



OPPORTUNITY
International
CANADA

CREATING MOMENTUM

WITH THE WORLD'S ENTREPRENEURS

2014 ANNUAL REPORT



BUILDING MOMENTUM FROM WITHIN

Empowering the world's poor to transform their lives is a calling that drives us every day; not only to do more, but also to do better by creating meaningful impact around the world. As a global organization working in 30 countries, we see the tremendous power our holistic approach can have across all dimensions of our clients' lives. But we know there is always more to do—which is why in 2013 we laid the groundwork in two key areas to take our work to the next level.

BECOMING A UNIFIED GLOBAL ENTITY

To streamline our operations, we took significant strides this year toward becoming a new global entity with a unified brand—known as Opportunity—which will become the home of the management team for our worldwide organization. While we have long functioned as a global network of international partner organizations, we realize the importance of becoming a more unified, single entity to continue to be successful for decades to come. Though this internal shift and new structure will be invisible to our donors and clients, it will allow us to achieve greater efficiencies that help build momentum toward greater impact around the world.



SOCIAL PERFORMANCE MANAGEMENT

Because we are committed to helping clients transform all areas of their lives, this year we challenged ourselves to find new ways to monitor our social goals. We globally launched Social Performance Management (SPM), which facilitates the collection of consistent social data throughout our network. By helping Opportunity International and all of our partners better understand, improve and reflect upon our performance and practices, SPM will help us move forward as a stronger and more accountable organization. Most important, it will help us improve services for our clients so that they can live full and prosperous lives.

In 2013, we surveyed more than 30,000 clients, tracking a range of social data such as income levels, social connectedness, compassion toward community and access to education and health services. This monitoring of progress and practices will inform all aspects of microfinance, from strategic decision making to product design and delivery. With our partners around the world, we will use our new SPM approach to ensure we continue to reach those in need and deliver the products and services they require to transform their lives.

TOGETHER, WE CREATE MOMENTUM

Dear Friends:

Some people say we are in the “family business” and I would have to agree with that. Opportunity International is all about giving hope, dignity and a future to families around the world. I am pleased that this is exactly what you will read in this year’s annual report. We have not shifted from our values, other than to draw closer to who we truly are as an organization. We are about listening to our clients, and together identifying their needs and then moving entire families forward. When people are given opportunity, it changes everything. It does require staying power when it comes to personal and professional development, and that is our differentiator, that is what our donors and staff invest in. That is transformation.

Throughout this report you can see the people and stories of how this transformation has taken place. From the quick response of donors and staff to support our clients affected by Typhoon Haiyan when they needed it most, to The MasterCard Foundation’s decision to partner with us once again for a five year project that will help more than seven million people. We have been able to provide support to programs and people around the world – because of your help.

We are carrying this momentum of change forward into 2015 with the launch of a new and fresh Opportunity visual identity. We will also be adjusting our focus on funding to four key Latin America Partners. By working with our Implementing Members in Honduras, Nicaragua, Colombia and Dominican Republic we will be able to have a significant impact in each of these countries to help them meet their strategic priorities.

Thank you for making this past year a success and continuing to invest in Opportunity as part of our family so that together we will see world in which all people have the opportunity to achieve a life free from poverty, with dignity and purpose.



Serving with you,

A handwritten signature in black ink, appearing to read 'Bob Lawless', written in a cursive style.

Bob Lawless
President and CEO
Opportunity International Canada

BOARD OF DIRECTORS

ROBERT LAWLESS
CHAIR, BOARD OF DIRECTORS
RETIRED CHAIRMAN, PRESIDENT
AND CEO MCCORMICK & CO., INC.

JOHN DE BRUYN
FCA, PRESIDENT, JOHN DE BRUYN
PROFESSIONAL CORPORATION

LAURA HUGHES
DIRECTOR, PLAYACAN PROJECTS

HEINER OPHARDT
OWNER, OPHARDT HYGIENE
TECHNOLOGIES INC.

DALE PATTERSON
PRESIDENT, THE BOURTON GROUP

BRIAN PETERS
DIRECTOR PRESIDENT AND CEO,
MD PHYSICIAN SERVICES

DANIEL SIMUNAC
MANAGING DIRECTOR AND PRINCIPAL
OFFICER, RAYMOND JAMES BANK

DAVID STILLER
FOUNDER OPPORTUNITY
INTERNATIONAL CANADA

BILL WATSON
RETIRED CHIEF OPERATIONS
OFFICER (ASIA), HUSKY OIL

ROD WILKINSON
BARRISTER & SOLICITOR, CARSCALLEN LLP.

GRAHAM DARE
CO-CHAIRMAN, BOARD OF DIRECTORS,
DARE FOODS INC.

WALLY BUDGELL
PRESIDENT, ROBERTSON BRIGHT

ERIKA COETZER
OWNER, ERIKA COETZER PHOTOGRAPHY

**Board Members serving during the fiscal year.
July 1, 2013 – June 30, 2014.*

OUR OPPORTUNITY MODEL

Opportunity provides an unprecedented and powerful combination of access to banking, support of training and Trust Groups and the intangible sharing of faith and hope in each individual's potential.

MISSION

By providing financial solutions and training, we empower people living in poverty to transform their lives, their children's futures and their communities.

VISION

Our vision is a world in which all people have the opportunity to achieve a life free from poverty, with dignity and purpose.

MOTIVATION

We respond to Jesus Christ's call to love and serve the poor. We seek to emulate the Good Samaritan, whose compassion crossed ethnic groups and religions. We serve all people regardless of race, faith, ethnicity and gender.

OPPORTUNITY

We leverage our team, technology and local partnerships to provide access to the greatest resources for breaking free from poverty through human and financial capital...

...local staff who facilitate access to banking services and provide training in financial literacy, business management and personal wellbeing...

...community partners who provide training and expertise in key sectors such as agriculture and education...

...banks that deliver financial education and a full range of financial services, including loans, savings and insurance...

A POWERFUL MULTIPLIER EFFECT

Every \$1 invested in Opportunity becomes \$6 at work over five years. Our banks leverage donations to increase available loan funds, which clients repay and we reinvest back into more entrepreneurs.

Together we transform lives by creating jobs, securing families and fueling economies.

OUR DONORS

Impact investors offer vital financial capital, which is leveraged to achieve maximum impact in under-resourced communities...

