

LESSON 1

What is Inclusive Finance?

- Concerned with financial services and products destined to aid low income populations.

It is developed by

- Microloans
- Micro-Insurance
- Money Transfers
- Micro-Pensions
- Savings Products

Marketed by:

- Financial Institutions
- Microfinance Institutions
- Cooperatives
- Micro Insurance brokers
- Banks

Considered to be responsible when

- When it takes into account all the protagonists of the value chain, namely the final beneficiary of course, but also the donors, the microfinance institutions, and in a more global way the impact in which it can have on our planet.

What is Financial Inclusion?

- Refers to efforts to make financial products and services accessible and affordable to all individuals and businesses, regardless of their personal net worth or company size.

How it works:

- Facilitates day to day living
- Helps Families and businesses plan for everything from long term goals to unexpected emergencies.

What is a Social Organization? Meaning and Definition of Social Organization.

- **Stability** is the condition of equilibrium among the parts of society.

- The **whole society** is a big organisation in which individuals, groups and institutions participate.

Definition of a Social Organization:

- Means the interdependence of parts which is essential characteristics of all enduring collective entities, groups, communities, societies. -**Duncann Mitchell**

Comparison and Contrast: Social Enterprise, Entrepreneur, and Business by Kate Barr

Social Enterprise is defined by Social Enterprise Alliance as "Organization or venture (within an organization) that advances a social mission through entrepreneurial, earned income strategies.)"

Social Entrepreneurs are defined by Ashoka as those who "act as the change agents for society, seizing opportunities others miss and improving systems, inventing new approaches, and creating solutions to change society for the better."

Socially Responsible Business is defined as a venture (generally for-profit) that seeks to "leverage business for a more just and sustainable world" (Social Venture Network or "help create a better world by building healthy communities, promoting economic equity, and fostering a clean environment" (Social Investment forum)).

Overall:

1. Social enterprises are defined by *revenue sources*.
2. Social entrepreneurs are defined by *vision and strategy*
3. Socially responsible business are defined by *the intention and goals of a for-profit business*

LESSON 2

What is the Definition of Social Development?

- It is the prioritization of human needs in a society.
- Takes place on individual levels as well as broader societal levels.
- The intention is to improve life for all.
- A complex and multi-faceted aspect of society that contains many parts.
- Based on improving all citizen's quality of life, but it places heavy emphasis on education and lifelong learning opportunities.
- Concerned with improving and maintaining the physical strength and resilience of communities themselves.

Social Development Framework

- One of the most positive aspects of social development is its ability to influence larger social institutions.
- Accomplished by creating a more unified society where everyone is treated equally and has a say to what happens.
- The uniformity, collaboration and cooperation that social development creates is called **social cohesion**.
- The end goal of social cohesion is to create a more **just, peaceful and fair society** where there's peace and calm at all levels of the society, including various communities within a larger society.
- They are **intergroup cohesion, activism, clubs and associations, and interpersonal**

Grassroots Efforts Social Development affects societies at large, but it begins on a personal or individual level.

What is Social Organization?

Meaning and Definition of Social Organization:

- **Stability** is the condition of equilibrium among parts of society.
- **Change** is the dynamic condition of society,

Social Organization Definitions

"Social organizations means the interdependence of parts which are essential characteristics of all enduring collective entities, groups, communities, and societies." -**Duncan Mitchell**

"An organization is an articulation of different parts which perform various functions, it is an active group device for getting something done." - **Ogburn & Nimkoff**

"An organization means technical arrangement of parts." - **Broomand Zelznick**

Relationship of Social Organization and Interaction

- **Social Organization** is the product of **social interaction**.
- Interaction among individuals, among groups, among institutions, among classes, among members of a family **create social organization**.
- Organization means interrelationship among members or parts which is an interaction.

Relationship of Social Organization and Social System

- **Social System** is an ongoing unit developed by the interdependence of its elements.

Relationship of Social Organization, Status and Role

- The individuals in a social organization perform their activities according to their social positions called **status**.
- The activities done in an organization are called roles of the members, even individuals perform his roles according to his status.
- Financial inclusion is the delivery of **financial services** at affordable costs to the economically weaker and the lower-income segments of society, taking several initiatives on the social sector front, all of which are potentially game-changers in the realm of social sector policy canvas.

The key initiatives undertaken by the government for social and economic security are enumerated below:

- **Financial Inclusion of the Poor:** This is a very significant scheme that strives to end Financial Untouchability by ensuring that the economically weaker sections have access to bank accounts.
- **Expansion of Social Security Net:** This has been achieved through **Accident Insurance, Unorganized Sector and Life Insurance**, which provide **social and economic security** to the marginalized sections of the society.
- **Institutional Support for Entrepreneurship:** Achieved through Bank, to provide Micro Finance to entrepreneurs in rural areas.

