



Offices in: Kenya, Uganda and India
Associates in: Benin and Guatemala

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Handout 4.5 Screening, Application and Appraisal Forms - Consolidated

Screening Form #: ABC123 Date: November 23, 2003

Please ensure all the questions have been answered below before giving the client an application.

General information

1. Applicant’s Name and Age: Stephen Kabonero, 42 years old
2. Home telephone: 077-555-555
3. Applicant’s Address: Alley 2, House #9, Flat#18
4. Marital Status and Number of Dependants: Married, wife Angela, child

Business information

5. Business Name: Grocery #1
6. Business telephone: 077-555-555
7. Business Address: Alley 2, #13
8. Type of business: Grocery Shop
9. How many years have you owned this business, excluding periods of inactivity? 6 months
10. Is the business currently running? Yes No If not, period of inactivity: _____ months.
11. Company’s Legal Status: Registered Registration # and date: # _____ & ____/____/____
12. Number of owners: 1 Names: Stephen Kabonero
13. Present number of employees: 2
14. Does the client have other sources of income other than the business in question? Yes NoX

Desired loan

15. Project Purpose: Refrigerator and generator purchase
16. Project Amount: Ush 3000 Owner’s Contribution: Ush 1000
17. Loan Amount: Ush 2000 Term: 12 months
18. Projected number of employees after the loan: 3
19. Do you currently have any type of debt? Yes NoX
20. If not, have you ever taken a loan that you have already repaid? Yes No (Borrowed from a relative for construction materials.)

Other

21. Where did you hear about the Loan Program ? (check all that apply)
- Brochure Advertisement _____ Friend Bank Other client Other bank _____ Other: _____

ELIGIBILITY CRITERIA VERIFICATION				
Client > 18 year	Ugandan citizen	National ID with correct name spelling and ID #	Permanent Business Location	In same business as that of the loan request for at least 6 months

<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
ACCOUNT OFFICER NAME: DATE:			SIGNATURE:		

Individual Application Form

BRANCH:	ACCOUNT OFFICER:	A/C Type and No.:	Balance:		
CLIENT IDENTIFICATION NUMBER (CID):					
PERSONAL DATA					
Name: Stephen Kabonero		Nickname:			
Identification Number:		Type Of ID:			
Passport No:		Driver's permit No:			
Home Address: Alley 2, House #9, Flate #18		Number of years at this address:			
Telephone (home and cell): 077-555-555					
Date Of Birth:	Age: 42	Place Of Birth:			
Client's Occupation: Grocery Shop Owner		Client's Education: General Technical Secondary Education			
Sex: <input checked="" type="checkbox"/> Male <input type="checkbox"/> Female		Marital Status: <input type="checkbox"/> Single <input checked="" type="checkbox"/> Married <input type="checkbox"/> Widowed <input type="checkbox"/> Separated			
Name Of Spouse: Angela		Occupation Of Spouse: Sales woman			
Number Of Dependents: 1					
Home Ownership: <input type="checkbox"/> Owned <input type="checkbox"/> Rented <input type="checkbox"/> Mortgaged <input type="checkbox"/> Shared/Others					
BUSINESS ACTIVITY					
Type Of Business (Retail, wholesale, service, manufacturing): Retail					
Business Name: Grocery #1		Business Address: City Division Parish Alley 2, #13 Zone Street			
Business Telephone:077-555-555		No. Of Years In The Business: 6 months			
Business Partner (If Any) and ownership %: 100 % Stephen Kabonero		No. of Employees: 2			
Estimated Business Assets: 4650		Estimated Monthly Sales:			
Is your business registered/licensed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Sole Proprietor/Partnership/Limited Company/ Cooperative: Sole Registration/License No.:					
Who looks after your business when you're sick or away?					
Are you involved in any other business activity? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, what type of business?					
Are you employed apart from owning a business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No					
Status Of Employment: <input checked="" type="checkbox"/> Regular <input type="checkbox"/> Contractual <input type="checkbox"/> Others		Monthly Income from Employment:			
Name Of Employer:		Telephone of Employer:			
Address Of Employer:		Name of Manager:			
LOAN INFORMATION					
How much do you want to borrow? 2,000,000		For how long? __12__ months			
Purpose of loan? Purchase of generator and refrigerator		How much can you afford to pay? _____ monthly			
Household and Business Assets: (continue on back if needed)					
Item	Year produced	Model & Brand Name	Acquisition Date	Acquisition Cost	Current Estimated Value
1 Shop Building			1999	4,650	1500
2 Owner's home			1988	1,800	1250
3					
4					
5					
6					
Do you have any outstanding loan? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			Does your spouse have any outstanding loan? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If yes, how much is your outstanding loan? _____			If yes, how much is his/her outstanding loan? _____		

