

# TRICKLE UP PROGRAM ANNUAL REPORT 1988

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## STATEMENT OF INCOME, EXPENDITURES AND FUND BALANCES

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	Year Ending 31 December 1988		Cumulative, from 1979 - 1988 <sup>1</sup>	
	Totals	% of Exp.	Totals	% of Exp.
Income:	\$600,360		\$1,677,881	
Expenditures:				
Program Grants & Services	638,860	91%	1,421,876	90%
Supporting Services:				
Fund Raising	30,109	4%	63,995	4%
Management & general	35,150	5%	100,036	6%
Total Support Services:	65,259	9%	164,031	10%
Total Expenditures:	704,119	100%	1,585,907	100%
Excess (deficiency) of income over expenditures:	(103,759)		91,974	
Fund Balance - beginning of year:	195,733 <sup>2</sup>		0	
Fund Balance - end of year	\$91,974		\$ 91,974	

<sup>1</sup> Figures for 1981-1987 are taken from Certified Audit Reports. The 1988 Audit Report will be available upon request.

<sup>2</sup> Beginning fund balance reflects a 40% reduction in the grant commitment liability from the previous year. This reduction reflects Trickle Up's experience that 60% of recipients of initial grants request second grant checks within one year.

The Trickle Up Program, Inc. is a voluntary, non-profit organization. U.S. contributions are tax deductible under the provisions of Section 501(c)(3) of the Internal Revenue Code.

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## 1988 PROGRAM RESULTS

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**OUT OF POVERTY:** The TUP process, launched in 1979, has given over 65,000 of the poorest people in the world the opportunity to lift themselves up out of poverty by creating businesses they have planned and managed themselves. During 1988, 4,727 TUP businesses were started, making a total of 10,334 businesses since the program began.

**SELF EMPLOYMENT:** To encourage poor people to invest unemployed time, TUP spent \$704,119 in 1988. This encouraged the entrepreneurs to invest an estimated 19,296,051 hours<sup>3</sup> of work in business enterprises they planned themselves. The cost to TUP was 3.6 cents per hour.

**SELF HELP RATIO:** Each group records the value they place on an hour of their time. The average for 1988 was 40 cents. At this rate the hours they invested had a value of \$7,718,420. The investment by the entrepreneurs in their time alone was 11 times that of TUP's total expenditures.

**INCOME FROM SALES:** Their work produced a total annual estimated gross income from sales<sup>3</sup> of \$4,581,757. This is 6.5 times the cost of the TUP program.

**PROFIT:** The total profit, projected for the first year<sup>3</sup> of business was \$3,318,614. This is nearly 5 times the cost of the TUP program.

**CAPITAL CREATED:** Each group had agreed to save or reinvest at least 20% of the profits made in the first months. The average reinvestment was 70%.

**THE COORDINATORS:** TUP entrepreneurs have been helped to record their TUP Business Plans and Reports by Coordinators. There are over 1,200 TUP Coordinators in 83 countries.

**ACCOUNTABILITY:** As stated in UNDP News of April 1987, TUP has "impeccable financial accountability and solid records and reports of its accomplishments. With its carefully designed forms and simple procedures, and its creative use of microcomputers, TUP is able to manage a widely spread programme of activities with a minimal staff."

<sup>3</sup> Figures for hours worked, sales, and profit are projected for twelve months from actual results reported after an average of 3.5 months in business.

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The World Summary Report by Regions and Countries appears on the following two pages, and a summary of the first TEN YEARS of the Trickle Up Program appears on page 4.

## TRICKLE UP PROGRAM WORLD SUMMARY REPORT BY REGIONS AND COUNTRIES

This report contains a summary of the data available for TUP businesses from the start of the Program in 1979 through December 1988. It contains information on the number of countries where TUP businesses have been started, the number of businesses started in 1988 and cumulatively, the number of TUP Coordinators who have been responsible for coordinating these businesses, the number of Business Reports received, the number of workers, the total number of hours of work reported, and an annualized estimate of the average profit. Except for the number of businesses started in 1988, all of these figures are cumulative for the years 1979 to 1988.

