



Business for Mission (BfM)

**Friends of Hope for Africa
Missions**

Conference

29th October 2011



The Story so Far



The Vision for Siyabuswa

(Richard Hudson 2009)

Under God's leading, to transform Siyabuswa through faith and action (**SEED**):

- **Spiritual** renewal through the local churches – prayer, holiness and radical discipleship
- **Education** through Grace School and Alatheia Bible College - equipping the next generation
- **Employment** through **BfM** – ethical and ecological businesses
- **Development** through a mission hospital, media and leisure centre

"You are the light of the world. A city on a hill cannot be hidden." (Matt 5:14)

BfM – Vision for Employment



- ensure sustainability of Alatheia Skills Training and Higher Education College (ASTHEC) – incorporating Bible college;
- underpin development of HFAM;
- help local people - skills training, employment, dignity and 'living wage' etc.;
- help ASTHEC students (discipline of work, skills for 'tent-making,' income to help with college expenses);

BfM: “not Marthas but Marys on a Mission” (Steve Witt)

BfM Aims

Making Your Money Work 3x Over

- BfM **capital loan fund** with the following **aims**:
 1. *to give a competitive 4% return on your money**
 2. *participate in diverse, new and existing business in Siyabuswa, Mpumpalanga and nearby*
 3. *channel profits to HFAM and partners*
- * **NB** *the value of your money may rise or fall*
- minimum 3-year investment period
- donations also accepted i.e. no interest - Gift Aid applied
- fund open to all – especially Christians



Legal Status and Management

BfM Status

- Charitable Trust registered in RSA:
 - subject to RSA Financial Regulations (comparable to UK)
 - Bank account in RSA (Nedbank Bank)
- Business for Mission International Trust - *operating (and known) as **BfM***
- Directors and Local Management Group *include*:
 - Dr. Hendrick Mahlangu (Director of HFAM)
 - Dr. Neil Applegate (Principal of ASTHEC)
- UK-Based officers:
 - Finance Manager: Mr. Gaius Douglas, AFA, FFTA
 - Marketing Manager: Terry Thomas MSc, DMA



How BfM Works



How BfM works (1)

- interest paid on capital loans (target 4%);
- paid each accounting period or reinvested;
- capital repaid at end of period (if required) or, in an emergency, on request;
- surpluses used to support HFAM and its partner missions.