ENTREPRENEURS

91 percent of our loans are provided to women entrepreneurs...

...who work in the most impoverished and remote regions of the world...

...who contribute to their communities' education, agriculture and health industries...

...and we scale opportunity to create jobs and small businesses that increase employment, grow local economies and lift communities...



BUILDING MOMENTUM

entrepreneurial communities

We know that a loan can help an entrepreneur turn a vision into a thriving business. This starts a cycle of prosperity for the broader community as these once-impooverished clients begin hiring their neighbours. To help business leaders succeed, we provide training through Trust Groups to give these business leaders lifelong skills.

2013 GLOBAL IMPACT

LOAN CLIENTS
2.9M

LOAN REPAYMENT RATE
98%

LOAN PORTFOLIO
\$605M



Luz
BUSINESS ENTREPRENEUR
COLOMBIA

For years, Luz and her daughters lived paycheque to paycheque, always trying to stay ahead of the next rent payment. “I felt like I didn’t have a future,” she says. So Luz uprooted her family and moved to a new neighbourhood, where the rent was cheaper and there were more opportunities. There, she opened her own clothes washing business, renting out a single washing machine to the community.

The real change came when Luz found Opportunity International, which gave her a loan to buy more washing machines.

She expanded her business, and with the profits, bought another machine, and then another.

Today, in addition to her laundry business, Luz also sells catalog items and frozen foods. She credits Opportunity with teaching her how to become a successful businesswoman. “I save all the profits, I pay the bills, and the rest I get after that, I invest in another business. The earnings from that other business, I invest again,” she says. “Opportunity has taught me how to manage my finances. I didn’t know how to do that before.” Now Luz not only has money to pay the rent, but also to support her daughters’ educations. “When they decide to become doctors or professionals, I will have something to help them,” she says.



FUNDING SOCIAL SECTORS: MOVING BEYOND TRADITIONAL MICROFINANCE

We know microfinance is about more than financial products—it is a platform to deliver services that allow clients to transform other areas of their lives. In India, Opportunity is working with the Healing Fields Foundation to improve health standards across whole communities.

The partnership between the foundation and Opportunity India is implementing a multifaceted healthcare program

that combines health financing, health education and job creation. One core program trains local women to be Community Health Facilitators so they can educate other community women about personal health and hygiene, distribute health care supplies and identify women who need loans to expand their businesses. During the training, women also learn about microenterprise and can take out a loan to start a health-related business.

With one leader able to educate more than 200 households, the exponential effect of this one-of-a-kind training is remarkable. To date, we've trained 1,203 Community Health Facilitators who have reached more than 126,000 families. This kind of investment ultimately strengthens community resilience so that change is lasting and sustainable.

RE-BUILDING MOMENTUM

resilient communities

Life is unpredictable—but for those living in poverty, it can be nearly impossible to recover from unexpected and devastating events. In addition to loans, our savings accounts and insurance products offer clients the vital security they need to plan for the future or rebuild their lives after tragedy.

2013 GLOBAL IMPACT

SAVINGS CLIENTS

1.4M

AVERAGE SAVINGS BALANCE

\$119

VALUE OF DEPOSITS

\$173M

INSURANCE CLIENTS

3.3M



Rebecca Garcia
BUSINESS ENTREPRENEUR
PHILIPPINES

Rebecca Garcia has been a longtime member of the Opportunity International family. A client for 20 years, she took out several loans to create and grow a small business to sell street food. This successful enterprise gave her the means to put her three children through college and help them build better lives.

But when Typhoon Haiyan struck in November 2013, Rebecca suffered the greatest possible tragedy. Her mother and daughter were swept away by the storm's powerful wind and water. Her home was destroyed, forcing her to move into a tent that she still lives in today. Despite

these unthinkable losses, Rebecca is helping to rebuild her community. Armed with new business loans and access to insurance to protect herself from future losses, she is finding a way not only to move forward and support her own sons, but also to assist many of the children orphaned by the storm. Determined, faithful and strong, she is a pillar of her community in the wake of this terrible disaster.



INSTILLING HOPE AND RESILIENCE

Typhoon Haiyan hit the Philippines in November 2013, destroying homes and businesses and affecting more than 13 million people. Thousands of Opportunity clients lost their loved ones, houses and businesses. Grieving and left with nothing, they are persevering, rebuilding with little more than the clothes on their backs.

A glimmer of hope shines for resourceful Opportunity clients who can rely on insurance and savings in the face of unimaginable tragedy. At the end of 2013, 58,000 of our Filipino clients had

a formal savings account with local Opportunity banks. Opportunity branches in Tacloban and Ormoc were some of the first banks in the region to reopen after the typhoon—giving clients access to their savings only two weeks after the storm struck.

Additionally, those with insurance received payouts that protected them from complete destruction and gave them a chance to start over. They also benefited from the Philippines Rebuilding Fund, which jumpstarted recovery by giving survivors funding

and support to reconstruct their homes, restart their businesses and restore their livelihoods. Because many emergency relief organizations do not have long-term resources, Opportunity responds with emergency loans and assistance that help families get back on their feet.

The arduous rebuilding process in the Philippines has only begun, but the progress so far signals a brighter day in the future when families, businesses and communities thrive in this island nation once again.

INITIATING MOMENTUM

education

It's a horrible statistic: more than 67 million children worldwide are not in school. Education changes the trajectory of lives—initiating a positive cycle of momentum that helps pull people out of poverty. That's why we are determined to help more children discover their talents through schooling.

2013 GLOBAL IMPACT

SCHOOL IMPROVEMENT LOANS
880

STUDENTS SERVED BY SCHOOL
IMPROVEMENT LOANS
219,500

SCHOOL FEE LOANS
6,200

STUDENTS SERVED BY
SCHOOL FEE LOANS
19,200



Franklyn Madsen
EDUCATION ENTREPRENEUR
GHANA

No one knows better than Franklyn Madsen that the path to your dream is often full of obstacles. Feeling a calling to build a school in her home country of Ghana, she waited for years, patiently raising funds while living in Denmark with her husband. Finally, in 2010, she returned home and established the Tower of David Academy with five students. By 2012, the school's enrollment had grown to 120 students.