	No. of Countries	No. of Businesses Started <sup>1</sup>		No. of Coordinators		No. of Reports Received 1979-88	Workers <sup>2</sup>		Hours of Work Reported <sup>3</sup>	Average Profit (Annualized)
		1988	1979-88	Total	%Female		Total	%Female		
TOTAL	83	4,727	10,334	1,315	47%	5,674	41,562	64%	10,650,749	\$ 1,001
AFRICA	29	1,745	3,892	271	45%	2,308	18,568	64%	4,926,733	\$ 1,264
BENIN		94	258	32	53%	142	1,017	58%	232,451	402
BOTSWANA			1	1	100%			%		
BURKINA FASO		4	4	4	75%					
BURUNDI		1	1	1	100%	1	6	67%	1,320	1,270
CAMEROON		10	98	10	30%	82	345	53%	168,800	800
CENTRAL AFRICA REPUBLIC			2	2	100%			%		
CHAD		4	12	1	100%	6	33	64%	7,622	486
ETHIOPIA			6	2	0%			%		
GAMBIA			7	2	50%	2	30	87%	19,000	329
GHANA		74	138	11	36%	115	698	67%	231,721	896
GUINEA		3	3	1	100%					
KENYA		1,002	2,242	103	49%	1,428	10,962	64%	3,175,063	1,025
LESOTHO		36	94	12	75%	34	294	85%	53,870	1,558
MADAGASCAR		11	11	2	0%	2	10	60%	3,126	3,429
MALAWI		12	12	3	33%	1	15	27%		
MALI		12	26	2	50%	12	87	60%	14,845	771
NIGERIA		46	61	8	38%	42	204	79%	59,261	1,905
RWANDA		1	8	1	0%	7	77	18%	25,192	1,100
SENEGAL		2	50	6	50%	30	647	92%	67,358	351
SIERRA LEONE		274	429	16	25%	204	2,725	57%	449,386	3,499
SOMALIA		30	41	3	67%	30	165	75%	40,733	719
SUDAN		9	13	4	50%	4	32	100%	2,250	453
SWAZILAND		13	23	6	17%	5	15	60%	5,671	1,738
TANZANIA		24	67	6	0%	45	235	47%	67,359	1,572
TOGO			10	5	80%	4	29	59%	4,880	321
UGANDA		69	217	14	57%	103	851	66%	263,021	2,237
ZAIRE			1	1	100%			%		
ZAMBIA		9	32	8	13%	6	53	49%	24,090	395
ZIMBABWE		5	24	4	25%	3	38	97%	9,714	1,651
ASIA	19	1,884	3,478	474	40%	1,723	11,240	57%	3,000,997	\$ 789
BANGLADESH		98	163	12	17%	108	747	48%	237,220	552
BURMA			14	1	0%	14	77	38%	15,084	863
CHINA		100	100	1	0%	69	571	34%		
FIJI		8	10	2	100%	9	95	73%	42,274	505
INDIA		397	548	70	13%	233	1,608	57%	445,689	1,325
INDONESIA		108	290	28	29%	162	1,230	43%	294,168	787
KIRIBATI		1	1	1	100%			%		
MALAYSIA		39	43	3	0%	4	20	50%	4,093	3,199
MARSHALL ISLANDS		1	1	1	100%			%		
MICRONESIA			3	1	100%	2	14	71%	4,600	7,000
NEPAL		24	75	17	29%	46	256	46%	73,764	753
PAKISTAN			2	2	50%	2	11	55%	2,919	939
PHILIPPINES		1,070	1,987	265	51%	947	5,662	60%	1,678,922	747
SOLOMON ISLANDS			45	12	42%	16	78	81%	24,921	197
SRI LANKA		15	158	43	35%	97	718	73%	154,863	680
THAILAND		22	32	12	42%	10	52	58%	12,470	477
TONGA		1	1	1	100%	1	23	96%	1,500	1,448
VANUATU			3	1	0%	3	78	68%	8,510	223
WESTERN SOMOA			2	1	0%			%		

- Businesses started include all those groups which have received the initial \$50 TUP grant and have submitted Business Plans or Reports.
- Only those workers as reported on the TUP Business Report Form are counted into this figure.
- The figure for hours worked is taken directly from the TUP Business Report. TUP requires that a group invest 1,000 hours of its own time in order to be eligible for the second \$50 check.
- Estimated annual profit based on a projection for a year from the Business Report received by TUP 3.5 months on average after business has started. In estimating annual income, TUP assumes that operating costs will be lower than start-up costs and adjusts its estimate for the year accordingly.