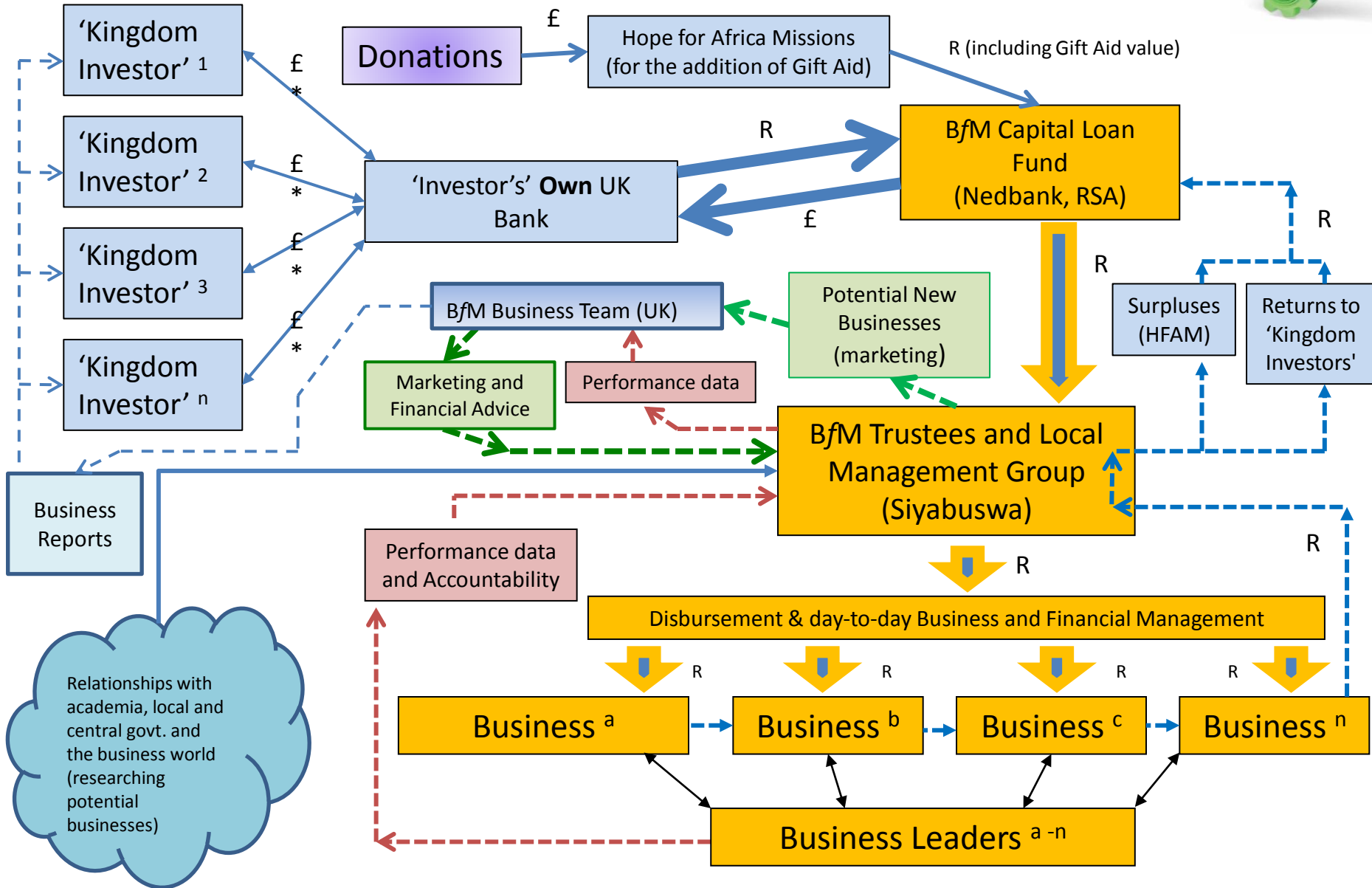
How BfM works (2)

BfM team undertake **Marketing** - including:

- selecting viable and appropriate projects;
- monitoring market trends and competitors;
- overseeing operation of projects and financial performance;
- supporting managers to achieve **profitability**;
- ensuring financial accountability and **probity**;
- ensuring viability of **each** business;
- Best Practice in management of staff.

“turning viable projects into profitable businesses”

BfM – Funding and Management Process



* **capital loans** ('in' via Application Form to BfM Finance Manager) and **interest payments** ('out'): £= pounds (GBP); R = South Africa Rand (ZAR)

Launch of First Business in the BfM Fund Portfolio

Commercial-Scale Chicken Farm (1)

- rearing live chickens for wholesale market;
- reliable source of affordable chicken meat (protein);
- market research shows good market with *multiple* outlets;
- job opportunities and training to local people (possibly including ASTHEC students);
- skilled and experienced managers recruited;
- animal husbandry of high standard;
- location: Siyabuswa;
- planning consent obtained and building underway;
- start-up capital of **£45,000** needed (*within BfM Fund Portfolio*);
- aim to return 4%; ***NB*** *the value of your money may rise or fall*
- brochure available.

Commercial-Scale Chicken Farm (2)

- start-up cost £45,000
- target annual sales (conservative) £164,000
- annual costs £130,000
- annual surplus (years 1 – 3) **£34,000**
- annual surplus (year 4 onwards) **£50,000**

NB figures include a **4% ROI**

Possible Future BfM Fund Portfolio Businesses

Possible Future BfM Fund Portfolio Projects

Subject to satisfactory Market Research:

- recruitment agency (experience from chickens)
- pig farm (to meet local need);
- fish farm (to meet RSA govt. objective for schools) **NB** fish farming is technically difficulty
- the search goes on

Other Activity (*not* in BfM fund portfolio)

- church-based sports and leisure centre (**£m!**)
- in-line with Richard's Vision for Siyabuswa