Background on Inclusive Finance as Development Strategy

- **National Financial Inclusion Strategies (NFIS)** can be defined by actions, agreed and defined at

the national subnational level, which stakeholders follow to achieve financial inclusion objectives.

The effective design and execution of a National Financial Inclusion Strategy or Action Plan rests on six main building blocks:

- **Data and Diagnostics:** The content and priorities of the NFIS are informed by data and Diagnostics, covering demand and supply side.
- **Targets and Objectives:** On the basis of available financial inclusion data, concrete, measurable, and verifiable targets can be set, against which regulators can monitor progress,
- **Leadership and Coordination:** Internal Coordination efforts are needed both during the formulation and implementation of the NFIS.
- **Strategy Formulation:** Drafting the NFIS can be done on a consultative basis, to secure buy-in across government and the private sector.
- **Strategy Implementation:** The actions reforms set out in the strategy benefit from clear prioritisation and sequencing, with clarity also on the roles and responsibilities for each implementing institution.
- **Monitoring and Evaluation:** M&E is essential to ensure that the implementation of the strategy is on track and adjust policies and other measures in real time

Acronyms and Definitions

BDM - The central bank of mozambique
NFIS - National Financial Inclusion Strategies
WBG - World Bank Group
ID - Inclusive Development

IM - International Business and Management

HCS - Humanitarian crisis situations

WASH - Water, Sanitation, and Hygiene Services

IWI - Inclusive Wealth Index

IB - Inclusive Business

SBS - Sustainable Biodiversity Stewardship

JPS - Justice of Peace

Inclusive Finance for inclusive growth and development - Germanna Corrado;Luisa Corrado

- Inclusive Finance provides affordable access to financial services for all people.
- It enables agents to make longer-term consumption and investment plans.
- It shields households and firms from advance shocks.
- It empowers people to exploit better economic and social opportunities. It drives economies on a sustainable growth journey.

Inclusive Development: A multi-disciplinary approach - Nicky Pouw;Joyeeta Gupta

- Inclusive development implies social, ecological and relational inclusiveness.
- Inclusive Development has its roots in different disciplinary approaches
- Inclusive development is used to counter exclusive capitalist approaches.
- Inclusiveness refers to how access to and allocation of basic resources is organised.
- Development refers to ecological and social wellbeing.

Sociotechnical systems and sustainability: current and future perspectives for inclusive

development. - Alfreen Siddiqi;Ross DCollins

- We explore engineering and inclusive development (ID) via sociotechnical systems.
- Foundational literature is inclusive innovation, expanding access to technology.
- Inclusive wealth offers a framework for analyzing, expanding access to technology.
- Inclusive wealth offers a framework for analyzing the effects of systems on development.
- Inclusive innovation and inclusive wealth connect sociotechnical systems with ID.

Inclusive development from a gender perspective in small scale fisheries - Dilanthi Koralagama;Joyeeta Gupta;Nicky Pouw

- Millions of women engage in the small-scale fisheries sector: but invisible.
- Social exclusion occurs without accommodating and valuing women's contribution. Gendered discrimination takes different forms in small scale fisheries.
- Women empowerment and gender responsive policies are demanding
- Meaningful gendered analysis is critical for inclusive development in marginalized communities.

Corporate sustainability and inclusive development: highlights from international business and management research - Arno Kourula

- Our analysis shows the emergence of an inclusive development research agenda in IM.
- IM has studied the environment and labor, not human wellbeing and empowerment.

- IM is more developed country oriented, without really questioning economic growth.
- SDGs 3,4,5,6,11,14,15, and 16 have received limited attention in IM thus far.
- IM can contribute many insights on firms and their peculiarities to other fields.

Inclusiveness in humanitarian action-access to water, sanitation & hygiene infocus

- Anthropogenic & natural disasters displace around 84 persons every minute.
- Legal principles & moral obligations protecting victims of disaster predate ID.
- Legal principles & WASH instruments mostly prioritise social & relational inclusion
- Legal principles & WASH instruments may compromise environmental inclusion.
- Moral Obligations for WASH promote the three dimensions of ID but lack justiciability.