## TRICKLE UP PROGRAM WORLD SUMMARY REPORT BY REGIONS AND COUNTRIES

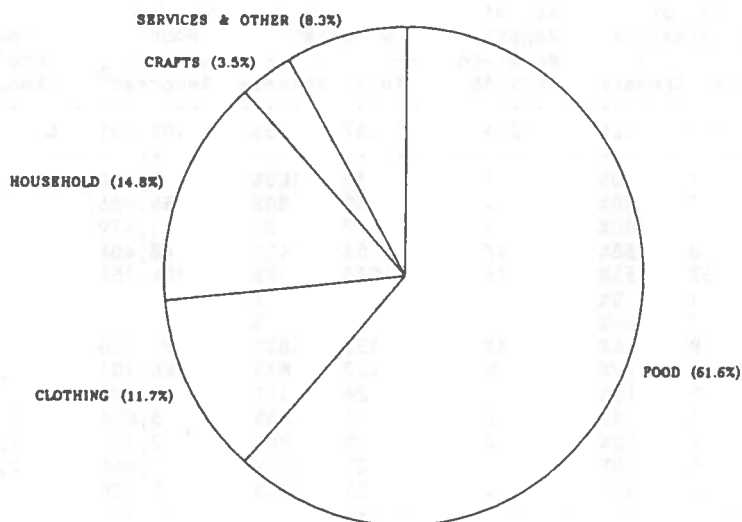
	No. of Countries	No. of Businesses Started <sup>1</sup>		No. of Coordinators		No. of Reports Received 1979-88	Workers <sup>2</sup>		Hours of Work Reported <sup>3</sup>	Average Profit (Annualized)
		1988	1979-88	Total	%Female		Total	%Female		
<b>CARIBBEAN</b>	14	179	550	119	56%	236	1,687	73%	491,461	\$ 920
ANGUILLA			6	1	0%	3	16	100%	3,510	1,151
ANTIGUA			33	10	90%	14	30	80%	54,666	176
BARBADOS			1	1	100%	1	12	8%	1,419	(97)
DOMINICA			36	8	38%	17	53	45%	48,404	359
DOMINICAN REPUBLIC		58	158	53	53%	76	913	79%	104,152	513
GRENADA		3	3	1	0%			%		
GUADELOUPE			1	1	100%			%		
HAITI		4	61	9	44%	33	132	83%	90,436	742
JAMAICA		107	202	14	79%	75	422	67%	166,701	1,666
MONTSERRAT		1	14	5	40%	5	26	15%	5,690	195
ST. KITTS			9	3	0%	2	11	36%	3,078	1,541
ST. LUCIA			7	5	80%	2	15	80%	2,760	1,196
ST. VINCENT		6	13	6	50%	4	25	68%	4,955	2,323
TURKS & CAICOS			6	2	50%	4	32	84%	5,690	237
<b>CENTRAL AMERICA</b>	7	367	1,306	339	49%	749	6,012	73%	1,280,258	\$ 721
BELIZE			5	3	67%	2	17	35%	5,200	3,263
COSTA RICA		77	329	88	50%	171	1,067	73%	263,499	980
EL SALVADOR			13	3	67%	2	13	54%	4,280	793
GUATEMALA		254	670	146	41%	418	3,052	67%	678,876	529
HONDURAS		36	275	94	57%	146	1,789	83%	287,595	920
NICARAGUA			9	2	100%	9	50	32%	37,858	918
PANAMA			5	3	67%	1	24	100%	2,950	953
<b>EUROPE</b>	2	32	105	2	100%	78	490	53%	140,165	\$ 121
IRELAND			2	1	100%	1	17	100%	1,190	454
PORTUGAL		32	103	1	100%	77	473	52%	138,975	116
<b>NORTH AMERICA</b>	2	45	89	8	50%	57	360	64%	71,520	\$ 1,728
MEXICO			10	3	0%	9	113	78%	11,024	1,031
UNITED STATES		45	79	5	80%	48	247	58%	60,496	1,859
<b>SOUTH AMERICA</b>	10	475	915	102	58%	523	3,205	65%	739,615	\$ 1,024
ARGENTINA		14	33	3	67%	16	113	69%	21,620	3,581
BOLIVIA		65	109	8	50%	70	396	69%	106,083	1,342
BRAZIL		10	21	5	80%	11	54	87%	19,316	2,659
CHILE			10	3	0%	7	96	91%	10,765	1,317
COLOMBIA		164	381	17	47%	197	1,146	67%	300,088	1,379
ECUADOR		167	289	50	60%	174	1,009	52%	218,234	280
GUYANA		12	14	2	100%	12	177	86%	15,216	528
PARAGUAY		34	43	8	63%	33	197	65%	43,768	235
PERU		9	12	5	60%	3	17	76%	4,525	3,817
SURINAME			3	1	100%			%		