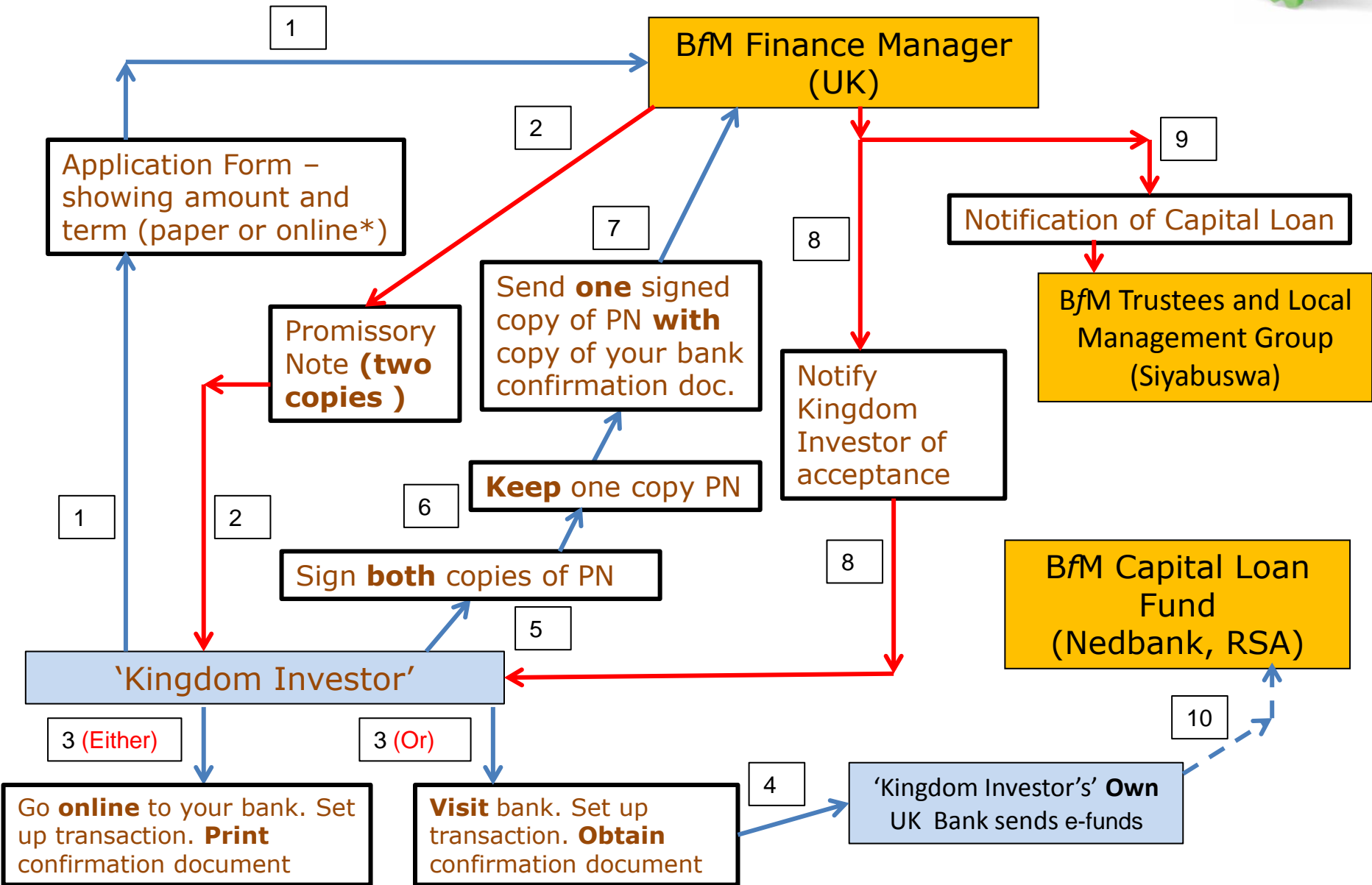


How can I share the vision?

Next Steps

- if you have **already** made a capital loan to BfM:
 - many thanks!
 - chicken farm business will be first to benefit.
- if you have given a **promissory note** – the time is now right to make your capital loan;
- if **neither** of the above, please now consider making a capital loan;
- BfM brochures/applications/PNs here today
(or apply on-line)

BfM – Application and Payment Process





Q & A

www.businessformission.net