

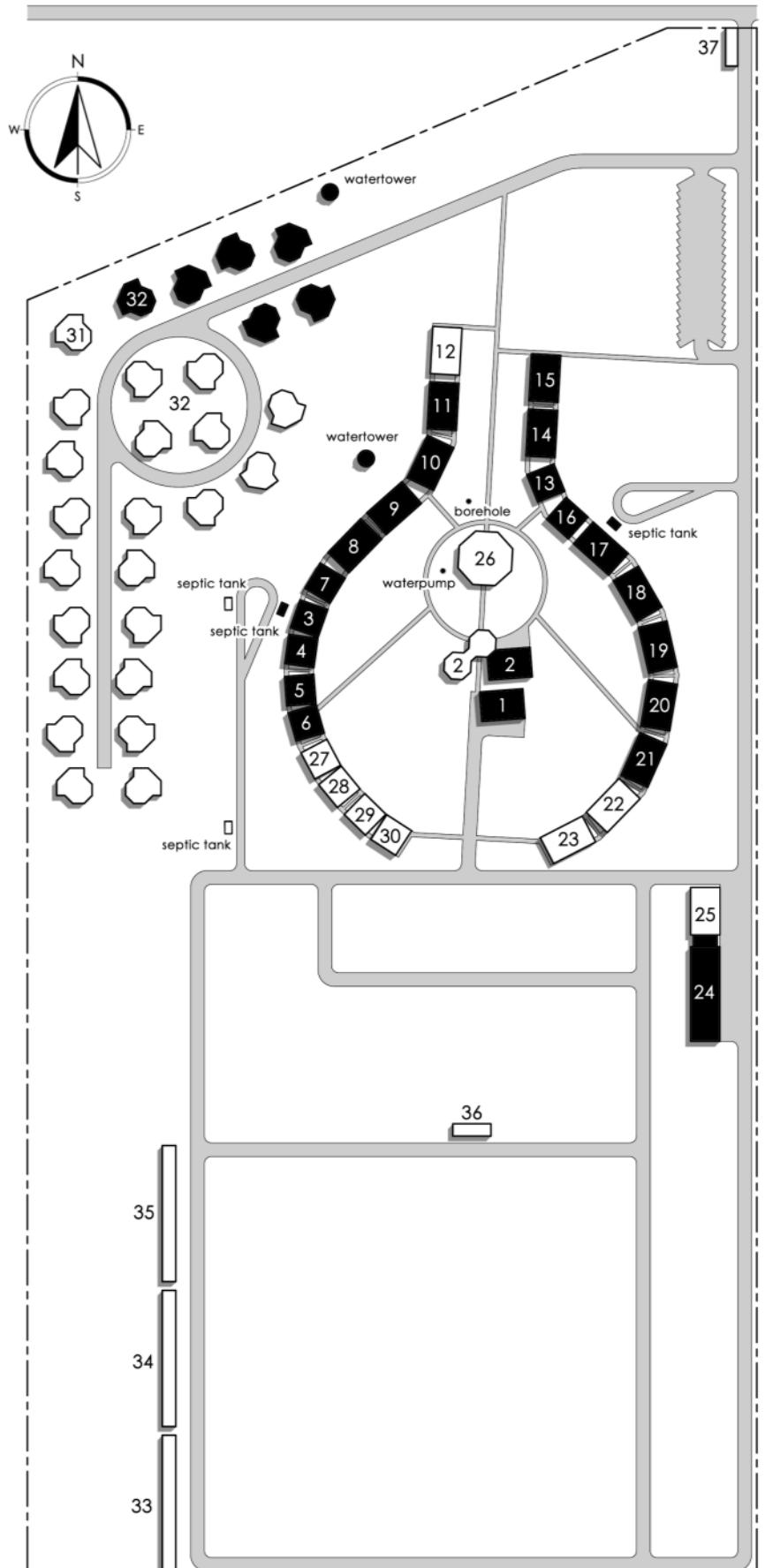


Report VTC 7th of July 2014

- 1 Storage Room
- 2 Kitchen and Restaurant
- 3 Classroom 1
- 4 Classroom 2
- 5 Classroom 3
- 6 Classroom 4
- 7 Sanitary Girls
- 8 Boarding Girls 1
- 9 Boarding Girls 2
- 10 Computerroom
- 11 Library 1
- 12 Library 2
- 13 Administration 1
- 14 Administration 2
- 15 Teachers Room
- 16 Sanitary Boys
- 17 Boarding Boys 1
- 18 Boarding Boys 2
- 19 Practical 1
- 20 Practical 2
- 21 Practical 3
- 22 Practical 4
- 23 Practical 5
- 24 Carpentry Workshop
- 25 Auto Mechanics Workshop
- 26 Auditorium
- 27 Classroom 5
- 28 Classroom 6
- 29 Classroom 7
- 30 Classroom 8
- 31 Principal House
- 32 Teacher Houses
- 33 Piggery
- 34 Poultry