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# TEN YEARS OF TRICKLE UP

## PRODUCTS

PRODUCT DISTRIBUTION



MOST FREQUENTLY PRODUCED

PRODUCT	PERCENT OF TOTAL	AVERAGE PROFIT REPORTED <sup>1</sup>
VEGETABLES, PRODUCE	11.2%	197.72
CHICKENS FOR MEAT	6.6%	133.07
PIGS, PORK PRODUCTS	4.3%	112.41
CLOTHING (GENERAL)	3.8%	323.37
CEREALS, GRAINS	3.6%	392.64
BREAD, BAKED ITEMS	3.5%	199.49
FRUIT AND NUTS	3.4%	364.48
EGGS	3.4%	158.51
WHOLESALE/RETAIL	3.0%	175.25
FISH, SEAFOOD	2.9%	205.52
SNACKS AND DRINKS	2.5%	271.73
FOODS (GENERAL)	2.2%	292.64
PREPARED FOOD ITEMS	2.2%	260.98
BEEES, HONEY	2.1%	82.65
FUELS	2.1%	214.06
BEANS	1.9%	234.86
CONDIMENTS	1.8%	315.82
TUBORS, ROOT-CROPS	1.7%	194.85
BASKETS	1.5%	292.25
HANDICRAFTS	1.5%	234.74

## BENEFITS REPORTED

PERCENT OF ENTREPRENEURS REPORTING<sup>2</sup>...

A. WE HAVE MORE MONEY	59%
B. WE CAN SEND MORE CHILDREN TO SCHOOL	42%
C. WE ARE BETTER CLOTHED	36%
D. WE CAN PROVIDE BETTER FOOD FOR OUR FAMILIES	72%
E. WE CAN AFFORD BETTER MEDICAL CARE	34%
F. WE LEARNED THE BASIC SKILLS NECESSARY TO RUN A BUSINESS	77%
G. WE FEEL BETTER ABOUT OUR FUTURE	74%

## WOMEN'S PARTICIPATION

PERCENT FEMALE

COORDINATORS	47%
GROUP LEADERS	56%
PLANNERS	64%
WORKERS	64%
BENEFICIARIES	51%

## ORGANIZATIONS INVOLVED

TUP BUSINESSES COORDINATED BY...

	TOTAL	GOVERNMENTAL ORGANIZATIONS VOLUNTEER		GOVERNMENTAL ORGANIZATIONS REGULAR		NON-GOVERNMENTAL ORGANIZATIONS INTERNATIONAL		NON-GOVERNMENTAL ORGANIZATIONS LOCAL	
		NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT	NUMBER	PERCENT
TOTAL	10,334	2,951	28%	1,047	10%	1,005	10%	5,331	52%
1979-84	923	301	32%	83	8%	125	13%	414	44%
1985	744	354	47%	24	3%	123	16%	243	32%
1986	1,254	546	43%	50	3%	179	14%	479	38%
1987	2,686	794	29%	262	9%	235	8%	1,395	51%
1988	4,727	956	20%	628	13%	343	7%	2,800	59%

1. THIS FIGURE REPRESENTS THE AVERAGE OF PROFIT REPORTED BY ENTREPRENEURS THREE MONTHS AFTER BUSINESS HAS STARTED.
2. BENEFITS AS REPORTED BY THE ENTREPRENEURS THEMSELVES USING THE TUP BUSINESS REPORT FORM.

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