

2016



SHOPPING WITH PURPOSE
VIŠE OD OBIČNE KUPOVINE

BHcrafts
Annual Report

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02



Guaranteed fair trade producer

After the external audit, in November 2016, BHcrafts got the status of guaranteed fair trade producer. Among 200 companies in the World, BHcrafts is the only one, with this kind certificate, in the region.



Analytics & Trends in 2016

We can proudly say that 2016 was better than 2015, in all aspects, which is a great success in the country with no law, or even recognition, on social entrepreneurship. While similar enterprises in the neighboring countries have a variety of subventions and benefits framed through the legislation system, BHcrafts is still having the treatment as any other commercial business in BiH. With all said, even a small step forward drains the energy as the giant one in well-organized business surrounding.



Online Activities

Marketing activities for on-line sales were intensified in 2016, which gives the significant result of that sales segment increase. Inspired by the great feedback from customers all over the World BHcrafts decides to expand the offer in Etsy shop and start with the marketing campaign even earlier than in the last year.



Beneficiaries

We managed to keep the number of engaged women steady, and got the average income for our producers even higher than in 2015.

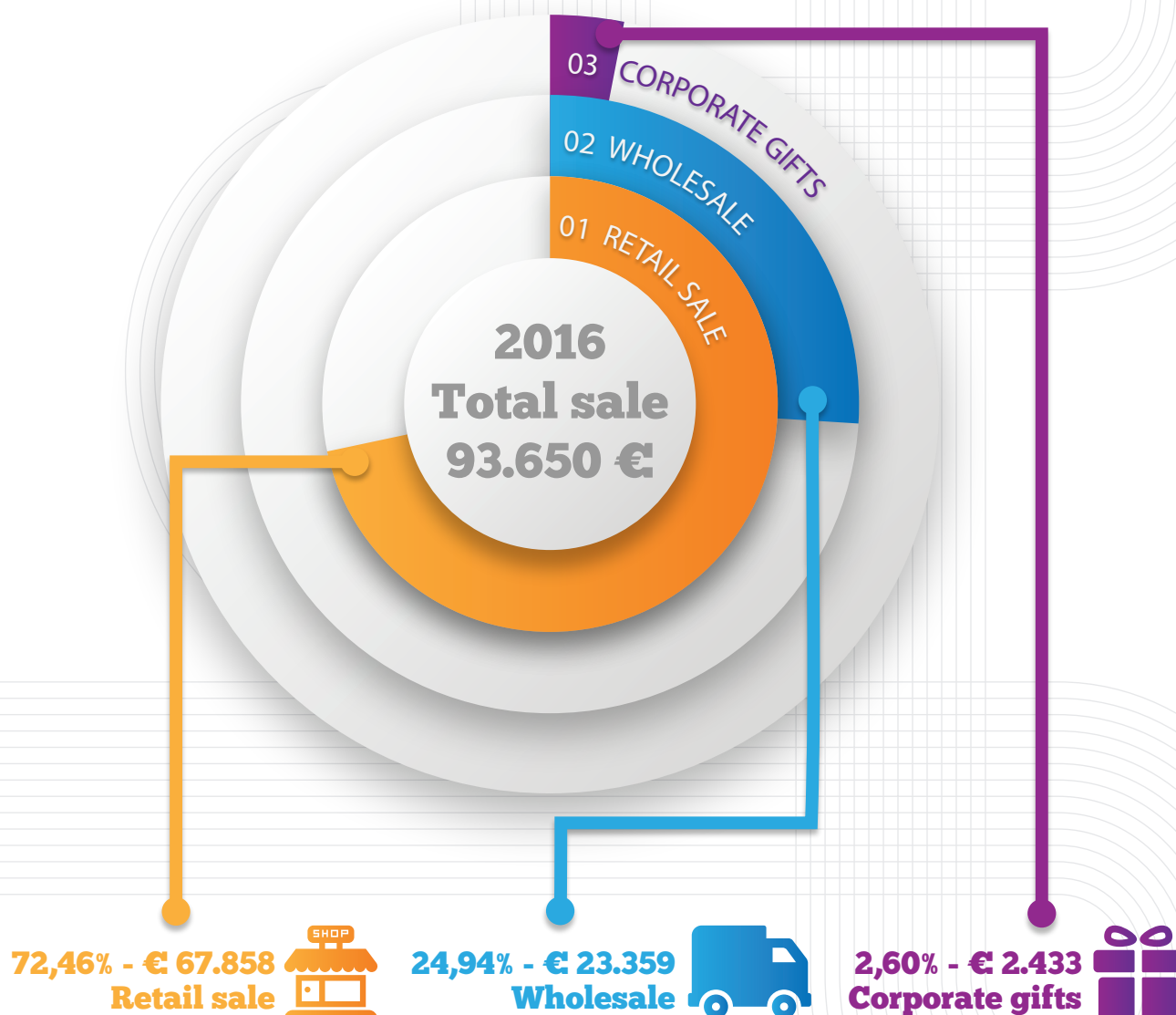


Budget in 2016

The total budget in 2016 was approximately € 200.458, which is 19,66% more than the budget for 2015. The majority of the activities were financed through in-house sources; ie, sales of handicrafts, in the country and abroad. Income from sale was € 184.447 which is 91,55% of the overall income.

