

## **Develop a three-year business plan to reflect the ambitions short term goals of Lyamujungu Sacco**

**Ref.nr. AS 8682**  
**Terms of Reference**

The development of a three-year Business plan for Lyamujungu Sacco, is an assignment within the framework of project 17Lyam-7162-Expanding financial inclusion to farmers and farmer groups. The Agritererra business advisor responsible for this assignment is Henry Mpanga.

### **BACKGROUND LYAMUJUNGU SACCO**

Lyamujungu Cooperative Financial Services Limited (LCFSL) started in 1984 with sixteen members with the goal to provide a cheap source of funds to members. It's a member based and member owned financial institution. In 1990 the group was registered as a Co-operative Savings and Credit society (No. 5695) and covered three Parishes. In 1998 the Sacco was officially inaugurated as LCFSL and the area of operation was extended to two sub counties. Two years later the Sacco bought the current compound and built the head office. In the next twelve years four new branches were opened. In 2011 the Sacco switched from manual to pc (stand-alone) and in 2014, they started to link the branches. To date, the Sacco had 13,340 individual members.

Lyamujungu Sacco is a well-run Sacco, which has established its name in Kabale district as a role model Sacco. The challenges for this Sacco are to maintain their leading role and maintain and extend their high service level to the clients. Technical developments in banking and the partnership with Equity Bank will probably give a boost to this on short-term. Inter alia due to these developments, Lyamujungu Sacco asks for more training and education on all kind of levels, mostly for members and BoD, but also for staff and management.

Following a company assessment conducted by Agritererra mid-2016, and from the gaps identified during the exercise, this mission will focus on guiding and building the Business plan for Rushere to cover at least three years, this will largely be extracted from the Sacco's strategic objectives for the set period and will also develop Cashflow forecasts to back up/support their midterm goals.



## **AGRITERRA**

Agriterra supports farmers' organizations in fighting poverty, with advice from experts from the Dutch agricultural sector and with finance from the Dutch government. Our opinion is that strong farmers' organizations lead to more democracy, economic growth and a better distribution of income. We focus on economic development and work closely together with the Dutch agribusiness.

The aim of Agriterra is making cooperatives bankable. By focusing on few clients within a limited number of countries, Agriterra can target those cooperatives or other farmer owned enterprises, who are ambitious, have good management, have been economically active, have more than 1,000 members and who have plans to invest to expand their business. Agriterra's support is especially based on technical support from experts from the Dutch agricultural and cooperative sector combined with limited project financing. The advisory services can be applied to all aspects of the business planning process, access to finance trajectory or the implementation phase.

## **OBJECTIVES**

The objectives of this mission are:

- develop a written three-year Business plan
- projected cashflows to support the BP.

## **Mission**

Agriterra will bear all the costs for the daily subsistence of the mission team, incl. hotel and transport:

- composition of the mission: the mission will be executed by one agripool expert in the mentioned field and Henry Mpanga a business advisor from Agriterra.
- duration of the mission: the mission will take place for ten days (including travelling, excluding one-day preparation and one-day reporting) from (tentatively) 16<sup>th</sup> September until 25<sup>th</sup> September 2017.

## **ACTIVITIES/ PROGRAM**

| <b>Date</b> | <b>Day</b> | <b>Activities</b>   |
|-------------|------------|---|
| 16 Sept     | Saturday   | Flight to Entebbe, transfer to Kampala; transfer to hotel |
| 17 Sept     | Sunday     | Transfer to Museum Hotel, Muhanga Kabale.                 |
| 18 Sept     | Monday     | Agripool mission  |
| 19 Sept     | Tuesday    | Agripool mission  |
| 20 Sept     | Wednesday  | Agripool mission  |
| 21 Sept     | Thursday   | Agripool mission  |
| 22 Sept     | Friday     | Agripool mission  |
| 23 Sept     | Saturday   | Transfer to Entebbe; flight to Amsterdam                  |
| 24 Sept     | Sunday     | Arrival Amsterdam   |
| 25 Sept     | Monday     | Report Writing  |

## **Expected results**

The expected results of this mission are:

- a clear and precise Business Plan written
- cashflow forecasts as annex to the Plan.