Pro-poor water and sanitation: operating inclusive discourses to benefit the poor:

- Pro-poor concept prepared grounds for theorising on inclusive development (ID)
- Pro-poor process in WatSan reveals instruments, assessments and outcomes
- Pro-poor WatSan “provision” implies passive participating of the poor.
- Pro-poor WatSan intergrated apporaches can overlook key ID dimensions
- Pro-poor WatSan improves provision and offers insights upon which ID can build

Degrowth and post-extractivism: two debates with suggestions for the inclusive development framework

- Degrowth in Europe radically challenges the capitalist- growth imperative
- Post-Extractivism in Latin America questions the western development imperative.
- Degrowth and post-extrativism argue for profound social-ecological transformation.
- Inclusive Development (ID) needs to build on ideas from degrowth and post-extrativism.
- ID should question the commodification of social relations and environmental public goods.

State of the state: politics of power shifts and shifting power of the state like india - Sudha Mohan

- The role of state in specificity
- The political contestation over policy concerns
- The nature of citizenship rights ensured by the state constitution and institutions

Innovative tools and new metrics for inclusive green economy - Pushpam Kumar

- Inclusive green growth/economy really revolves around injecting investment in ecosystem restoration
- Restoration of natural capital/ecosystems is found to be economically efficient (cost effective) and good employment creation.
- While restoration can create jobs and output, the need of the hour is restructuring the sector's economy wide.
- New metrics of inclusive and green growth and performance are

needed to monitor progress and guide policy and decision makers.

- The inclusive wealth index provides a meaningful measure of national growth, prosperity and sustainability.

A review of theories and evidence of inclusive growth” an economic perspective for africa - Nicholas Ngepah

- Inclusive growth is relevant in Africa
- Inclusive growth requires transformative local change.
- A palatable framework for analyzing inclusive growth is needed.
- Labour absorption and increasing productivity are key to inclusive growth in Africa
- High inequality and slow poverty reduction make African growth less inclusive

Inclusive sustainable development: A human rights perspective - Karin Arts

- Human rights (HR) norms inspired the SDG'S focus on inclusive development (ID)
- HR/ID norms can be used to address persistent inequalities and development deficits
- Agenda 2030 tries, but fails, to integrate the three dimensions of development fully.

Anthropology and Inclusive development - Laurens Bakker;Gerben Nooteboom

- Inclusive Development is a multi-level, Multi Interest process.
- Anthropology focuses on inequality and interaction in development
- Non-state, business-driven interventions in development reproduce existing inequalities

- Social inclusion and exclusion can be consequences of all types of development
- Contemporary issues like land grabs, security and corporate development require inclusive development.

Is Education for Sustainable Development the means to bring about inclusive development? Between Idealist and alternative positions - Xavier Bonal;Clara Fontdevila

- Education for sustainable development (ESD) is no guarantee for inclusive development
- ESD proposals advanced by international organizations are characterized by an idealistic nature
- Academic literature problematizes ESD's conceptual ambiguity and instrumental orientation.
- Alternative and more realistic proposals have been developed lately.

Inclusive development and agricultural adaption to climate change - Xiao-Sanluo

- Inclusive Development under climate change requires more adaptive practices and policies in agriculture.
- Agricultural adaption can only succeed iud multiple stakeholders at multiple levels create the socio-political space for negotiation and collaboration
- Adaptation approaches should;d be developed based on impact mechanisms and locally informed conditions
- Inclusive climate-smart agriculture aims to enhance resilience, increase productivity, reduce

inequality and promote shared prosperity.

Inclusive Business—a business approach to development - Eunice Likoko Janvier Kini

- Inclusive Business (IB) aims to address development challenges
- IB complements Corporate Social Responsibility and value chain management
- IB includes the poor as suppliers, producers, distributors and users
- IB can result in adverse social and ecological inclusion
- IB must bridge the theory-practice gap in developing country contexts

Sustainable biodiversity stewardship and inclusive development in South Africa: a novel package for a sustainable future - Yashwant SRwat

- Sustainable biodiversity stewardship on private lands that promote inclusive development is needed
- Well-designed fiscal incentives in sustainable biodiversity stewardship contribute to social and ecological goals of inclusive development
- The effectiveness and trade-offs of fiscal incentives are ascertained and described
- This paper provides a framework to advance sustainable biodiversity stewardship and inclusive development on private lands

Towards a trans-disciplinary conceptualization of inclusive development - Joyeeta Gupta;Nicky Pouw

- Inclusive Development (ID) must redefine 'growth'
- Social Inclusiveness implies the furthest behind first and rights-based approaches

- Ecological inclusiveness contests commodifying nature and externalizing pollution
- Relational inclusiveness calls for accountable states and emancipatory politics
- Equitable sharing requires renegotiation of the global social contracts

The Poor and the underserved IF targets

The World Bank, other financing institutions, social organizations and cooperatives are committed to fighting poverty in all its dimensions,

The Poor in Elizabeth England

Life for the poor in Elizabeth England was very harsh. They did not share the wealth and luxurious lifestyle associated with famous Tudors such as Henry VIII, Elizabeth I and non-monarchs such as Sir Francis Drake.