Name Of Creditor/Supplier:		Name Of Creditor/Supplier:	
Name at least one creditor/supplier that you have borrowed from in the past (this will help you get a loan):			
1.			
2.			
Any current or savings accounts or deposits? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		If yes, Amount? 475,000	Name of bank or institution? MFI ABC
AUTHORIZATION			
<p>I confirm that the above information is true and correct to the best of my knowledge. I am aware that any false statement may be an immediate cause for denial of this loan. In connection with this application, I authorize Faulu to obtain such other information as may be required. This authorization includes obtaining information from suppliers, commercial banks, rural banks, and all other creditors while releasing these institutions from liability under any and all bank secrecy laws. Also, I agree abide by Faulu's policies, rules, and regulations.</p>			
SIGNATURE OF APPLICANT _____		DATE/PLACE _____	
SIGNATURE OF SPOUSE _____		DATE/PLACE _____	

MFI - INDIVIDUAL LOAN APPRAISAL FORM			
I. PERSONAL INFORMATION			
Name of Applicant: Stephen Kabonero		Date and Place of Birth: 42 years old	
Resident Address: Alley 2, House #9, Flat #18			
Resident since:		Owned/Rented/Other: Own	
Education and working Experience: General Technical Secondary School, previously worked in Traffic Department			
Name of Spouse: Angela		Date of Birth of Spouse:	
Spouse's Education and working experience: Sales woman, Educated at Trade-Technical Institute			
II. LOAN INFORMATION			
Amount applied for: 2,000,000		Period applied for: 12 months	
Purpose / Use of loan: Purchase of refrigerator and generator for grocery shop			
Proposed installment of applicant: how much does s/he think he can repay weekly monthly 167,000			
III. HOUSEHOLD INFORMATION			
FULL NAME OF HOUSEHOLD MEMBERS AND DEPENDENTS (Relationship to Proprietor)	CURRENT OCCUPATION/ ECONOMIC ACTIVITY	REGULAR MONTHLY NET INCOME	SCHOOL / BUSINESS/EMPLOYMENT ADDRESS
Angela - wife	Sales assistant at shop		Same
Son	Assistant at NGO	250,000	Jackson Str. #23
SIZE OF HOUSEHOLD:		TOTAL:	
OTHER HOUSEHOLD INCOME	SOURCE OF INCOME	AMOUNT	STABILITY
Son	Selling produce	210,000	yes
		TOTAL:	
HOUSEHOLD EXPENSES:			
Item	Amount per day/week/month	Documents Supplied	Comments (on-time/delinquent, etc.)
Food	210,000 per month	None	Have garden with produce
Electricity	16,000 per month		
Kerosene			
Charcoal			
Education	25,000 per month (paid in 3 instal)		Receipts from school
Transport	30,000		Bus tickets
Rent			
Clothing	10,000		Sales receipts
Health			
Telephone			
Installment (consumption loan)			
Other:			
Other:			
FIXED ASSETS OF HOUSEHOLD:			
Item (detail name, brand, model, year)		Estimated Value (according to collateral evaluation):	
OTHER OBSERVATION ABOUT THE HOUSEHOLD:			