But when a powerful storm destroyed the roof and two classrooms, Franklyn faced a crisis. She had no funds to rebuild and had previously been denied a loan by a local bank, which had told her that her school was too small. Her hope was restored when she learned about Opportunity International. She took out a School Improvement Loan to replace the roof and classrooms and purchase desks and computers. To date, she has used a total of four Opportunity loans to fuel the growth of the school and build additional classrooms and toilet facilities. With nine classrooms and 170 students today, Franklyn continues to think big: she hopes to eventually offer classes for students through eighth grade. By following her faith and convictions, Franklyn is opening up worlds of possibility and prosperity for these children.



INSURING EDUCATIONAL FUTURES

Research shows that education is not only a proven path out of poverty, but also improves life expectancy, boosts income, reduces child marriages and decreases birth rates. Unfortunately, a primary reason many children in developing countries do not complete school and instead become trapped in poverty is a parent's death or permanent disablement.

To protect a child's future in such circumstances, Opportunity launched the EduSave program, which provides

free insurance that covers school fees in the event of the death or disability of a parent or guardian. Usually a parent only needs a savings balance of \$25 to qualify. The more parents save for the future, the higher the EduSave benefit grows. Currently, more than 100,000 clients qualify and benefit from EduSave accounts in Malawi, Ghana and Uganda—protecting the educational futures of more than 313,000 children.

This innovative program gives children the best possible chance of staying in

school, especially when coupled with School Fee Loans that help parents afford a quality education for their children. By the time students are ready for university and vocational school, they can opt for a Tertiary School Loan to maximize their educational opportunities—creating a beneficial ripple effect that will improve the circumstances of generations to come.

“ Opportunity has listened to its school proprietors and parents since we first began the education finance pilot program. Through time we've found a formula that works—one that strengthens the developing world's education by marrying the proven strategies of microfinance with the crucial work happening within school walls. Now that we're replicating our education finance program, I'm filled with wonder that we can make such a difference, and so sustainably, in thousands of young lives—and with continued efforts, in millions.”

– Janelle Lassonde, Education Finance Campaign Chair

CULTIVATING MOMENTUM

agriculture

When surrounded by hunger and poverty, progress is impossible. Many smallholder farmers lack the financial access and agricultural training to improve the quality of their harvests and earn sufficient income. We cultivate momentum by equipping farmers with the banking services and skills to boost crop yields, reduce hunger and increase the global food supply.

2013 GLOBAL IMPACT

AGRICULTURAL LOANS
75,000

VALUE OF AGRICULTURAL LOANS
\$20.4M

SAVINGS ACCOUNTS IN RURAL AREAS
704,000



Aaron Nkizinkiko
SMALLHOLDER FARMING
ENTREPRENEUR | RWANDA

Aaron Nkizinkiko had always worked hard trying to cultivate corn on his one-acre plot of land. Yet he struggled to produce enough to even feed his family. Times were often hard as his family slept on the ground in their grass home, unable to afford medical care and school fees.

On his own and lacking agricultural knowledge, Aaron was trapped. The turning point in his life came when he joined an Opportunity Trust Group. Trust Group members guarantee each other's loans, creating a safety net for one another. But it was the training on effective farming practices that he received which produced a holistic transformation in his life. Today, Aaron has produced enough to feed his family and also sell corn in the markets. Now he can pay his children's school and medical costs.

The unique power of Trust Groups comes from the shared sense of purpose and solidarity among members that ultimately generates success across the community. Aaron's Trust Group has taken this a step further by taking out loans on behalf of local widows who also farm. Though they are not clients, the widows are treated as valuable members and participate in Trust Group activities—a true demonstration of how Opportunity communities love and serve one another.



© 2014 The MasterCard Foundation

MEASURING THE SUCCESS OF A BOLD EXPERIMENT

The majority of those living in extreme poverty are rural, smallholder farmers. Traditional banks and microfinance institutions often avoid lending to smallholder farmers because of the many risks. That is why Opportunity pioneered an agriculture finance approach that combines access to financial services with linkages to local suppliers, extension service providers and market buyers who provide a fair price for crops.

With support from The MasterCard Foundation and other strategic partners, we conducted extensive research in 2013 that demonstrated our agriculture finance model is indeed changing thousands of lives. The findings of the study indicate Opportunity farmers are better equipped than others in their community—they have increased their crop yields, productivity and incomes. Client farmers hired more

farm labour, creating jobs in their communities, and reported an improvement household access to food, education and health care.

Inspired by these life-changing results in five countries, we are expanding this powerful model to smallholder farmers in Kenya, Tanzania and the Democratic Republic of Congo.

“ Nothing can be compared to the experience of witnessing clients overcome seemingly insurmountable odds to work toward success. If we work collaboratively with Opportunity, volunteers, key companies and global experts, we can make it so that these farmer families no longer have a hunger season. Many clients are unjustly shut out of society, treated differently and told that they are less valuable than others. The clients that I’ve met are learning to rise above their circumstances and seeing that they do belong to a community. It’s a miracle.”

– Muffy MacMillan, Agriculture Finance Campaign Chair

SUSTAINING MOMENTUM

technology and leadership

Lasting change is best achieved when there are community leaders to sustain it and technology to drive it. Yet, in many developing countries—especially in remote areas—there aren't enough people trained in finance. Opportunity offers in-house training to develop local leaders who are dedicated to serving their communities. We also improve access to financial services through innovative technologies that can reach clients wherever they are.

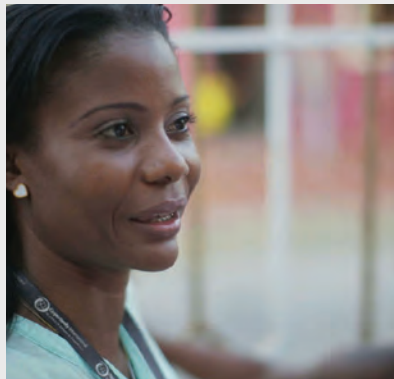
2013 GLOBAL IMPACT

CLIENTS USING MOBILE MONEY
128,000

GLOBAL EMPLOYEES
17,500

LOAN OFFICERS WHO
ARE NATIONALS
99%

CLIENTS RECEIVING FINANCIAL,
LITERACY, HEALTH & LEADERSHIP
TRAINING
2.6M



Katia Perez
SUPERVISOR
COLOMBIA

Katia remembers the struggles her family faced in the barrios of Barranquilla, Colombia and how hard her parents worked to give their four children a better life. Though they first came to the city empty-handed, she says, “our family was very united...we put God first. This is what was most important.” Katia’s parents found jobs and were eventually able to buy a home and send their children to college.