- 35 Cattle Shed
- 36 Laboratory and Waterbassin
- 37 Reception Building

Phase 1

Phase 2



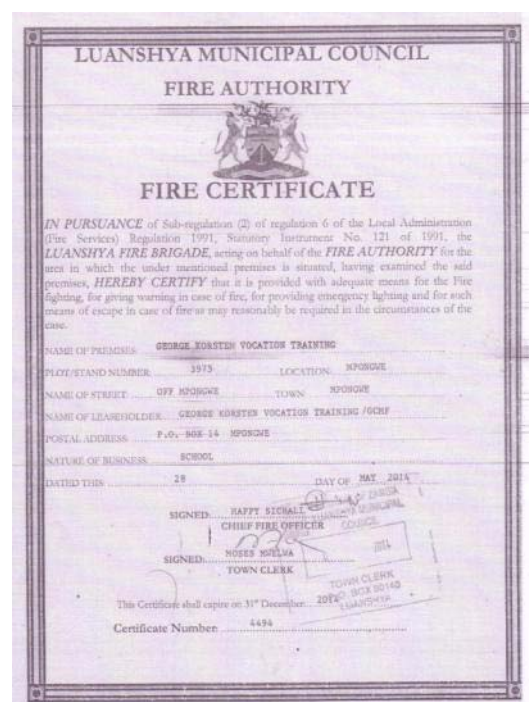
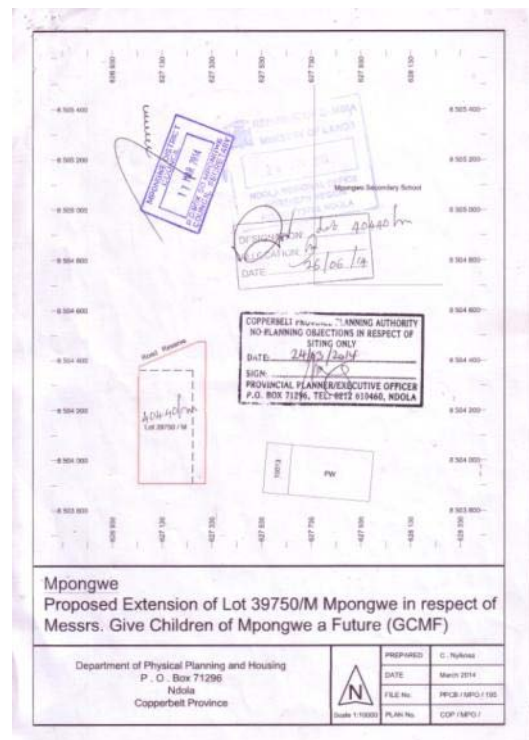
Dear board members GKMT and GCMF,

Following you'll find my report on the activities at the VTC.

As you all very well know, we haven't been constructing anymore since my last written report. While we are still waiting for funds some other activities have been going on, mainly the procedures concerning the numbering of our plot and the fire certificate for insurance purposes. Also we have started setting up the first business unit at the VTC, a carpentry workshop. This report will be only about these three issues.

