



www.thetownshipsproject.org

The Townships Project
#147 – 4255 Arbutus St. P.O. Box 62032
Vancouver, BC V6J 1Z1

November 28, 2005

Dear Friends of The Townships Project:

Thanks to all of you who have supported The Townships Project over the years. Your contribution is greatly appreciated. This letter brings you an update on the Project's activities as well as our annual request for your support

The Townships Project's mandate is unchanged – to provide interest-bearing, repayable loans to very poor entrepreneurs, mostly women in the lowest economic bracket in the townships outside of East London, South Africa. These clients are otherwise “unbankable”. The year 2005 was our sixth year of continuous operation in Mdantsane. The range of businesses includes home-based grocery suppliers, candy and snack shops, fruit and vegetable stands, dress making and other sewing, second hand clothing, school lunch providers. With these loans, starting at R600 (about \$120Cdn) borrowers are able to improve their standard of living in an area where unemployment reaches 70% and HIV/AIDS more than 30%.

Martha Deacon, co-founder of The Townships Project, has just completed a tour to South Africa with 16 supporters of the Project on 26 November 2005. She is now in Mdantsane attending meetings to assess the Project's future needs.

During 2005, we are pleased to report:

- Three hundred (300) loans were made, of which 155 were to new clients. We continue to get back approximately 95% of the amount we lend out. Interest paid by our performing clients is included in this figure. Your donations contribute 100% of the operating costs in our office in Mdantsane and make up the approximately 5% of funds lent out that are not repaid.
- Since May 1999, The Townships Project has made 1403 loans to 904 clients. Two hundred and eighty-one (281) clients have reached level two (eligible to borrow R850), 119 at level three (R1100), 20 at level four (R1500), and 4 at level five (R2000). One borrower has reached level six, the highest level achievable (R2500). As our clients move up the loan ladder, their economic condition improves so that they can feed their families, pay their children's school fees, move from a shack to a cement house and perhaps buy some furniture. Recent indications are that each client supports between 6 and 8 family members. As a result, we estimate that The Townships Project has positively affected more than 7,500 people over the past six years.
- Since May 1999, The Townships Project has spent \$250,000 on this Project, which means that it has cost less than \$50 per person to make a positive difference in the lives of our clients.
- The Project continues to be led by the very capable Ms Sibongile Ndubaza, assisted by Ms Nontembiso Mabhuda and Ms. Koleka Kuwana, replacing Mrs Thembeka Gwija. Thembeka served the Project very competently and faithfully for more than 5 years and we are sorry to lose her. She is leaving on December 1, 2005, to be married and will be moving to Polokwane, approximately 1000 kms from Mdantsane



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- In Canada, we are now able to issue our own tax receipts for donations. Our address is printed on the letterhead. We are very grateful to Canadian Memorial Church for all its help and continuing support.
- Chris Budhan is in the process of improving our web site (www.thetownshipsproject.org) so that those who wish will be able to donate on-line. Of course we will continue to be delighted to receive donations via cheques. Receipts will be issued for donations of \$15.00 or greater.
- There have been several successful fund-raising activities right across Canada. Martha Deacon, with the help of scores of volunteers, organized a four-day “Tip-to-Tip for Africa” bike ride across Prince Edward Island, which attracted 50 participants whose sponsors raised over \$20,000. The Ontario Women’s Conference donated over \$3000 at their final conference. A new group in Calgary held an evening event which Martha and Jocelyn attended and raised over \$7000. The Vancouver chapter hosted a number of events – Western Gold Theatre series, a breakfast event sponsored jointly with the For Africa project, a Tea and Desserts, which Martha attended, and a mini-bazaar still to be held. The Vancouver chapter continues to look after the banking, receipting, database and mail-out duties.
- Our annual letter at this time results in a generous response from hundreds of people right across Canada throughout the year. Your response is very important to the life of The Townships Project. With your support, we can reach or surpass our stated goal of raising \$73,000 this year. On the basis of our past performance, this amount will change the lives of approximately 1,500 individuals forever.

Thank you for your interest and support. If you wish a financial report, we can provide one for you.

Sincerely,

Jocelyn Pritchard
Chair, The Townships Project

Martha Deacon
Co-founder and Director

YES, I WANT TO SUPPORT THE TOWNSHIPS PROJECT

Here is my donation of
\$120_____ \$250_____ \$500_____ \$1000_____ Other_____

NAME: _____

ADDRESS _____

POSTAL CODE _____

PHONE: (H) _____ (W) _____



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Email: _____

Please make cheque payable to:

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Attention: Cathy McPherson An income tax receipt will be issued for donations of \$15.00 or greater.