That is where Katia learned about Opportunity’s loan officer training. This training gave her solid financial skills and also helped her develop as a leader. For the last 13 years, she has had multiple opportunities to further develop her skills through Opportunity. Self-sufficient and socially connected to the community, she completed her university degree and was promoted to a supervisory role overseeing 10 loan officers.

Now Katia derives her greatest satisfaction from seeing her clients experience transformation. She feels blessed to have been able to help people like Rosa, who used a special Opportunity loan to add a floor and a roof to her house. As a respected and admired leader, Katia plays an integral role sustaining the momentum that ultimately brings lasting, positive change to her community. “I can look in the mirror and see all the changes I’ve made personally and socially,” she says. “And I am proud that others see me as a role model in my community.”



CHANGING THE FACE OF FINANCIAL SERVICES DELIVERY

Opportunity's mobile-phone based banking services have already changed the lives of the “unbanked” —those who lack access to banking services either because they are too poor or live in remote regions. Our clients in Uganda, for example, are embracing this technology: they completed mobile money transactions valued at more than \$2 million between April and December 2013 alone.

Opportunity took the model a step further by launching a branchless banking pilot in the Southern Agricultural Growth Corridor of Tanzania (SAGCOT). SAGCOT is one of Africa's most impoverished but high-potential farming regions. The branchless strategy requires no bank branch; instead, farmers receive loans or make deposits through their mobile phone or by working with loan

officers that have geo-enabled tablet computers. To date, these farmers have received loans via mobile money for seeds, fertilizer and labour. With this transformational technology, even those in the most rural regions can have access to life-saving financial services.

“ One of the examples of innovations is from Malawi where the Opportunity International Bank created a program for farmers where when they sell their products they are able to deposit into this digital savings account. ... What we see is that those who have the opportunity to participate in this program were six to seven times more likely to use new seeds and fertilizer in that next planting season. And so they were able to receive the benefits of that higher productivity and then year by year lift themselves out of poverty.”

– Bill Gates, Sept 24, 2013 “Partnerships for Digital Financial Inclusion: A Driver of Inclusive Growth” Better Than Cash Alliance, Hosted by UNCDF

PARTNERS BUILD MOMENTUM

It is invaluable when corporate partners demonstrate their commitment to innovation, excellence and results as they collaborate to help marginalized people transform their lives. Support from leading companies and their charitable foundations drives positive change in some of the world's most remote and underserved communities. From deploying pioneering technologies to financing agriculture and education to developing strong leaders, together they are creating enduring solutions to poverty. This is especially important to Canadian businesses and their employees.

WHY PARTNERSHIPS MATTER

1/3 of Canadians say a company's commitment to social and environmental issues is very important when deciding where to work. **91 percent** of global consumers are likely to switch brands to one associated with a good cause, given comparable price and quality. **Canadians are** willing to travel on average up to 18 minutes longer to buy a product that supports a cause they care about. **50 percent** of global consumers are willing to reward companies that give back to society by paying more for their goods and services. **85 percent** of consumers have a more positive image of a product or company when it supports a cause they care about. **Economic development** (investing in communities through people, job creation and infrastructure) is the most pressing issue people want companies to address. **Above any other** information, Canadians want to know a company's impact regarding charitable contributions. **91 percent** of Canadians agree that companies should try to accomplish their business goals while improving society and the environment.

Sources: Cone Communications (2010). 2010 Cone Cause Evolution Study. Abacus Data Inc. (2012). Cause Marketing: Preference and Perceptions of Corporate Charity in Canada. Canada Perspective. Cone Communications, Echo (2013) 2013 Cone Communications / Echo Global CSR Study.

“Today, “business as usual” is anything but. The traditional model in which business exists solely to generate profits has changed. Now, companies are still expected to be profitable, but they are also expected to be an active participant – if not a driving force – in solving our world's most urgent social and environmental challenges”

– 2013 Cone Communications/Echo Global CSR Study

...HERE IS WHAT OUR PARTNERS ARE DOING



LEGACY KITCHENS

Since 2005 Legacy Kitchens has been a catalyst in the development of Opportunity's Home Improvement, Branch Development and Young Entrepreneurs projects in Colombia. True partners, Legacy has also hosted awareness events at their Canadian and U.S. locations and many of their staff and vendors have become personally engaged as volunteers and supporters. Legacy's longstanding partnership with Opportunity Canada and their visits with clients and colleagues in Colombia has afforded them the opportunity to witness transformation first-hand.



LA-Z-BOY FURNITURE GALLERIES

A valued partner for the past ten years, the owners and staff at three La-Z-Boy stores on Vancouver Island have helped thousands of Opportunity clients around the world open savings accounts, obtain small business loans and receive valuable mentoring and training. They have witnessed first hand that Opportunity provides compassionate capital to worthy entrepreneurs and with that, dreams rich in dignity and hope, come true for families that have been locked in poverty for generations.



COMTECH CREDIT UNION

As a co-operative, building better communities is the foundation of Comtech Credit Union (Comtech). With this in mind, Comtech is working with Opportunity International to make a difference on a global level. Comtech committed to build two financial institutions in Ghana. This special project will impact over 22,500 families, and provide those in isolated rural communities with access to everyday banking products and services. At Comtech, "Communities Count" at home and around the world.



ADVANCE CanWest FLOORING

For the past three years employees and approximately 500 vendors were challenged to donate one day of pay, one day of profit, or the equivalent of one day's worth of purchases. The goal: donate it to *The Day of Opportunity*. And they have – to the tune of \$184,000! Employees engage when they are passionate about a cause and that has become the reality at CanWest. Several employees have travelled to Colombia to see their contributions at work. The owner's original vision was to raise awareness and funding and they have succeeded!