Plot number. The past three months there seemed to be nothing happening with the numbering of the plot. With each phone call to the planning office in Ndola new matters arose. Some guiding documents were missing, the only person in charge was out of office, the surrounding area was not clear, the site plan drawing was not complete enough, more money had to be paid for making a new site plan, and so on. We decided to take another approach and brought in the planning officer from Mpongwe. After assisting her with digitalizing the entire plan of Mpongwe Town Area and giving her some autoCAD lessons, she owed me a favor which she returned by getting the plot number for us the Zambian way. KR200 under the table and a KR25 lunch of fried chips, chicken and salad for the Ndola planning officer in charge and our new plot number was given ignoring all the above mentioned issues. As an additional detail, our new number is much nicer than the old one: **40440/M** (→) instead of 39750/M.

Fire certificate. As you could have read in one of my former reports we bought 13 dry chemical fire extinguishers for each building on the girls wing at the plot in order to get a fire certificate which grants the insurance company to pay off in case of fire damage. The fire department of Luanshya was invited and came for putting date labels, maintenance and general inspection. In order to get the certificate we had to put liquid instead of dry chemical extinguishers in the office and near the generator, which we did by exchanging two cylinders from the guesthouse with two new ones from the VTC. The certificate has been received (→). For most of the cylinders at the VTC the expiration date was set on August 2014. This means that the fire department has to be invited again by then mostly to check the pressure and put a new date. From then this will be an annually recurring thing.



Carpentry Workshop. The 16th of May we started exploiting the carpentry machines at the VTC based on a contract with two VTC carpenters. Both received instructions from the Heeten Group in January this year. The carpenters hired the workshop from GCMF for KR600 per month and also paid 10% of the profit. Materials were bought by the carpenters themselves and if bought from the VTC they were deducted from the profit. The first error and trial period ended the 30th of June after which we made the first evaluation, both financially and otherwise.

It was not difficult to find customers. This first period we made several pieces of furniture (of which you can find a selection below), hired out some carpenters charging their labor costs and did some paid cutting and planing of timbers for customers.



The difficulty we encountered was especially the establishing of prices. We introduced a form which registers all the materials and hours we spent on each piece of furniture with the purpose of getting insight in the exact amounts for better estimations in the future.

My selection of the two carpenters (Mishi and Morgan) was based on capability, responsibility and knowledge of the machines. Mishi performed above expectations, was working every day, proved to be able to read working drawings and delivered high quality carpentry. Unfortunately Morgan could not keep up with Mishi concerning quality and responsibility. He has been absent too many times and made lots of mistakes. Mistakes can be improved, but ones finding out that the reason for his absence was drinking and hearing he showed up drunk at the workshop twice, we had to decide to let him go. The coming month Mishi will be working with Alex and Chansa, two younger guys who still have to learn a lot about carpentry, but who have shown eagerness to do so when they were working for the VTC as carpentry helpers.

Although the contract states that rent has to be paid after each month, I decided to extend the first period with two weeks considering the fact that we are still developing our working methods. From now on every period starts at the first of the month. The financial balance of this first period is as shown below.

MONTHLY FINANCIAL REPORT VTC Carpentry Workshop - PERIOD 1 (16 may - 30 june)

OUTGOING

Material	Amount	UP	Paid	To pay
Diesel (lt)	200	10	2000	
Diesel (lt)	60	10	600	
Dust masks (pc)	4	10		40
Musase 25x200x2500	46	40		1840
Mukwa 15x200x2500	2	40		80
Musase several	1	280	280	
Screwing bits P22	2	10		20
Screws 10x40 (100pc)	7	34		238
Screws 6x30 (50pc)	8	14		112
Screws 10x50 (100pc)	3	24		72
Screws 10x60 (50pc)	2	17		34
Flatheaded screws (100pc)	1	10	10	
Woodglue (850ml)	4	24		96
Sanding discs (pc)	6	4		24
Sanding paper (m)	2	10	20	
Universal glue (500ml)	1	20		20
Varnish (500ml)	2	20	40	
Varnish (500ml)	2	20		40
Paint brushes 2" (pc)	2	9	18	
Door catchers (pc)	2	5	10	
Drawer handles (pc)	2	15	30	
Lunch costs			220	
Piano hinges (3m)	1	22	23	
Rent (month)	1	600		600
TOTALS			3251	3216
Profit (10%)				252
Pay to GCMF				3468