The poor were divided into three groups by the government

Helpless poor - were not considered as a burden since it was believed that it was their own fault in that position

Able Bodied Poor - Can and wants to work, gets paid a poor rate until they find a normal job.

Rouges and Vagabonds - People who could work but preferred to beg or steal, hunted by the government.

A sentence such as **"If you clump a cony you can cloy his peck"** would mean **"if you hit a victim you can steal his food"**

"A high-pad has lifts for his mort" would mean a **"highway man has stolen goods for his woman"**

"I need a bit for the boozing ken" means that **"I need money for the pub"**

Poor People - people without possessions or wealth

Homeless - Poor people who unfortunately do not have a home to live in

Needy - needy people collectively

LESSON 3

Overview of Social Organizations' Operations and their Implications to Accounting System and Financial Statement Presentation

ISO 26000:2010

- Provides guidance rather than requirements, so it cannot be certified to unlike some other well known ISO Standards

Support for Implementing ISO 26000

- It was developed by a working group of 500 experts.

Documents to support the implementation of ISO 26000:

- **Communication Protocol** - Describes appropriate wordings organizations can use to communicate about their use of ISO 26000
- ISO 26000 basic training materials in the form of a Powerpoint and training protocol guidance PDF
- Documents that link ISO 26000 with the OECD Guidelines for Multinational Enterprises and the United Nations 2030 Agenda (Sustainable Development goals)

How to develop Financial Reports in NGOs - NGO financial Management Policy

- Required to maintain a system for recording and submitting all types of financial transactions made by them for the purposes of

implementing projects and running their organizations.

- Following a systematic procedure and maintaining policy on managing NGO finances is a strong indicator of a good health organization.
- Even donor agencies would be most happy to render immediate funding support to such NGOs which have systematic policies in place for effective financial management.
- Operational or administrative manuals on conducting day-to-day financial transactions can be a strong toll to demonstrate the good governance, transparency and systematic management of an NGO.

Basic Accounting and how to maintain Accounting Trail in an NGO Financial Management Policy

- An important section of the NGO financial management policy is the "basis of accounting" and maintaining the 'accounting trail'.

Accounting Policies & Procedures Basis of Accounting

- a. The organization shall prepare its accounts on the basis of historical basis of accounting but assets shall be re-valued from their historic cost to reflect current values as necessary.
- b. The organization shall apply an accrual based accounting method.
- c. Grants and donations if any shall be recorded separately from operational activities.
- d. In-kind Contributions must be recognized through journal adjustments that are supported by appropriate and objective documentation.

Maintaining Accounting Trail

Expense - cash memo - voucher - cash book - ledger - trail balance - income and expenditure statement, balance sheet

Programmatic trail

Program Plan - Activity to be performed - Authorization from the program head for the expense related to the activity - Perform the Activity - Maintaining the relevant program records

How NGOs can maintain Cash Book - NGO Financial Management Policy

- A cash book generally records all types of financial transactions and it is an important bookkeeping document.

Maintaining Cash Book

A primary book of entry that is prepared after a voucher for a particular transaction.

- a)** A double column cashbook that can act as a bankbook or a single column cashbook (in case a bank book is maintained separately) has to be maintained.
- b)** No cutting or alterations should be made in the cashbook. Correction fluid should also not be used. Any mistake should be corrected by passing a rectification entry.
- c)** Cashbooks have to be written regularly (as and when a transaction takes place). All cash balances should be inked up regularly.
- d)** The Cashbook has to be tallied checked and signed by the competent authority or any other appropriate authority every month.
- e)** Cashbooks should always remain at the office."

Types of Books and Documents to be maintained for accounts management in NGOs - NGO Financial Management Policy

- Following are listed the various types of books and documents (bookkeeping)

Account Books and Documents to be Maintained

- a. Cash Payment/Receipt Vouchers and Book
- b. Bank Payment/Receipt Vouchers and Book
- c. Summary/Daily Petty Cash Book
- d. Journal Vouchers and Journal
- e. General Ledger
- f. Fixed Assets Register
- g. COntact/Registration Documents
- h. Attendance Register
- i. Budget COpies of various Grants
- j. Utilization Certificates
- k. FCRA Foreign Contribution Regulation Act, 2010, and other relevant Registration papers
- l. Copies of Consultancy agreements
- m. Capital Assets Approvals
- n. File of original bills of assets purchased
- o. Copies of Contracts and agreements
- p. Stationary Register
- q. File Containing Bank Mandate and Authorized sIgnatories
- r. Quotation file for all purchases
- s. Advance Payment Register (Advance to third parties & Staff aAdvances

Receipts and Payment Account

- This is like a summary of the cash and bank book and starts and ends with the cash and bank balances.