NICOLA WEALTH MANAGEMENT

"Nicola Gives Back," the firm's corporate charity program focuses on giving that supports children's education, health, and well-being, both locally and internationally. Opportunity is a good fit with their objectives. In 2013, a few members of Nicola's leadership traveled to Ghana to learn more about how clients benefit from the access to financial services. They were impressed to discover that Opportunity lives up to their promise of bringing hope to individuals and entire communities. The charity program continues to focus on ways to raise awareness and funds for the work of Opportunity.



SILVER CHEF

Silver Chef's charity of choice is Opportunity International. In 2013 offices were opened in Canada and they began to support Opportunity International Canada. Silver Chef contributes to Opportunity's charitable work through company fundraisers and matching employee donations. Silver Chef believes in helping people achieve their dreams and their work with Opportunity International allows us to help those living in poverty, realize their dreams as well.

MARIA DE LOS ANGELES ORDONEZ

Maria has an entrepreneurial spirit and a passion for art. The combination of the two has allowed Maria to thrive, despite much adversity. When Maria was 13, she had to quit school to help support her family of nine. Undeterred, she taught herself how to make paper handicrafts. It wasn't long after that before she pursued her life's ambition – learning the trade of woodcarving.

In 1999 she received her first loan from Opportunity Honduras, enabling her to purchase carving tools. But the life of an entrepreneur is not without challenges. As a result of the 2008 economic downturn, Maria's business nearly closed. But she was unstoppable – with the support of Opportunity, Maria was able to overcome these challenges. Not only was her business able to recover from the economic downturn, Maria was also able to expand her business.



LATIN AMERICA

HONDURAS

Thanks to Canadian donors, Opportunity Honduras opened an office in the Department (province) of Santa Barbara in Honduras. The office was equipped and staffed to begin operations in March 2014. Many of the clients being served through this branch have never received a loan or been able to save for the future. There is a great need in the area and Opportunity Honduras is looking forward to serving the entrepreneurs with much needed access to capital. The goal is to reach 1,000 clients within three years. By June 2014, this branch has served close to 300 clients.

NICARAGUA

Opportunity International's partner in Nicaragua has been working as a microfinance not-for-profit organization for over 20 years servicing poor entrepreneurs with loans and training in 12 cities across the country. They are in the process of stabilizing operations and working on implementing new microfinance regulations. Looking forward into 2015, Opportunity Canada with the support of Canadian individual and corporate donors plans to assist Opportunity Nicaragua in their goal of serving over 25,000 clients with loans and training by 2017.

DOMINICAN REPUBLIC

Our implementing member in the Dominican Republic was founded 30 years ago and serves entrepreneurs who are living in poverty by providing access to loans and training. In July 2013, they received a Savings and Loans license which will enable them to provide savings services as well. Opportunity Canada plans to come along side this implementing member in 2015 to help them meet their strategic priority of growing to serve over 30,000 clients.

COLOMBIA

Opportunity International's very first loan was made in Colombia in 1975. Since then, Opportunity has been working to provide stable financial systems as a way to reduce unemployment, social unrest and violence in the country. Opportunity Canada has been a key funding partner to Opportunity Colombia's two organizations: a not-for-profit organization (locally known as AGAPE) that specializes in the transformation of clients and staff by providing training programs with social, personal and spiritual impact as well as research and development of new financial products; and its formal financial institution established in 2012 to offer loans, savings and insurance to Colombians living in poverty. This transformation contributes to empower people living in poverty to transform their lives, their children's futures and their communities.



PROJECTS IN ACTION

On March 25, 2014 we were excited to announce a second long term project with The MasterCard Foundation for **\$22.7 million USD** to promote access to loans, savings programs and other critical financial products and services to help more than **7 million** people in five African countries work their way out of poverty. The funds will be used to launch the Opportunity International Africa Growth and Innovations Initiative through our financial institutions in Ghana, Uganda, Rwanda, Malawi and Tanzania.

AFRICA PROJECTS

During fiscal 2014, we completed two long-term projects, **Financial Services for Smallholder Farmers and Rural Communities in Africa** funded by The MasterCard Foundation and **The Expansion of Microfinance Services in Ghana and Mozambique**, funded by the Department of Foreign Affairs, Trade and Development (DFATD). Here is a brief summary of these two projects.

THE MASTERCARD FOUNDATION FUNDED PROJECT:

After four successful years of collaboration, Opportunity International and The MasterCard Foundation have expanded their partnership to scale financial access in five underserved African countries. From 2009 to 2013, this strategic partnership equipped Opportunity International to deploy 676 financial access points, disburse 141,000 agricultural loans and open 1.4 million savings accounts in Africa. To build upon these achievements, The MasterCard Foundation is supporting Opportunity International's delivery of high-impact financial services to poor and rural regions

in Africa, including the deployment of innovative banking technologies and agricultural finance services.

DFATD FUNDED PROJECT:

This \$2.4M project was focused on strengthening microfinance services in Ghana and Mozambique by providing leadership and financial literacy training, and investing in infrastructure, including mobile vans and satellite branches, as well as a disaster recovery site. This program allowed these two Implementing Members to expand financial services to economically active rural and women populations.

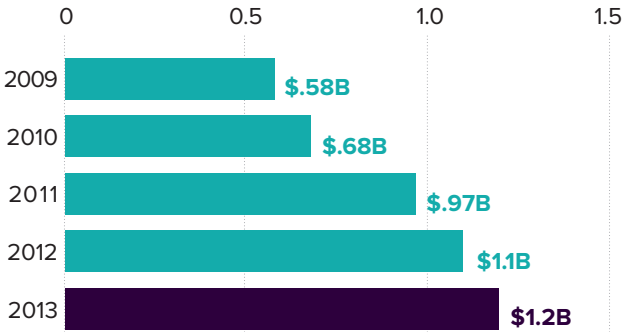
“ We chose to expand this partnership with Opportunity International because they have proven themselves to be a strong partner and a leading microfinance institution...It's rare to find an organization that is able to think outside the box, develop innovative approaches and still deliver such solid results.”

