APPENDICES

Appendix 1: A map of Greater Accra showing the study area

Source: CERSGIS, University of Ghana.

APPENDIX 2: A Table of Average Loan Defaults per Year.

Year					Average loan defaults per year (%)						Mean	Standard Deviation
					Microfinance firm							
	Multi	Abii	Melbone	Daakye	Eden	Capital	Adwenpa	G-Life	Obuoba	Shield		
2007	7	8	6	11	9	7	6	5	8	10	7.7	1.9
2008	5	5	6	6	6	6	8	6	7	8	6.3	1.1
2009	6	4	8	4	6	4	6	5	8	11	6.2	2.3
2010	3	3	6	4	5	5	5	8	5	7	5.1	1.6
2011	5	4	7	5	4	4	5	6	6	5	5.1	1.0
2012	4	3	7	5	5	5	6	4	5	5	4.9	1.1
2013	5	6	8	6	5	4	4	5	7	4	5.4	1.3
2014	5	4	6	5	6	6	3	4	5	4	4.8	1.0

Source: own data

APPENDIX 3: A Table Showing Average Loan Recovery per Year of Ten Microfinances

Microfinance Firm	LOAN RECOVERY (%)								Mean	Standard Deviation
	2007	2008	2009	2010	2011	2012	2013	2014		
Multi	63.9	83.45	85.15	93.45	94.5	98.5	91.34	93.65	88.0	10.2
Abill	73.5	78.8	92.5	82	80.5	75	78.51	82	80.4	5.4
Melbone	82	85	80	92.5	90	95	91.3	90.5	88.3	5.0
Daakye	58.34	65	68.84	74.3	81.5	83.4	80.95	85.9	74.8	9.2
Eden	80.25	79.5	85.5	80.5	92.5	94.75	90.21	88.93	86.5	5.6
Capital	76.4	80.3	85	80	78.4	82.35	93.5	90	83.2	5.5
Adwenpa	85.5	90	94	88.5	95.5	90.2	98.35	93	91.9	3.9
G-Life	71.35	86.75	92.75	85.5	90	94.3	95.8	97.56	89.3	7.8
Obuoba	84	79.35	85	90.5	82.6	84.95	87	87.45	85.1	3.1
Shield	79.35	84	80.5	95	98.35	90	94	98	89.9	7.2

Source: own data

Appendix 4: A Table of Average Interest Rates per Year

year	Average interest rate per year										Mean	Stand Deviat
	Microfinance firm											
	Multi	Abii	Melbone	Daakye	Eden	Capital	Adwenpa	G-Life	Obuoba	Shield		
2007	65	76	62	75	64	72	56	65	74	76	68.5	6.6
2008	55	65	58	68	67	70	54	64	67	71	63.9	5.8
2009	47	67	55	56	58	67	54	67	54	65	59	6.7
2010	45	56	52	57	52	64	48	61	51	65	55.1	6.4
2012	30	47	41	52	43	47	46	46	45	54	45.1	6.2
2013	35	43	36	47	42	46	45	42	44	52	43.2	4.7
2014	35	42	34	45	42	45	45	42	45	53	42.8	5.1

Source: own data

Appendix 5 A tables of Regression Results for Interest rate and over-indebtedness

SUMMARY OUTPUT

	Regression Statistics
Multiple R	0.775133279
R Square	0.600831601
Adjusted R Square	0.201663202
Standard Error	3.137858162
Observations	3

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	14.8205128	14.8205128	1.50520833	0.43536536
Residual	1	9.84615385	9.84615385		
Total	2	24.6666667			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	-0.596153846	7.7642787	-0.0767816	0.95121503	-99.2506669	98.0583609	-99.250669	98.0583609
X Variable 1	0.326923077	0.26646936	1.22686932	0.43536536	-3.0588911	3.71273726	-3.0588911	3.71273726

Source: own data

Appendix 6 A tables of Regression Results for Employment status and over-indebtedness

SUMMARY OUTPUT	
Regression Statistics	
Multiple R	0.99767286
R Square	0.99535114
Adjusted R Square	0.99302672
Standard Error	0.97741486
Observations	4