IV. BUSINESS INFORMATION												
Business Activity: Grocery Shop						Age of Business: 6 months						
Name of Business: Grocery #1						Location of Business: Alley 2, #13						
Business Status (licensed):Registered						Vat Registration No.: 147732						
Telephone No.: 077-555-555						Business Premises Owned / Rented: Owned						
A. MARKET AND MANAGEMENT												
Assessment of Market:						Assessment of Management:						
Type of clients: Customers are mainly residents living in nearby apartment buildings. 6 apartment buildings with approximately 350 families (2100 people).						Capacity of Applicant: Very hard working. Energetic. Honest						
Location good or bad (why?) Good. Convenient for customers.						Relevant experience and training: 6 months in business, wife has several years experience in retail.						
Competition 3 small shops, closest is 500 meters away, more experience & larger assortment & inventory						Financial skills and records kept well: yes						
Other observations With increase of assortment customers will buy more vs. walk further to competitors						Other:						
B. CUSTOMERS												
Describe the main client base? Residents living in nearby apartment buildings						Are there threats to your client base? No						
Any goods given on consignment to customers (accts receivables)? 50,000						Age of receivables? Current (4 days)						
Did the credit officer visit this source? O Yes x No						What did they say?						
C. BUSINESS CASH FLOW INFORMATION												
i. BUSINESS SALES												
Business Activity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
High/Med /Low												
High/Medium/Low seasons established according to: Client's verbal confirmation Records												
Is this current month which you are making the appraisal a high sales month? O Yes O No If yes, what percentage should the sales/raw materials be adjusted on the cashflow (i.e. 80%)?												
For Manufacturing / Production Businesses only:												
Item	Quantity sold per month				Sales Price				Total Per month			
1.												
2.												
3.												
4.												
5.												
											Total:	
ii. BUSINESS OPERATIONAL EXPENSES AND RECORDS												
a. Cost of Goods Sold for a trade business:												
Times purchases are made during the: Weekly				Month:				Week:				
Amount of each purchase:				Minimum:				Maximum				
Average per month:												
Amounts established according to: Client's verbal confirmation Records												
If according to client's verbal confirmation, how was it verified?												
b. Cost of Goods Sold (Manufacturing / Production business ONLY):												
Item	Quantity sold per month		Cost of Material for one item (use worksheet Cost of Goods Breakdown / Production)							Total cost of good sold per month		
											Total:	

c. Other Operational Expenses:			
Receipts of Bills (e.g.)	Average 3 months receipts (if possible)	Documents Supplied and in file	Comments (on-time/delinquent, etc.)
Electricity	20,000 per month	Yes	On time
Kerosene			
Telephone			
Salaries to employees			
Rent			
Transport			
Food at workplace			
Installment			
Other: car maintenance	10,000	Yes	Cash
Other: fuel	6,000	Yes	Cash

C. BALANCE SHEET INFORMATION						
i. CURRENT LIQUID ASSETS						
Name/Address of Institution			Amount	Document Verification?		
1. Cash on hand (in register – must physically count and verify): December 4, credit officer surprise visit			60,000	Yes		
2. Current Account, Name of institution:						
3. Savings Account, Name of institution: MFI ABC			475,000	Yes		
4. Other:						
TOTAL CURRENT ACCOUNT			535,000			
ii. BUSINESS FIXED AND MOVEABLE ASSETS						
Qty	Description	Appraised Value	How was the appraised value determined?	Age	Condition	Supplier
1	Shop building	1,500		4 years	Clean, solid	
TOTAL APPRAISED VALUE						
iii. SUPPLIER CREDIT						
How do you buy your goods/services (cash, on credit, or consignment)?		Are there threats to your production/sales/ services? Only one supplier, etc.?				
Name of Supplier		Amount per week or month		Frequency of Supply		Day of Repayment (Due)
Metropolis Ltd				Weekly		Pre-payment by cash
Aia Ltd				Weekly		Pre-payment by cash
Local wholesale markets				Weekly		Cash (with 10% discount)
iv. CREDIT – CURRENT AND HISTORICAL						
Name/Address of Creditor/Supplier (must have letter from Creditor)	Original Loan Amount	Current Outstanding Loan Amount	Term and Due Date	Amount of Payment / Frequency	Any Delinquencies?	Docs Verified?
1.						
2.						
3.						
TOTAL OUTSTANDING LOAN AMOUNT CURRENTLY (LOANS PAYABLE)		0				

v. BUSINESS ASSETS		vi. BUSINESS LIABILITIES AND NETWORTH	
Cash on hand	60,000	Credit from Suppliers	0
Current Accounts (must have documented proof)		Loan Payables	0
Savings (must have documented proof)	475,000	Other Payables	0
Debtor (Accts. Receivable) (have documented proof)	50,000		0
Raw Materials (cost, not sales price) & Goods in Process			
Inventory (Finished Goods) (attach detailed list)	1,000,000	TOTAL LIABILITIES	
Fixed and Moveable Assets (from above – should be evaluated using MFI method and forms)	4,650,000	TOTAL EQUITY (Total Assets – Total Liabilities)	
TOTAL ASSETS		= TOTAL LIABILITIES & EQUITY	