– Reeta Roy, President and CEO, The MasterCard Foundation

GLOBAL FINANCIALS POWERING MOMENTUM

TOTAL VALUE OF LOANS DISBURSED

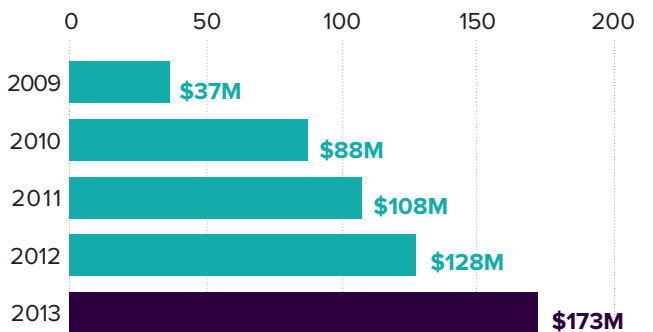
(for the year)



GROSS LOAN PORTFOLIO AT DECEMBER 31, 2013: \$605M

TOTAL VALUE OF CLIENT SAVINGS ACCOUNTS

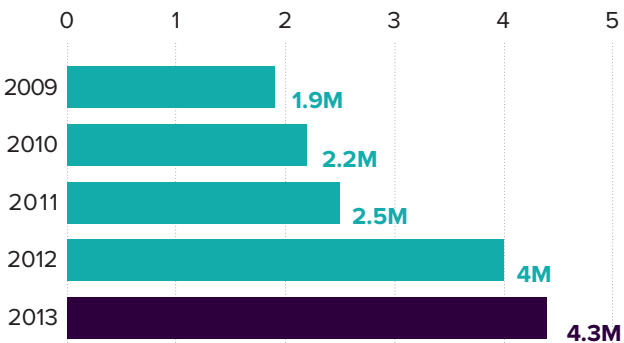
(as of year-end)



These figures represent voluntary savings and do not include compulsory savings.

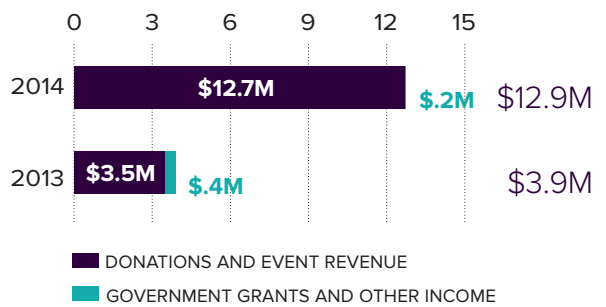
TOTAL NUMBER OF UNIQUE LOAN AND SAVINGS CLIENTS

(as of year-end)



TOTAL FUNDS RAISED BY OPPORTUNITY INTERNATIONAL CANADA

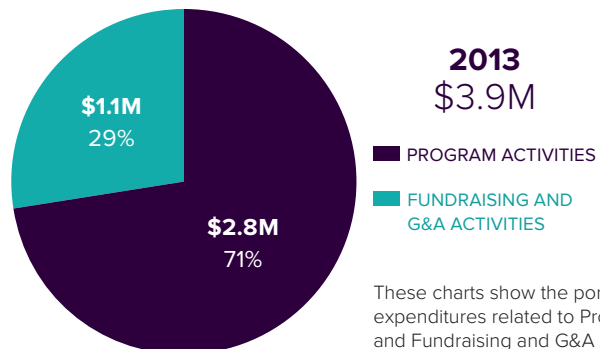
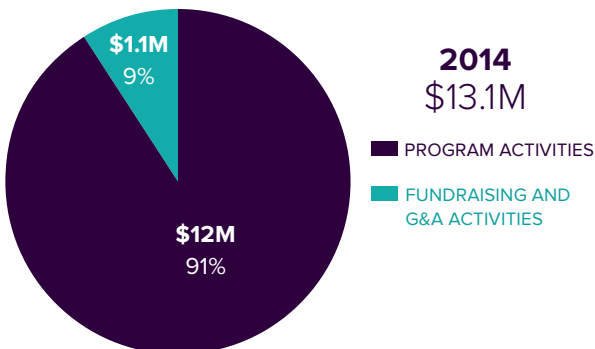
(for the years ended June 30, 2014 and 2013)



The ratio of Fundraising and G&A expenditures to Total Revenue was 9% in 2014 and 29% in 2013.

TOTAL EXPENDITURES BY OPPORTUNITY INTERNATIONAL CANADA

(for the years ended June 30, 2014 and 2013)



These charts show the portion of total expenditures related to Program Activities, and Fundraising and G&A Activities.

OPPORTUNITY INTERNATIONAL CANADA

MANAGEMENT DISCUSSION & ANALYSIS OF OPPORTUNITY INTERNATIONAL CANADA FINANCIAL STATEMENTS

REVENUE

Opportunity International Canada's revenue increased by \$9.0 million during F2014 due to the receipt of a donation in the amount of US\$8.8 million (Cdn\$ 9.7 million) from The MasterCard Foundation. This US\$8.8 million represents the first year allocation of a multi-year grant totaling US\$22.7 million to be received over a five-year period. Other than The MasterCard Foundation funding, donation and event revenue was consistent over the last two years. Grant revenue received from the Department of Foreign Affairs, Trade and Development (DFATD), formerly the Canadian International Development Agency (CIDA) decreased by \$0.25 million during the current year. The three-year project funded by DFATD was completed in March 2014 and therefore a lower amount of funding was received in the current year.

PROGRAM ACTIVITIES

Disbursements to international programs:

Disbursements to international programs increased to \$11.2 million in F2014 versus a total of \$1.5 million disbursed in F2013. Included in the \$11.2 million is US\$8.7 million (Cdn\$ 9.6 million) disbursed from The MasterCard Foundation funding received during the current year to the Opportunity International Implementing Members (IM) located in Malawi, Ghana, Uganda, Rwanda and Tanzania. The remaining amount of \$1.5 million disbursed in F2014 is consistent with F2013 and represents funding to our IMs in Colombia, Honduras, and the Philippines.

Contracts for services are negotiated between Opportunity International Canada and the IMs, with funds allocated to infrastructure, staff training, IM operating expenses, transformation and seed funding for microfinance loan portfolios.

