



[www.thetownshipsproject.org](http://www.thetownshipsproject.org)  
 The Townships Project c/o Canadian Memorial United Church  
 1825 W 16<sup>th</sup> Avenue, Vancouver B.C. V6J 2M3

November 15, 2004

Dear Friend:

Your support for The Townships Project this year and before has made a tremendous difference in the lives of our borrowers in South Africa.

The Townships Project has been making repayable, interest-bearing loans to entrepreneurs, primarily women, in the township areas outside East London, South Africa since May 1999. Borrowers operate a range of small businesses including home-based grocery, candy and snack shops, fruit and vegetable stands, dress making, second hand clothing and school lunch businesses, etc. These loans (the first for R600 or \$120) enable borrowers to become self-sustaining despite an unemployment rate of about 70% and an HIV/AIDS infection rate of about 30%.

During 2004, we are pleased to report:

- 496 loans have been made by the project to date, of which 43% were to “step up” borrowers who have repaid a prior loan. The principal only repayment rate for completed loans exceeds the international standard of 95%.
- Since starting in May, 1999, The Townships Project has made 1103 loans to 749 clients, with 203 clients reaching level two (R850), 81 level three (R1100), 5 level four (R1500), 2 level five (R2000) and one reaching level six (R2500). As our clients move up the loan ladder, their economic condition improves to the point where they can enter the formal banking system.

Continued over...

**YES, I WANT TO SUPPORT THE TOWNSHIPS PROJECT**

Here is my donation of: \$120 \_\_\_\_\_ \$250 \_\_\_\_\_ \$500 \_\_\_\_\_ \$1000 \_\_\_\_\_ Other \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Phone: (H) \_\_\_\_\_ (W) \_\_\_\_\_

Email: \_\_\_\_\_

Please make cheque payable to: **The Townships Project – CMUC**  
**c/o Canadian Memorial United Church, 1825 West 16<sup>th</sup> Avenue, Vancouver, B.C. V6J 2M3**  
**Attention: Cathy McPherson.** An income tax receipt will be issued.



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- We received our charitable donation number in September 2004. We are in the process of setting up bank accounts and preparing to issue our own tax receipts. In the meantime, Canadian Memorial United Church continues to issue tax receipts for donations.
- The October 2004 United Church Observer featured our project in an article by Marion Botsford Fraser. Our general manager, Ms. Sibongile Ndubaza, was the cover girl! We hope it will generate sufficient interest that we can establish additional chapters across Canada.
- During May 2004, Martha Deacon and Anita Innis, incoming Chair of the Vancouver Chapter, visited the project in Mdantsane and other surrounding townships. The project continues to be led by Ms. Bongi Ndubaza, ably assisted by Mrs. Thembeke Gwija and Ms. Nontambiso Mabhuda.
- In November 2005, we are planning a trip (arranged through Craig Tours) to South Africa to meet our clients and see that beautiful country. For more information, please send us an email through our website.

During 2005, we plan to increase the number of loans made to more than 550 and to increase the proportion of “step up” loans. To accomplish these objectives, we need to raise \$65,000. We are therefore asking for your continued support by way of a tax-receipted donation.

We are proud of our record of efficiency. With each client typically supporting 3-4 family members, The Townships Project has positively impacted over 3000 people since its inception. We have achieved this with an investment to date of about \$150,000, or \$50 per individual.

Thank you for your continued interest in and support for The Townships Project.

Jocelyn Pritchard  
Chair, The Townships Project

Martha Deacon  
Co-Founder and Director