Preparation of the Final Accounts

- Include a balance sheet and income and expenditure account, and a receipts and payments

account would need to be drawn up to the end of the year.

How to develop Financial Reports in NGOs - NGO Financial Management Policy

- Developed for internal use, such as monitoring expenses within the organization, and also for external use, such as submitting reports to donor agencies

Monthly Accounts

- The financial reports and schedules as prescribed below should research the relevant persons before the 10th of the following month as per the following dates

Monthly Expenditure and variance Report

- Reflects the expenditures incurred during the month for each line item and the total expenditure incurred for the month.
 1. Permitted under the terms of this grant
 2. Unanticipated requires approval

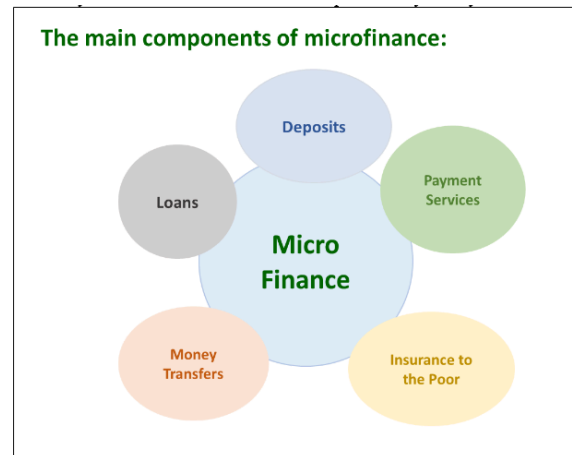
LESSON 4

Microfinance Principles and Approaches

Microfinance has been a development and economic tool which has helped in bringing about financial inclusion in many aspects of our life, just like other micro credit sources. It Provides:

- Working capital loans for business purposes
- Loans to help them access necessities such as food, clothes, shelter and education

- They serve as alternatives to the loans provided by money lenders



Microfinance vs Microcredit

Microfinance typically refers to a range of financial services including, credit, savings, insurance, money transfers, and other financial products provided by different service providers, targeted at poor and low income people

Microcredit typically refers to very small loans for unsalaried borrowers with little to no collateral.

Different types of Microfinance

1. Individual lending or peer to peer lending
2. Pawn Shops
3. Thrift Banks
4. Cooperative Bank

Role of Microfinance and Microcredit Institutions

- To provide the credit access and financial services needed to develop income earning business
- A development and economic tool that has helped bring about financial inclusion in many aspects of life

Microfinance provides

. They provide working capital loans for business purposes.

- . They provide loans to help them access necessities such as food, clothes, shelter, and education
- . They serve as alternatives to the loans provided by money lenders.

Microfinance in Communities and Backgrounder

Microfinance and poverty

The Poor and Their Money, Stuart Rutherford and Sukhwinder Arora cite several types of needs:

- . **Lifecycle Needs:** such as weddings, funerals, childbirth, education, home building, holidays, festivals, widowhood and old age
- **Personal Emergencies,** such as sickness, injury, unemployment, theft, harassment or death
- **Disasters:** such as wildfires, floods, cyclones, and artificial events like war or bulldozing of dwellings
- . **Investment Opportunities:** expanding a business, buying land or equipment, improving housing, securing a job, etc.

The obstacles or challenges in building a sound commercial microfinance industry include:

- Inappropriate donor subsidies
- Poor regulation and supervision of deposit-taking microfinance institutions (MFIs)
- Few MFIs that meet the needs for savings, remittances or insurance
- Limited management capacity in MFIs
- Institutional inefficiencies
- Need for more dissemination and adoption of rural, agricultural microfinance methodologies
- Members' lack of collateral to secure a loan

Features of Microcredit

Group Lending - Lending to solidarity groups

Progressive Lending - If repaid timely, the group can avail a new and possibly larger loan.

Short-term Contracts - Short Repayment Period

Targeting Women - More likely to repay loan for household needs

Savings and Deposit Taking - difficulty controlling the consumption habits.

Microfinance Insurance - offered services to poor people presents many of the same challenges

Obstacles to enforcement - Harder to monitor due to its small size

Subsidies - self sustainable services for the poor.

Empirical Studies - Conflicting data about the value of microfinance as a development tool.

Goodluck bb gurl dont fail this time do your best!