Canadian programs: These expenditures relate to program monitoring and oversight costs; provision of education and public engagement programs; participation in research and development; and contributions to the Global Management Operations. Global Management Operations services include: (i) recruitment and training of IM personnel, (ii) development of client training modules, (iii) performance and governance monitoring, and (iv) improvements in technology. Expenditures made on the Canadian programs decreased by 12% from F2013 due to a lower investment made this year in research and development

FUNDRAISING AND GENERAL & ADMINISTRATIVE (G&A) ACTIVITIES

The ratio of fundraising and G&A expense to total revenue improved from 29% in F2013 to 9% in F2014 as a result of revenue growth and a focus on cost containment. The actual amount expended between the two years remained consistent at \$1.2 million. Opportunity International Canada is committed to investing in our resource development function (engaging current and new donors and submitting proposals to technical donors) to generate funds for future programming. Cost containment is employed over the organization's G&A activities and efforts are made to keep these costs to a minimum. Our desire is to continue to exercise effective stewardship over funds received and ensure that we remain in compliance with all legal requirements governing Opportunity International Canada.

STATEMENT OF FINANCIAL POSITION (Summarized)

	June 30, 2014	June 30, 2013
ASSETS		
Current		
Cash	\$ 1,652,455	\$ 1,594,636
Accounts receivable	251,984	273,830
Other	17,223	33,342
Total current assets	1,921,662	1,901,808
Long term assets	21,281	21,281
TOTAL ASSETS	\$ 1,942,943	\$ 1,923,089
LIABILITIES AND FUND BALANCES		
Current		
Accounts payable and accrued liabilities	\$ 392,998	\$ 192,160
Fund balances		
Restricted	590,209	820,590
Unrestricted	959,736	910,339
Total fund balances	1,549,945	1,730,929
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,942,943	\$ 1,923,089

STATEMENT OF OPERATIONS (Summarized)

	FOR THE YEAR ENDED June 30,	
	2014	2013
REVENUE		
Donations and event revenues	\$ 12,728,263	\$ 3,477,756
DFATD grant	215,822	460,049
Interest and other	3,800	7,618
TOTAL REVENUE	\$ 12,947,885	\$ 3,945,423
EXPENDITURES		
Disbursement to International Programs	\$ 11,200,106	\$ 1,520,810
Oversight, Monitoring and Research	775,965	882,969
Philanthropy	807,803	853,858
General and Administration	344,995	317,467
TOTAL EXPENDITURES	\$ 13,128,869	\$ 3,575,104
Excess of (expenses over revenue) revenue over expenses	\$ (180,984)	\$ 370,319

These unaudited summarized Financial Statements are based on the Audited Financial Statements. Copies of the Audited Financial Statements for the Year Ended June 30, 2014 are available upon request (please contact us through e-mail, info@opportunityinternational.ca or by phone, 1-877-867-2448.) The Financial Statements are also located on the Opportunity International Canada website www.opportunityinternational.ca

OPPORTUNITY INTERNATIONAL IMPLEMENTING MEMBERS

Implementing Members are microfinance institutions that serve our clients

STATEMENT OF REVENUE AND EXPENDITURES

\$ in thousands (unaudited)						FOR THE YEAR ENDED	
	Africa	Asia	Eastern Europe	Latin America	December 31, 2013	December 31, 2012	
					Total	Total	
INCOME & EXPENSES							
Financial income	\$ 65,953	\$ 131,567	\$ 23,835	\$ 14,794	\$ 236,149	\$ 225,158	
Financial expenses	10,370	33,055	7,580	1,721	52,726	46,510	
Gross financial margin	55,583	98,512	16,255	13,073	183,423	178,648	
Provision for loan losses	5,955	5,435	1,960	751	14,101	13,325	
Net financial margin	49,628	93,077	14,295	12,322	169,322	165,323	
Operating expenses	60,190	76,228	14,045	13,791	164,254	162,238	
Net income from operations	(10,562)	16,849	250	(1,469)	5,068	3,085	
Other income	383	97	11	-	491	1,409	
Net income before taxes	(10,179)	16,946	261	(1,469)	5,559	4,494	
Provision for income taxes	722	1,051	(77)	332	2,028	1,938	
NET INCOME (LOSS)	\$ (10,901)	\$ 15,895	\$ 338	\$ (1,801)	\$ 3,531	\$ 2,556	

BALANCE SHEET

\$ in thousands (unaudited)						December 31, 2013	December 31, 2012
	Africa	Asia	Eastern Europe	Latin America	Total	Total	
ASSETS							
Current							
Cash and cash equivalents	\$ 25,402	\$ 60,105	\$ 26,938	\$ 3,494	\$ 115,939	\$ 113,894	
Interest bearing deposits and investments	10,122	40,184	6,573	739	57,618	37,664	
Net loan portfolio	112,014	311,198	117,799	43,036	584,047	548,122	
Other current assets	12,522	25,149	2,354	1,642	41,667	42,838	
Total current assets	160,060	436,636	153,664	48,911	799,271	742,518	
Long-term							
Fixed and other long-term assets	32,032	41,594	6,532	3,313	83,471	91,933	
TOTAL ASSETS	\$ 192,092	\$ 478,230	\$ 160,196	\$ 52,224	\$ 882,742	\$ 834,451	
LIABILITIES & NET ASSETS/EQUITY							
Current							
Short-term debt	\$ 4,841	\$ 39,239	\$ 10,858	\$ 12,830	\$ 67,768	\$ 48,321	
Client savings deposits	86,271	66,314	76,864	15,268	244,717	209,132	
Other current liabilities	7,550	18,435	2,526	1,179	29,690	29,870	
Total current liabilities	98,662	123,988	90,248	29,277	342,175	287,323	
Long-term							
Total liabilities and long-term debt	40,646	246,422	42,883	6,052	336,003	333,532	
TOTAL LIABILITIES	139,308	370,410	133,131	35,329	678,178	620,855	
NET ASSETS/EQUITY							
Total net assets/equity	52,784	107,820	27,065	16,895	204,564	213,596	
TOTAL LIABILITIES AND NET ASSETS/EQUITY	\$ 192,092	\$ 478,230	\$ 160,196	\$ 52,224	\$ 882,742	\$ 834,451	

Complete audited financial statements by KPMG are available upon request

IMPLEMENTING MEMBERS

Revenue: Implementing Members' revenue increased by 5% to \$236 million in 2013 reflecting gains across all regions.

Net income: Implementing Members' net income increased 38% to \$3.5 million in 2013. The gains resulted primarily from the improved quality of their loan portfolios, which was reflected in proportionately smaller provisions for loan losses.

Loan portfolio: The net loan portfolio increased by 7% at the end of 2013 to \$584 million.

