



Newsletter No. 15

May 2014

Welcome to this Bamboo Newsletter No. 15.

Editorial

Apart from our website and whatever publicity we can get, this newsletter is the primary method we have for communicating with our supporters and informing them about what we are doing. So, we see it as a very important means to provide information about what we are doing.

In this edition, we tell about our partnerships in Indonesia, which are in the front line of managing loans to our borrowers and thereby our relationship with them and the community in which they live. These connections are vital to the success of Bamboo and its loans program.

The WA Board of Directors has been undergoing recent changes and we are delighted to welcome Rachel Wilson as a Director, with more information about her in this edition.

Tax deductibility is an important matter for us, and despite the current uncertainties With the Australian Government, we are determined to pursue it, as, if we are successful, we will be able to pursue corporate and individual donations.

Peter Johnston, Chair of Directors

AN IMPORTANT MILESTONE

Last month, our total loans since inception in 2007 exceeded 100 loans. While this is certainly of interest, what is important is that only one loan has been partially written off, which would be the envy of any bank in Indonesia or Australia. Our average loan continues to be around \$AUD 250 and the average repayment period is 2.5 years. This underpins our policy of providing loans interest free, with a once off administration fee, to ensure that people starting or expanding very small businesses do not incur excessive costs. Some of our borrowers have taken 5 years to repay their loans. If they had to pay interest over that period, they may never have been able to repay the loan. Another important fact is that each borrower supports on average 5 family members, so our loans have affected over 500 people.

"It's not a handout, It's a hand up"



Bamboo Micro Credit

Web: - www.bamboomicrocredit.org.au
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Our Partners in Indonesia

Our Indonesian partners are vital to our successful loan operations. Without them, we would not be able to operate. PESAT in Bandung work with their connections in outlying villages around Bandung, West Java; Daya Pertiwi operate in Malang in East Java, while Fikar and his tourist operation works in Bukittinggi in West Sumatra (I have to mention that he assisted in commencing Bamboo in 2007).

Bamboo has a written agreement with each of these organisations which binds them to operate within Bamboo's code of conduct and loan policy.

WA Board of Directors

Bamboo Micro Credit (Inc) welcomes Rachel Wilson as Director. She brings a wealth of experience to the Board as a Tax Accountant and Director with firm MSQUARED. She grew up in Singapore and learned to speak Bahasa Malay and has visited Indonesia often. She has already made significant contributions to our operations.

Other significant appointments are currently being considered by the Board.

TAX DEDUCTIBILITY

Obtaining tax deductibility for Bamboo is a crucial issue and is therefore a priority issue. The Board recognizes this and is doing whatever it can to gain it. The abolition of AUSAID and its integration into the Department of Foreign Affairs and Trade (DFAT) under the present government will affect how this is achievable, as they were the key agency in approvals. We are confident that the Board, given its skills, will be able to achieve a satisfactory result well within the average time frame of 2 years.

BOARD VISITS TO INDONESIA

Board member visits to Indonesia are very important for a number of reasons. They firstly enhance Directors knowledge and awareness of borrowers and their situation, the importance of the partner organization and its relationship with the borrower while they also experience at first hand the life and experiences of the borrowers.

To date, 4 directors have been on site visits in Indonesia and have returned with greatly enhanced knowledge of the issues Bamboo borrowers and partners experience. Bamboo Micro Credit is committed to maintaining low operating costs and so, all Director visits have been self-funded, with the exception of one visit by the Chair of the Board in 2013, which was part funded.

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SUPPORTER VISITS

Visits by supporters are encouraged, but must be made by prior arrangement. A number of our supporters have visited our operation in Sumatra, assisted by our partner Fikar and have found it an interesting and enjoyable experience. If you would like to visit any of the locations in Indonesia where we operate, please contact Peter Johnston on 0431 039 909, to discuss arrangements.

DIRECTORS AND PARTNERS MEETING

A meeting of Bamboo Directors and representatives of the partner agencies is planned for October 2014 in Bandung, West Java. This will bring together all key people involved in raising funds in WA and those managing borrowers in Indonesia. Current policies will be reviewed and it is expected that we will all gain much from the interaction, which will be the first of its kind. Bamboo Directors will be paying their own costs to attend, so no donated funds will be used.

FUNDING

Bamboo relies entirely on donations to support its program in Indonesia. We can only provide loans according to the funds which we have, so the more donations we have, the more loans we can make. Consider making a one off donation, or better, think about a monthly ongoing payment using our website donation button. This gives us an ongoing income stream and allows us to manage our forward budget more effectively... so please think about this and go ahead and set up an ongoing payment. You can also set up a regular bank transfer using our Westpac Cannington account No. 411511, BSB 036-067.

MEMBERSHIP

Bamboo's constitution says that membership fees are due on 1 July each year.

We encourage all supporters to become paid-up members.

- \$30 for an individual
- \$35 for a family
- \$75 for an NGO
- \$300 for life membership

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Any donation, including monthly donations, in excess of these limits, automatically qualifies for membership.

You have received this newsletter because you are a supporter of Bamboo Micro Credit (Inc) or are a member. If you do not wish to continue to receive these newsletters, please email oztrack@gmail.com

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