



<http://www.cermi.eu>

RESEARCH SEMINAR

organized by the

Centre for European Research in Microfinance

# Prof. Mathias Schmit

(Université libre de Bruxelles)

## Tier-1 MFIs' Financial Performances: Cash-Flow Statement Analysis

Friday, April 19<sup>th</sup>, 2013  
at 12.15pm

At Seminar Room R42.4.116 (4<sup>th</sup> floor) of  
the Solvay Brussels School of Economics and Management  
Université libre de Bruxelles - ULB

### Abstract:

When assessing the financial performance of Microfinance institutions, the current literature commonly uses balance sheets and income statements. In order to assess sources of cash generated, if any, we analyse the cash flow statements of the 30 largest MFIs that display audited reports between 2006 and 2010. We find that all the MFIs of the sample had cumulated negative free cash flow over the period and positive cash flow from operations. We propose classification of MFIs based on their investment and financing policies to assess the risk for their depositors. The results based on cash-flow analysis to assess financial performance can substantially differ from what can be read in the literature.

### Address:

Solvay Brussels School  
of Economics and Management  
Université Libre de Bruxelles  
Av. F.D. Roosevelt, 42  
1050 Brussels (Belgium)

### Contact:

Shaheen Satar  
+ 32 (0) 2.650.66.01  
[cermi@ulb.ac.be](mailto:cermi@ulb.ac.be)

Please confirm your attendance to [cermi@ulb.ac.be](mailto:cermi@ulb.ac.be) at the earliest