INCOMING

Product	Client	Amount	Received	Balance
Bed	Edina	550	550	0
Bed	Robert	550	550	0
Headboard	Mr. Kalima	1500	0	1500
Principal Desk	Mr. Kalima	2000	2000	0
3 Doorframes	Mr. Daka	600	600	0
Labour	Mr. Daka	900	900	0
Kitchenrack	Mrs. Musulwa	90	0	90
3 Flushdoors	Mrs. Musulwa	150	150	0
Coffee table	Mr. Nasali	250	0	250
2 Paneled doors	Ministry of Health	1200	800	400
Labour	Secondary school	180	180	0
Planing timbers	Secondary school	70	70	0
6 Windowframes	Mr. Elias	400	200	200
Bookshelf	Mr. Joe	550	500	50
TOTALS		8990	6500	2490
Pay out carpenters			2271	

The 10% of the profit is calculated as follows: $0.1 \times (8990 - 3216 - 3251)$.

VTC Football Team. It's going quiet well with our VTC football team so far. As you can see in the list below we are in first position and are clearly one of the candidates for this year championship (↓).

MAFA FOOTBALL LEAGUE STANDING JULY 2014

Position	Team	P	W	D	L	F	A	GD	Pts
1	VTC	11	9	2	0	30	6	24	29
2	Blue Sky	11	9	1	1	32	4	28	28
3	Golden Bullets	11	7	4	0	18	5	13	25
4	Chinwa	10	7	2	1	11	6	5	23
5	Angels	11	6	1	4	15	10	5	19
6	Youngstars	11	5	2	4	11	13	-2	17
7	Big Cops	10	5	1	4	11	7	4	16
8	Bwembelero	10	5	1	4	11	13	-2	16
9	France	10	4	3	3	10	11	-1	15
10	Shingwa	10	4	3	3	8	10	-2	15
11	Chipese	11	3	3	5	12	9	3	12
12	West Leopard	10	3	3	4	10	10	0	12
13	Young Academy	10	3	1	6	11	16	-5	10
14	Tiger Rangers	11	3	1	7	9	15	-6	10
15	Rhino Rangers	10	1	3	6	5	18	-13	6
16	Red Lions	10	2	0	8	4	32	-28	6
17	Bulimba	10	1	2	7	7	14	-7	5
18	Old Timers	11	0	1	10	4	20	-16	1

The coming month. This week I received a phone call from Lusaka informing me that the anti termite chemicals arrived. We have transferred KR29.100 (of which KR260 for transport to Luanshya) and are expecting to be able to collect this week. This means that starting from next week I will hire 10 workers to apply the chemical. My estimation is that they can do this within one month. For this I'll need KR600x10 for labor, KR600 for lunch allowances, KR400 for brushes, KR200 for PVC, KR 200 for paraffin, KR100 for mutton clothes and KR700 for the truck. Total: KR8.200

A couple of the former VTC workers would like to start making panbricks at the VTC by digging away the anthill at the middle of our plot. They asked if GCMF can assist them with lunch money that will be paid back as soon as they sell the first batch. I'll assist them with a mold and they can use water from the pump at the VTC, but will have to arrange for the firewood themselves. In return they promise to level the ground for free as soon as the anthill is finished. For the six guys involved this would mean KR100 lunch money per week. Total: KR400.

This month I will follow up on getting the title deed of which the steps to take are not completely clear to me. The same applies to the costs that will be involved. I do know that the Ministry of Lands has to come to Mpongwe to place the new beacons for which they charge about KR700 per hectare. Total: KR9.800. Whether I'll need this in July, I don't know.

Kind regards, Bram