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	409.08932	409.08932	428.213415	0.00232714
Residual	2	1.91067961	0.95533981		

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Total	3	411						
Intercept	-1.0757282	0.61062327	-1.7616888	0.22018226	-3.703028	1.55157173	-3.703028	1.55157173
X Variable 1	0.35650485	0.01722802	20.6933181	0.00232714	0.28237868	0.43063103	0.28237868	0.43063103

Source: own data

Appendix 7 A Table of Regression Results for Financial Literacy and Over-indebtedness

SUMMARY OUTPUT	
Regression Statistics	
Multiple R	0.77513328
R Square	0.6008316
Adjusted R Square	0.2016632
Standard Error	3.13785816
Observations	3

ANOVA					
	df	SS	MS	F	Significance F
Regression	1	14.8205128	14.8205128	1.50520833	0.43536536
Residual	1	9.84615385	9.84615385		
Total	2	24.6666667			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	-0.5961538	7.7642787	-0.0767816	0.95121503	-99.250669	98.0583609	-99.250669	98.0583609
X Variable 1	0.32692308	0.26646936	1.22686932	0.43536536	-3.0588911	3.71273726	-3.0588911	3.71273726

Source: own data

Appendix B

A. DEMOGRAGHIC INFORMATION

1. Gender: 1. Male   2. Female

2. Age of respondent: …………………………………………………….

3.   Marital status: 1. Single   2. Married

4. Level of education

   A. Primary

   B. Secondary

   C. Tertiary

   D. No education

B. CREDIT ACQUISITION HISTORY

1. How many times have you applied for a loan with a microfinance firm? ……………….

2. What is the average amount you were granted in the loan application?

   A. 1 Ghs to 100 Ghs   D. 500 Ghs and above

   B. 101 Ghs to 300 Ghs

   C. 301 to 500 Ghs

3. What was the interest rate charged on the loan? ……………………………..

4. How much was the instalment amount? …………………………………

5. How long did it take for you to receive your loan from the Microfinance firm?

   A. 1 day to two weeks

B. 3 weeks to 1 month

C. 2 months to 3 months

6. What was the purpose of the loan?

A. To start a new business

B. To expand an existing business

C. To serve as house keeping

D. To pay for ward school fees

E. Others, please specify………………………………………….

7. Which of these requirements did you have to satisfy before the loan was given to you?

A. Physical collateral

B. Social collateral

C. Savings

D. Guarantors

E. Others, please specify………………………….

8. Were you able to pay the loan on time?

A. Yes

B. No   Why? …………………………………………

9. Which of the following happens when you try to overcome your debt?

A. Selling essential personal assets

B. Borrowing from another microfinance firm

C. Sacrificing the school fees of your kids

D. Borrowing from friends and family

9. Which of the following is your biggest challenge in repaying a loan?

A. The interest rate

B. The repayment schedule (size of instalment and payment spacing)

C. The business conditions

10. How much do you earn from your economic activities monthly?

A. 10 Ghs to 100 Ghs

B. 150 Ghs to 300 Ghs

C. 500 Ghs to 1000 Ghs

D. 1000 Ghs and above

11. Have you ever borrowed from more than one microfinance firm at a time?

A. Yes. Why? ………………………………….

B. No.

C. QUESTIONS ON FINANCIAL LITERACY

1. Compute the answer for 7*4 = …………………………………

2. If 5 people have to share a profit of Ghs 2000, how much will each receive?

3. What is 10% of Ghs 500?

A. Ghs 100

B. Ghs 50

C. Ghs 250

4. This year, your income has doubled and the prices of all goods have also doubled. Your income can buy:

A. More goods

B. Same amount of goods

C. Less amount of goods

5. You owe Ghs 100 with 1% interest charged each month. You pay an instalment of Ghc 3 every month. How many years will it take to completely pay the debt?

A. Less than 5 years

B. 5 to 10 years

C. 10 years and more

6. You have taken a loan of Ghc 100. You are given two payment options: (1) Pay 12 monthly instalments of Ghc 10; (2) Pay Ghs 120 a year from now. Which is the better option?

A. Option 1

B. Option 2

C. They are the same