings and branch activities.

Water.org provided training to PPD staff and management team such as:

- Philippine Water Credit Seminar Series (PWSS)
- Annual partnership forum and meeting.
- Training conducted by UNICEF to widen the perspective on health issues.

B. K Awards

This highly interactive event informs and promotes the K program throughout ASHI. This includes developing consciousness and competence of all the stakeholders in engaging with earth-friendly enterprises, provide opportunities to affirm commitment, actions and pledges especially from members, in taking care of mother earth.

- a. Best in office awards
- b. Clean and Green Contest: *65 units of Lenovo tablets were donated by Zonta Club Manila I were given to winners.*

C. Environmental Initiatives

Other SPM data	CA-A	CA-B	WV	Totals	Target	% achieved
Members who availed:		0				
*Pureit	141	21	6	168	2,378	7%
*Solar products	231	4,049	283	4,563	12,161	38%
No. of centers with eco-yard	54	159	135	348	1,462	24%
No. of community clean and green activities	140	345	175	660	567	116%
No. of trees planted (GL=1 plant)	9,164	3,012	6,451	18,627	41,236	45%