Customer deposits: Client savings deposits increased 17% to end the year at \$245 million.

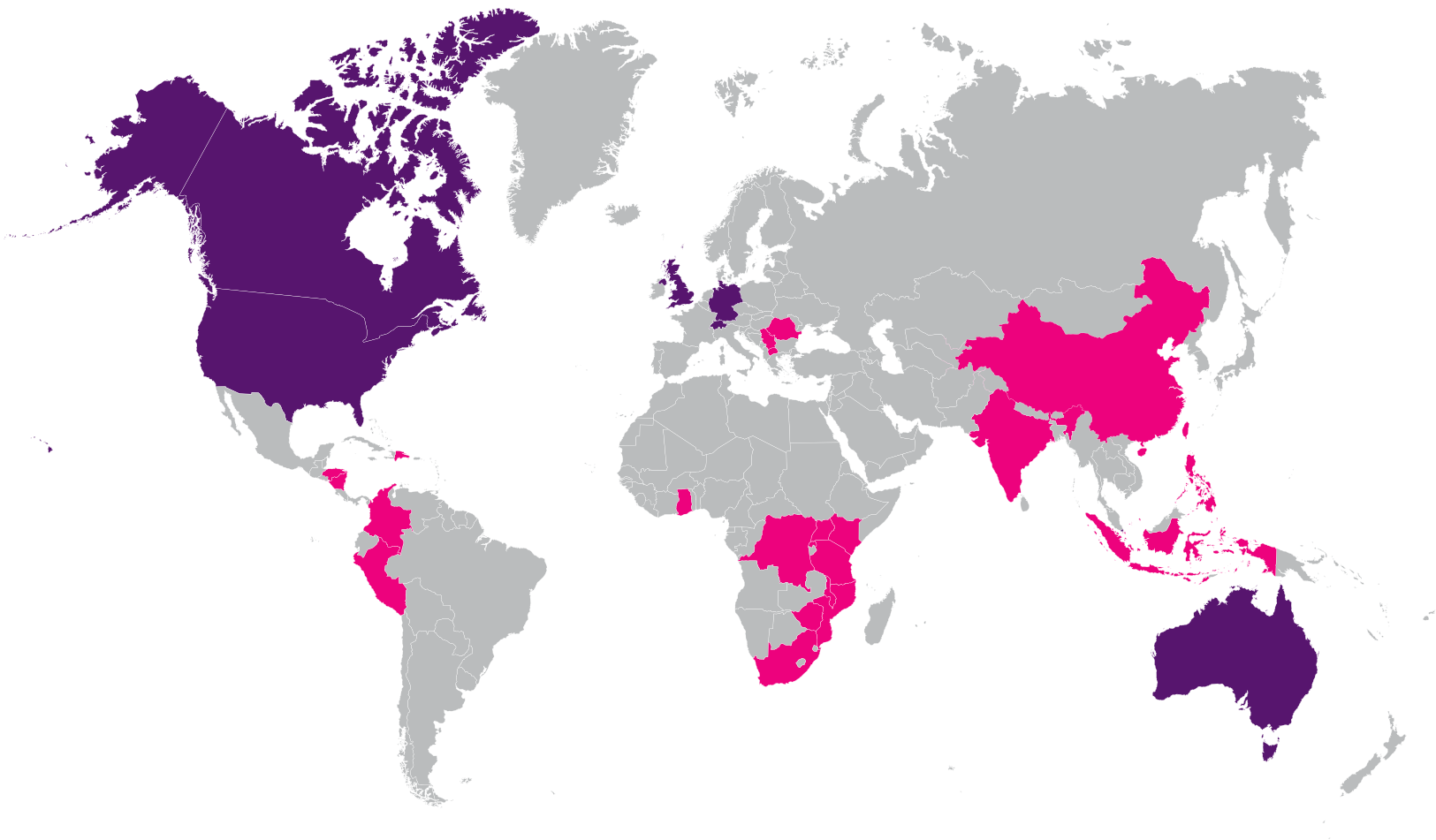
NOTES TO FINANCIALS

FINANCIAL STATEMENT PRESENTATION


The financial information included in the statements on this page was compiled from the financial statements of independent organizations. The Implementing Members' statements represent a combination of the revenue and expenditures and balance sheets of the 46 Implementing Members, also without regard to ownership status. The statements are unaudited. Audited statements of the members are available upon request.

EQUITY OWNERSHIP IN AFFILIATES

Opportunity International Canada receives donations and grants for investment in 15 microfinance institutions. The investments provide start-up costs as well as expansion for the loan and other programs.



OPPORTUNITY GLOBAL NETWORK MAP

We provide client services in 22 countries and have support members, who raise funds for our microfinance institutions, in 8 locations.  See leaf for countries where Opportunity Canada supports programs.

AFRICA

- Democratic Republic of Congo
-  Ghana
- Kenya
-  Malawi
-  Mozambique
-  Rwanda
- South Africa
-  Tanzania
-  Uganda
- Zimbabwe





ASIA

- China
- India
- Indonesia
-  Philippines

EUROPE

- Macedonia
- Romania
- Serbia

LATIN AMERICA

-  Colombia
-  Dominican Republic
-  Honduras
-  Nicaragua
- Peru

SUPPORT MEMBERS

- Australia
- Canada
- Germany
- Hong Kong
- Singapore
- Switzerland
- United Kingdom
- United States



OPPORTUNITY
International
CANADA

**10 FOUR SEASONS PLACE, SUITE 610,
TORONTO ON, M9B 6H7
877.867.2448
opportunityinternational.ca**

**Join the conversation at
facebook.com/OpportunityCan
twitter.com/OpportunityCan**

Opportunity International provides access to savings, small business loans, insurance and training to millions of people working their way out of poverty in the developing world. Clients in more than 20 countries use these financial services to start or expand a business, provide for their families, create jobs for their neighbours and build a safety net for the future. Opportunity International is a registered charity and serves all people regardless of race, religion, ethnicity or gender.

Opportunity International Canada is a registered Canadian charity #877516385RR0001.

©2014 Opportunity International

Cover photo: As an Opportunity client for the past three years, Pedro Guerrero of Nicaragua learned skills to help grow his pottery business. Today, he employs four people and is able to pay for college for his two children and his wife. Photographer: Abby Ross.