COMMENTS:

D. REFERENCES – Assessment of willingness to repay

Name of Reference (neighbor, LC, supplier, employee, others) must have 3	Date Interviewed?	Relationship to Client	How long has the client known this person	Comments of the Referee
Individual – customer	Dec. 4	Customer	6 months	Low cost, convenient location, fresh bread
Aia	Dec. 4	Supplier	6 months	Always pays cash, gets 10% discount
Metropolis	Dec. 4	Supplier	6 months	Always orders ahead, pays cash
Alley #2	Dec. 4	Competition	none	Has lost sales to Grocery #1, Alley #2 has more variety
LCI	Dec. 4	Local Leader	5 years	Good citizen, contributor

E. ACCOUNT OFFICER'S RECOMMENDATION & CONCLUSION

Loan Amount: 2,000,000		Loan term: 12 months			
Purpose of the loan:	Purchase of refrigerator, generator and increased inventory				
Item to be purchased	Unit	Quantity	Paid for by Loan	Paid for by Client	Total Project
TOTAL:					

Loan Officer's Conclusion (why should the credit committee approve this loan?):
 Cashflow and turnover show good debt repayment capacity. Strong character, hard worker. Solid collateral. Suggest life insurance policy.

COLLATERAL					
How has the CM evaluated the collateral?					
<input type="checkbox"/> Real estate assessor's evaluation <i>X</i>					
<input type="checkbox"/> property with the same sq meters and similar location nearby sold for \$ _____					
<input type="checkbox"/> other:					
Was the Collateral Evaluation Form completed? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No By whom: Credit officer & borrower					
Item	Acquisition Cost	Acquisition Date	Market Value	Liquidation %	Liquidation Value
1. Shop Building	4,650	1999	3,000	50%	1,500
2. Owner's house	1,800	1988	2,500	50%	1,250
3.					
4.					
5.					
6.					
TOTAL LIQUIDATION VALUE					\$2,750
Total Liquidation Value / Total Loan Value (must be > 150%)					138%
I, _____, hereby certify that all the information stated in this INDIVIDUAL LOAN APPRAISAL FORM is true and correct and that I shall be held responsible for any misinterpretation. I have verified all the information by more than one source and not only taken what the client has said and written it within.					
Name/Signature of Account Officer: _____ Date: _____					
Noted by: _____ Supervisor					

F. DECISION OF LOAN COMMITTEE		
Approval:	Decline:	Deferred:
Loan Amount:	Reason for Decline or Deferral:	
Loan Term: _____ Interest rate: _____		
Installment:		
Repmnt freq: ___ Month ___ Bi-weekly ___ Weekly		
Collateral (same as above or note changes here):		
Total Amt:		
Name: _____	Signature: _____	Date: _____
Name: _____	Signature: _____	Date: _____
Name: _____	Signature: _____	Date: _____
Name: _____	Signature: _____	Date: _____
Name: _____	Signature: _____	Date: _____

WORKSHEET FOR CASHFLOW ANALYSIS: Grocery

ANSWER

Worksheet 1. Sales and Purchase ('000 Ush)

Day	Sales			Daily Sales
	Low	Average	High	
Monday	61	65	69	Lowest: 61
Tuesday	61	65	69	Average: 77
Wednesday	68	72	76	Highest: 99
Thursday	74	78	82	
Friday	86	90	94	
Saturday	91	95	99	
Sunday	71	75	79	
Weekly Total	512	540	568	
Monthly Total	2,217	2,338	2,459	

Worksheet 2. For store and/or buy and sell business

Product	Wholesale Cost	Quantity	Item Cost	# of Items Sold	Sale Price	Total Cost	Total Sales	Sales Multiplier
	(A)					(B)		(A/B=C)
Soda			400	38	500	15,200	19,000	
Rice			1100	15	1350	16,500	20,250	
Flour			650	20	850	13,000	17,000	
Soap			750	9	900	6,750	8,100	
Bread			900	12	1000	10,800	12,000	
						62,250	76,350	0.82

Worksheet 3. Sales Multiplier (Daily)

	LOW	AVERAGE	HIGH
Monthly Sales	1,708,000	2,156,000	2,772,000
Sales Multiplier	0.82	0.82	0.82
Raw Materials/ Purchases	1,400,560	1,767,920	2,273,040

client works 7 days /wk
or 28 days per month

Credit Officer's Notes: