



SEED EFFECT
UGANDA

2018 Annual Report

Seed Effect

is committed to bringing **economic empowerment** and the hope of **Jesus Christ** to the hard places.

"Here in the group,
our hands join
together and
we have help
and support."

RACHEL ▶

*'Ambition Trustee'
Seed Effect Savings
& Loan Group Member*

OUR WORK IN 2018

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"Thank you very much"





Dear friends,

As I sat in a circle surrounded by Seed Effect members, I could see both pain and joy on their faces. As they shared their stories, I heard unspeakable sorrow give way to hope. The group started with prayer and a Bible study and then I watched as each Seed Effect member brought his or her savings to be counted and placed in the box.

Since launching in Uganda less than two years earlier, this group was one of the 648 we had served by the end of 2018.

I thought back on our time in South Sudan. It often felt like the wilderness as we encountered so many challenges, war being the final one. Looking back though, I can see that **God used this season to uniquely prepare us for something new.**

“See, I am doing a new thing! Now it springs up; do you not perceive it? I am making a way in the wilderness and streams in the wasteland.” -ISAIAH 43:19

Seed Effect fled the war in South Sudan alongside over a million refugees. We have remained committed to serving the South Sudanese who are now rebuilding their lives in the refugee settlements across northern Uganda and we are also serving Ugandans living in extreme poverty in villages nearby.

Without Seed Effect, many lack access to tools they need to grow economically and spiritually. Together, we are bringing hope and opportunity to another hard place that desperately needs it.

God provided abundantly through you and together we exceeded every goal set for 2018!

You, our incredible partners, empowered 16,840 South Sudanese refugees and Ugandans, who collectively care for an estimated 80,000 children, to build Christ-centered community, study God’s word, and provide for their families with dignity. **On page 18, you’ll meet Gloria & Florence, two of the members you served this year.**

2018 was our biggest year yet, and we are celebrating all that God has done and is doing in Uganda through YOU! It is a tremendous blessing to serve with you, and we are looking forward to all that God has in store for this coming year. Thank you for continuing to bring hope and opportunity to the hard places.



Gratefully,

Missy Williams,
Executive Director & Co-Founder

This is what God did through you in Uganda this year:

- ▶ **YOU GAVE GENEROUSLY**
Over \$980,000* was raised in 2018 to fund this life-changing work!
Exceeded goal of \$950,000
- ▶ **YOU EMPOWERED MORE MEMBERS THAN EVER**
Since launching in Uganda, we’ve served 16,840 South Sudanese refugees and Ugandan nationals.
Exceeded goal of 14,000 members
- ▶ **YOU PROMOTED RESILIENCY**
Graduated Seed Effect members report a 34% average return on their savings.
Exceeded goal of 25%
- ▶ **YOU ENCOURAGED SPIRITUAL GROWTH**
100% of the members surveyed report that this program has had a positive impact on their lives. 98% report an improvement in their relationship with God, self, and others.
Exceeded goal of 90%
- ▶ **YOU FOSTERED SUSTAINABILITY**
99% of graduated groups have continued on to a second savings and loan cycle.
Exceeded goal of 90%

*Gross contributions

Our biggest year yet!

2018 MILESTONES & IMPACT

▶ OPENED OUR 3RD BRANCH

We launched our Yumbe, Uganda branch which serves a local village that is 90% Muslim and one of the world's largest refugee settlements.

▶ BIBLE STUDY TRANSLATION

We completed our first of many program manual and Bible study translations to better serve our members.

▶ UGANDA STAFF EXPANSION

In country, our team has grown to 40 full-time and 95 part-time South Sudanese and Ugandan staff members.



"These members have come to know Jesus, grown in their faith, and have been empowered to provide for their families. You've helped make disciples. And without you, none of this would have been possible."

JAMES LOMUDE, Seed Effect Uganda Country Director



16,840
MEMBERS SERVED

98%

IMPROVED
RELATIONSHIP
WITH GOD, SELF,
OTHERS & CREATION



34%
AVERAGE
RETURN ON
SAVINGS



99%
GRADUATED
GROUPS
STARTED A
2ND CYCLE

\$576,000



SAVED BY SEED EFFECT MEMBERS

Together, we're challenging the **status quo**

When you partner with Seed Effect, you are challenging the misconception that refugees and the materially poor need a hand out.

AT SEED EFFECT, WE BELIEVE

- ▶ With the right tools, refugees and the materially poor can and want to provide for their families with dignity.
- ▶ True transformation can't happen apart from the Gospel.
- ▶ The hard places are worth investing in.
- ▶ How we help truly matters.

Sustainable change happens when we provide opportunities for people to support themselves. Our members are capable. They have dreams, skills, and a desire to work, but they lack access to the financial tools they need to provide for their families with dignity.

That's why, together, we're bringing an effective and dignifying poverty alleviation tool called **Christ-centered, savings-led microfinance** to the refugee settlements in northern Uganda and beyond.



“Poverty is rooted in broken relationships (God, self, others, and creation) so the solution to poverty is rooted in the power of Jesus’ death and resurrection to put all things in right relationship again.

When these relationships are functioning properly, people are able to fulfill their callings of glorifying God by working and supporting themselves and their families with the fruit of that work.”

BRIAN FIKKERT, *When Helping Hurts*

▶ Read more from Brian Fikkert's keynote at the 2018 Seed Effect Spring Luncheon on page 14.

Beatrice Abua, 'Hope' Seed Effect Savings & Loan Group Member

How **it works**

CHRIST-CENTERED, SAVINGS-LED MICROFINANCE

Without access to banking services, refugees and those trapped in material poverty don't have a safe place to save for lump sum expenses, like school fees, or a way to access affordable credit to support income generation. Without access to insurance, paying for emergency expenses can be devastating. Broken systems force many of these families to struggle to survive rather than thrive, and, as a result, they lack the opportunity to overcome poverty.

- ▶ **Seed Effect's Christ-centered, savings-led microfinance program provides a safe place for poor households to both save and borrow money in order to generate income, as well as Christ-centered community and spiritual discipleship.**



'Amanita' Seed Effect Savings & Loan Group

Seed Effect Savings & Loan Cycle

Average length: 9-12 months



1. SAVE

Self-selected groups of 15-25 individuals meet weekly with a Seed Effect trainer to:

- ▶ Study God's word.
- ▶ Build Christ-centered community.
- ▶ Pool their savings.
- ▶ Contribute to a micro-insurance fund.



2. LOAN

As their savings grows, they provide interest-bearing loans to each other.

These loans are invested in businesses, used to pay school fees, or to provide for other household necessities. The micro-insurance fund serves as support in case of emergency.



3. PROFIT PAYOUT

At the end of the cycle their savings and the interest earned is distributed based upon the amount contributed.

On average, Seed Effect members report a **34% return** on their savings!



of Seed Effect groups continue to save during a **second cycle.**

Once our groups graduate from their first cycle, they are equipped to continue saving independently.

Spiritual discipleship

PARTNERING WITH THE LOCAL CHURCH

1. PARTNERSHIPS

Through Seed Effect's relationships with Empower One and other like-minded organizations, we partner with the local church by starting Seed Effect Savings & Loan Groups at churches.

Our program equips the church with financial and discipleship tools to empower their members.

► **Currently 17% of our groups meet at churches.**

2. OUTREACH

Our program also serves as an outreach tool. We start groups in the areas surrounding these local churches to reach people that might not visit a church.

As we share the Gospel and disciple them, our goal is to plug them into a local church in their area.

► **98% of our members report that this program has improved their relationship with God, self, and others.**

► **43% of our members who were not Christians prior to joining Seed Effect report that they are now "born again" and have chosen to follow Jesus.**



"Pastor Martin encouraged me not to suffer alone with the children. He welcomed us. Through the church, I joined the Seed Effect savings group called Hope and was completely comforted.

All of us in the savings group have decided to ignore the hardship we've faced and focus on the good things God is doing for us. When we come together, we share, have fun, and forget our sorrows. The collection of the small savings is also so helpful. My group strengthens me."

MARY PETER LUWE,
'Hope' Seed Effect Savings & Loan
Group Member

'Hope' Seed Effect Savings & Loan Group reading the Bible during their group meeting.

It's working

DATA & EVALUATION

The UN recently told our staff that organizations like Seed Effect have become their top priority in serving refugees because the ability to build income, generate savings, and access small loans impacts all UN focus areas including healthcare, shelter, education, food security, and livelihood. We survey our members when they join Seed Effect and upon graduation from their savings and loan cycle to track the impact.

Since we believe true transformation cannot happen apart from the Gospel, we also ask our members about the spiritual growth they've experienced throughout the year through Bible study, group prayer, discipleship conferences, and the community of their group.

In the charts included, you can see the data we've collected to measure the change across several common poverty indicator metrics.

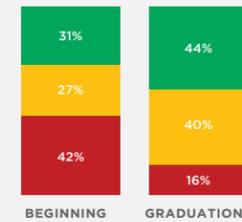
► Bottom line, it's working.

With access to better and more reliable financial tools, our members are improving their lives in every sector measured.

HEALTHCARE, EDUCATION, FOOD SECURITY

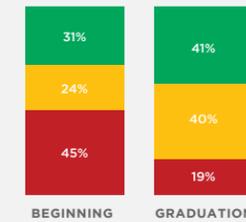
WHEN I NEED TO PAY THE DOCTOR

- I use savings or business income
- I borrow money
- I sell a household asset



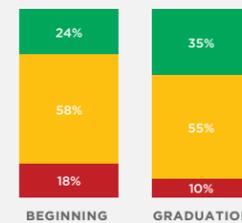
WHEN I NEED TO PAY SCHOOL FEES

- I use savings or business income
- I borrow money
- I sell a household asset



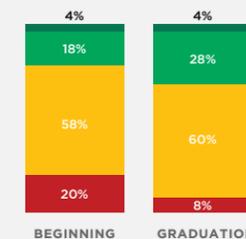
MEALS PER DAY

- Three
- Two
- One



FREQUENCY OF MEAT

- More than once in a week
- Once in a week
- At least once a month
- Less than once a month



LIVELIHOOD

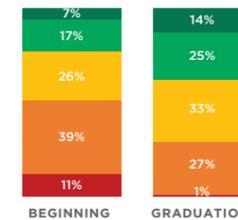
+58%

NUMBER OF LIVESTOCK OWNED



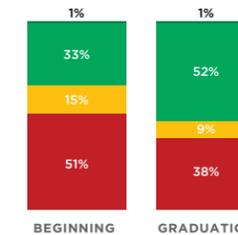
HOW STEADY IS YOUR INCOME?

- Steady
- Somewhat steady
- Somewhat unsteady
- Unsteady
- Very unsteady



LIGHT SOURCE IN HOME

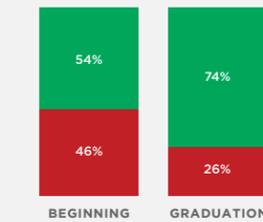
- Electricity from power grid
- Solar
- Other
- No light source



SPIRITUAL

ARE YOU BORN AGAIN?

- Yes
- No



98%
REPORT THEIR RELATIONSHIP WITH GOD, SELF, OTHERS & CREATION HAVE IMPROVED.

"At almost every turn poor households are frustrated by the poor quality and reliability of the instruments that they use to manage their meager incomes..."

If poor households enjoyed assured access to a handful of better financial tools, their chances of improving their lives would surely be much higher."

COLINS, ET AL, *Portfolios of the Poor*

Dr. Brian Fikkert

EXCERPTS FROM THE 2018 SPRING LUNCHEON

"PROCLAMATION OF THE GOSPEL IS ABSOLUTELY ESSENTIAL TO POVERTY ALLEVIATION."

"Why? Because Jesus Christ is the healer and faith comes through hearing. **The verbal proclamation of the Gospel is absolutely essential to how Seed Effect is working**, to the individuals and the broken systems, because both of those things are fallen and both of those contribute to the broken relationships at the core of poverty.

"How is Seed Effect doing that? By verbally communicating the Gospel and putting people in community, they are addressing broken individuals and helping people understand that they are image bearers and created in the image of God Almighty. **They are saying, 'You are a restored image bearer of Christ, called to spread His praise as far as the curse is found. That is who you are.'**"



"ALONG COMES SEED EFFECT"

"Seed Effect provides [a woman] with microfinance services, access to capital, and banking services that you and I take for granted. And **because she has access to those banking services she's able to get the capital she needs to start a small business.** She uses that small business to support herself and her children, to pay school fees for her kids, and to enable her to continue in ministry..."

"That's as good as you will ever see. When people in the context of civil war are launched into ministry. It's crazy. And that's what God is doing through Seed Effect."

"CAN SEED EFFECT CHANGE THE ENTIRE GLOBAL FINANCIAL SYSTEM?"

"They can't, but they can change it for the women in that particular group. And they can help those women in that group have access to a financial system that works for them so they can get the help that they need and capital they need to start their businesses.

"Seed Effect is changing the systems at a very micro level."



Read Dr. Fikkert's 2018 Seed Effect Spring Luncheon keynote at: seedeffect.org/fikkert



DR. BRIAN FIKKERT
*Professor of Economics,
Covenant College*

*Founder & President,
The Chalmers Center*

Dr. Fikkert earned a Ph.D. in economics from Yale University, specializing in international economics and economic development.

He has been a consultant to the World Bank; he is the author of numerous articles in both academic and popular journals and co-author of five books, including *When Helping Hurts*.



Gloria and her mother Florence at one of Gloria's shops in the main market.

Gloria & Florence

SEED EFFECT GROUP MEMBERS

Gloria and her mother Florence, members of 'God's Will' Seed Effect Group, both work hard to provide for their families in Uganda. Gloria has three young children and runs two small businesses in the main market. Florence has six grown children and runs a small retail store.

59% of Seed Effect members are South Sudanese refugees who have very little, if any, access to the financial tools they need. The remaining 41% of Seed Effect members are Ugandan nationals, like Gloria and Florence.

While other microfinance programs are available to some Ugandans, there has been overwhelming demand for Seed Effect.

THE MEMBERS IN OUR SEED EFFECT GROUP HAVE A LOT OF RESPECT FOR THE WAY WE ARE TRAINED.



"The members in our Seed Effect group have a lot of respect for the way we are trained. There is transparency and the structure makes it very clear and maintains unity and togetherness within the whole group. This has also helped with time management. When people agree, we save time and that is good for our meetings."

After saving weekly in their group, both Gloria and Florence took small loans which they invested in their businesses. Gloria said,

"Saving money helps me because you save and then you take a loan. I used the loan to buy the inventory you see here. Because once you have all these things and you sell them out, then you increase your capital."



Their Seed Effect Savings & Loan Group met weekly for nine months.

Florence shared, "The whole group had 8.6 million Ugandan Shillings (\$2,300) at the end of the cycle to distribute during the graduation share out. Most everyone saved all that they could during the cycle and so when they were sharing out, members on average received 294,000 Ugandan Shillings (\$72).

"We left 12 shares in the box so we could start our second cycle with more capital. We also raised the share value in the second cycle, it used to be 1,000 and now it is 2,000 Ugandan Shillings. And most of the time group members are saving the maximum amount of five shares weekly."

THE WOMEN ARE NOW IN THEIR SECOND SAVINGS & LOAN CYCLE.

They shared what they like most about their group.

Gloria said, "There is preaching before we start and praying also. It encourages us."

Florence said, "Sharing the Gospel is really helping us in life a lot, both in terms of empowering us economically and then it helps our members to really forgive.

"Before Seed Effect came here, we did not really understand the origin of poverty. But now that Seed Effect has come, they have told us about the four key relationships and this understanding is really helping us a lot.

"We are working hard to restore these relationships and reduce our poverty. I think many people should join Seed Effect." ◀



Adjumani, Uganda

Our vision

IS FOR THE WORLD'S MOST INSECURE AND UNDERDEVELOPED COMMUNITIES TO BE STABILIZED THROUGH ECONOMIC EMPOWERMENT AND THE HOPE OF JESUS CHRIST.

In other words, we serve in the hard places. They are fragile states, post-conflict zones, refugee settlements, closed countries, and rural areas affected by extreme poverty. Our goal is not to be the biggest organization of our type, but to be the “special forces,” bringing dignifying poverty alleviation to the hard places — areas typically devoid of this type of empowerment.

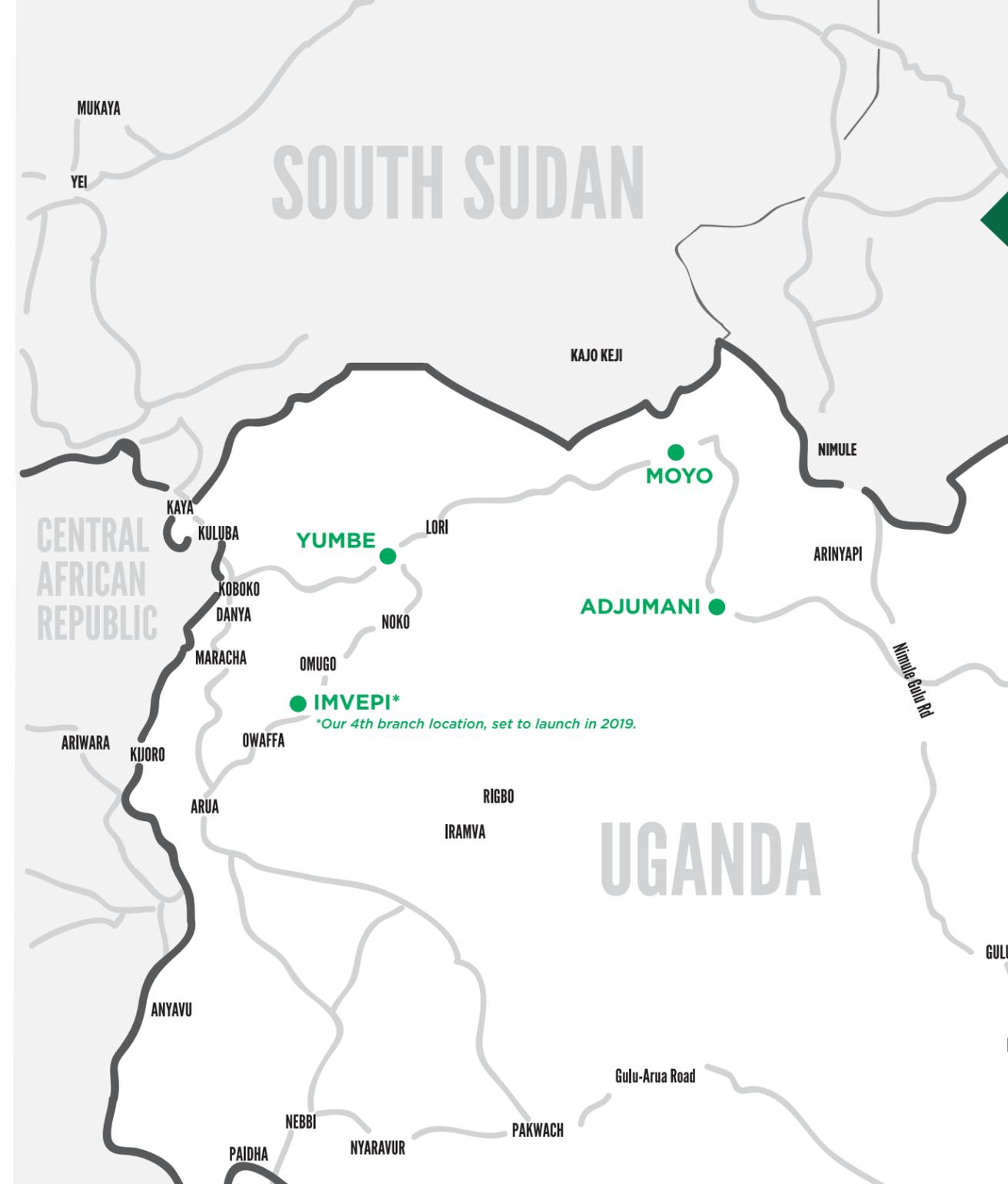
Seed Effect exists because there was an unmet need in South Sudan, one of “the world’s most fragile states”¹. We remain committed to the South Sudanese people, in times of peace or war, at home or in exile.

Launching into Uganda has brought us to another hard place, not just in the refugee settlements, but also to a rural region where it is estimated that 84% of the population lives in poverty. We have once again have encountered an unmet need.

Over the next 3-5 years, we will continue to expand our reach in Uganda, serving both South Sudanese and Ugandans in refugee settlements and neighboring villages throughout the North. We will be ever ready to return to South Sudan if and when circumstances allow, and we will begin to explore opportunities to expand into other hard places.

¹2017 Fragile State Index (Fund for Peace)

²World Bank “Uganda Poverty Assessment 2016: Fact Sheet”



2019 Goals:

EXPAND OUR REACH

- ▶ Serve 13,000 new members.
- ▶ Expand existing branches.
- ▶ Open our 4th branch.
- ▶ Explore opportunities to work in similar hard places.

PROMOTE RESILIENCY

- ▶ Offer livelihood and business skills training for members.

FOSTER SUSTAINABILITY

- ▶ Translate our Program Manual and Bible Study into three additional local languages.

DEEPEN SPIRITUAL IMPACT

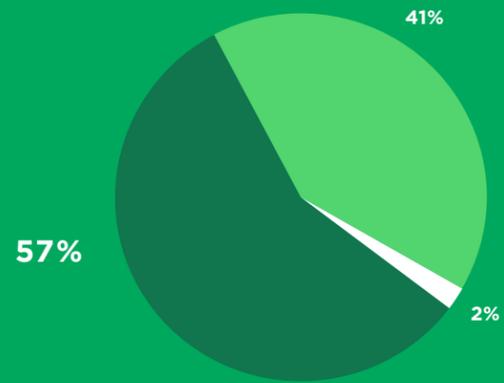
- ▶ Host pastor leadership trainings to expand number of church-based groups and to strengthen local churches.
- ▶ Host staff discipleship conferences.
- ▶ Ensure every group has a Bible.

You helped
Seed Effect grow

Over 200 people gathered in Dallas for Seed Effect: Grow. Together we raised over \$175,000 to fund the launch of our 4th branch in Uganda which will reach 3,000 new members in the first year.



57% of our support comes from people **just like you.**



SUPPORT BY CATEGORY

- Individuals
- Foundations
- Churches



MATT & SEEMA CURRY

Dallas, Texas

“Our introduction to Seed Effect came in 2013 when good friends invited us to join them at Seed Effect’s annual party. Little did we know how invested we would become in this organization.

We were immediately struck by Seed Effect’s humble approach to empower the materially poor. The people they serve are not seeking handouts. They are capable men and women who simply do not have access to the resources we often take for granted. It was so evident to us that preserving the dignity of their members is of top priority to the Seed Effect team.

As we partner with Seed Effect, we are continually challenged and awed by stories of resiliency, determination and Christ-centered life transformation in the darkest places of our world. **Seed Effect seeks to make God’s name great in these places and for that reason, it is not only a privilege but also a joy to support them.**

—Matt & Seema Curry



THE FOSTER FAMILY

Dallas, Texas

“**We love how Seed Effect empowers the people it serves.** Seed Effect is teaching groups how to save and budget while providing Biblical tools necessary to improve their lives—their joy and love for the Lord is so evident!

What a privilege it is to witness life change and growth.

Unlike a mission trip where you can only pray the fire keeps burning, these groups get stronger even after you leave by providing daily support, accountability, love and God’s truth. **Seed Effect is one of the most powerful ways we’ve ever seen to reach people for Christ and to make disciples!**

The Seed Effect leadership is dynamic and committed to serve; their plan is rock solid and proven to be successful. Thank you, Lord, for Seed Effect and the members that it serves.”

—The Foster Family



Give a box that changes lives.

\$60

sends one person through our program.

\$1,500

funds an entire group of 25 members.

Give a one time gift or sign up to give monthly at **seedeffect.org/donate**

FINANCIALS

STATEMENTS OF FINANCIAL POSITION

As of December 31, 2018 and December 31, 2017

Assets	2018	2017
Cash and cash equivalents:		
Without donor restrictions	\$348,749	\$462,977
With donor restrictions	\$148,000	\$39,893
Total cash and cash equivalents	\$496,749	\$502,870
Pledge receivable	\$40,000	-
Prepaid expenses	\$8,950	\$8,759
Total assets	\$545,699	\$511,629
Liabilities and Net Assets		
Accounts payable and accrued liabilities	\$6,368	\$11,457
Total liabilities	\$6,368	\$11,457
Net assets:		
Without donor restrictions	\$391,331	\$460,279
With donor restrictions	\$148,000	\$39,893
Total net assets	\$539,331	\$500,172
Total liabilities and net assets	\$545,699	\$511,629

STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2018 and December 31, 2017

	2018	2017	% Change
Revenues, gains, and other support:			
Contributions	\$753,267	\$597,575	26%
Special events (net of expenses)	\$171,242	\$46,570	268%
Other	\$2,303	\$2,163	6%
Total revenues, gains, and other support	\$926,812	\$646,308	43%
Expenses:			
Program services	\$634,353	\$471,152	35%
Management and general	\$112,842	\$110,261	2%
Fundraising	\$140,458	\$114,510	23%
Total expenses	\$887,653	\$695,923	28%
Change in net assets:	\$39,159	\$(49,615)	179%
Net assets, beginning of year	\$500,172	\$549,787	-9%
Net assets, end of year	\$539,331	\$500,172	8%

End Notes

A certified public accounting firm has audited our 2018 financial statements. Complete financial statements and the independent auditors' report are available upon request.

Seed Effect provides technical assistance and funding to enable Seed Effect Uganda, an independent organization in Uganda, to provide access to savings, microloans, education, and spiritual discipleship. Seed Effect retains full discretion and control over the use of donated funds.

Cover Photo: 'Struggle' Seed Effect Savings & Loan Group
Featured photography courtesy of Esther Havens, Mo Sadjadpour, and Abrahanny Rodriguez.





Our mission

is to plant the seeds that overcome poverty by providing access to economic empowerment, education, and spiritual discipleship in marginalized communities around the world.

BOARD OF DIRECTORS

Kirk McKinnon

*Chairman of the Board
Senior VP, Avatar Investment Group*

Eddy Badrina

*President and Co-Founder,
Buzzshift*

Jarrad Brandt

HR Consultant, Oasis Outsourcing

Mike Congrove

Founder & CEO, Empower One

Mark Girtz

*Shareholder,
Munsch Hardt Kopf & Harr, P.C.*

Lisa Huntsberry

Former CFO, Interstate Batteries

Sally Michael

National Executive Partner, J.Hilburn

Drew Mosier

Associate, Weil Gotshal & Manges, LLP

David Williams

*Director of Operations, Launch Global
Co-Founder, Seed Effect*

Missy Williams

*Executive Director & Co-Founder,
Seed Effect*

LEADERSHIP

Missy Williams

*Executive Director & Co-Founder
U.S.*

James Lomude

*Country Director
Uganda*

Joel Cox

*Director of Operations
U.S.*

Scovia Mansuk

*Head of Operations
Uganda*

Denny Slaton

*Stewardship Advisor
U.S.*

Butti Jerry

*Head of Finance
Uganda*

Kenneth Duku

*Head of Spiritual Discipleship
Uganda*

Grace O'Hara

*Project Manager
U.S.*



Rebekah Poiré - God's Mercy' Seed Effect Savings & Loan Group

Tinate Parik!

“THANK YOU VERY MUCH”

I am profoundly honored to celebrate what the Lord has done in the year 2018 through your immeasurable support. You have been on mission as Jesus states in Matthew 28:19-20:

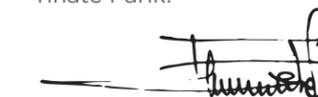
“Therefore go and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit, and teaching them to obey everything I have commanded you...”

Thank you for the sacrifices you have made to help us achieve this joint goal. Together we have now served 16,840 Seed Effect members in 648 groups! You have read that these members have come to know Jesus, grown in their faith, and been empowered to provide for their families with dignity. You've helped make disciples. And without you, none of this would have been possible.

From the Seed Effect team here in Uganda, we wish to say thank you very much.



Tinate Parik!



James Lomude,
Seed Effect Uganda Country Director



It starts with a
simple green box.

seedeffect.org/2018annualreport

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