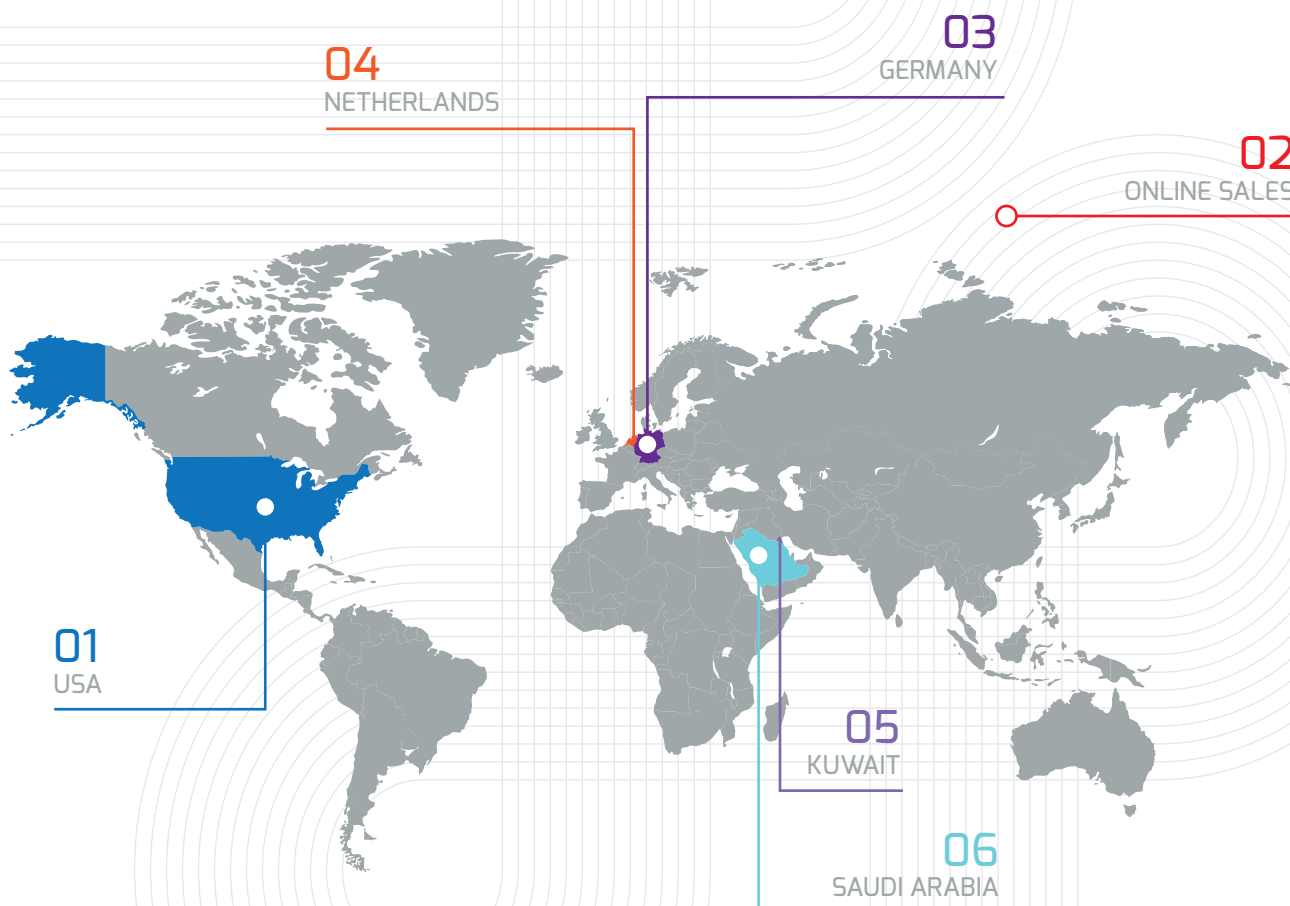
Local sale

The biggest part of local sales comes from the retail outlet (72,46% BHcrafts shop, 24,94% wholesale program and 2,6% corporate gifts program).



Export in 2016

Of the total export sales (€ 90.797), the US market tops the list with 64,63%, followed by Online Sales 17,82%, Germany 8,37%, Netherlands 3,99% and others.



01

UNITED STATES OF AMERICA

Sales volume: € 58.952 - 64,93%

02

ONLINE SALES

Sales volume: € 16.183 - 17,82%

03

GERMANY

Sales volume: € 7.603 - 8,37 %

04

NETHERLANDS

Sales volume: € 3.625 - 3,99%

05

KUWAIT

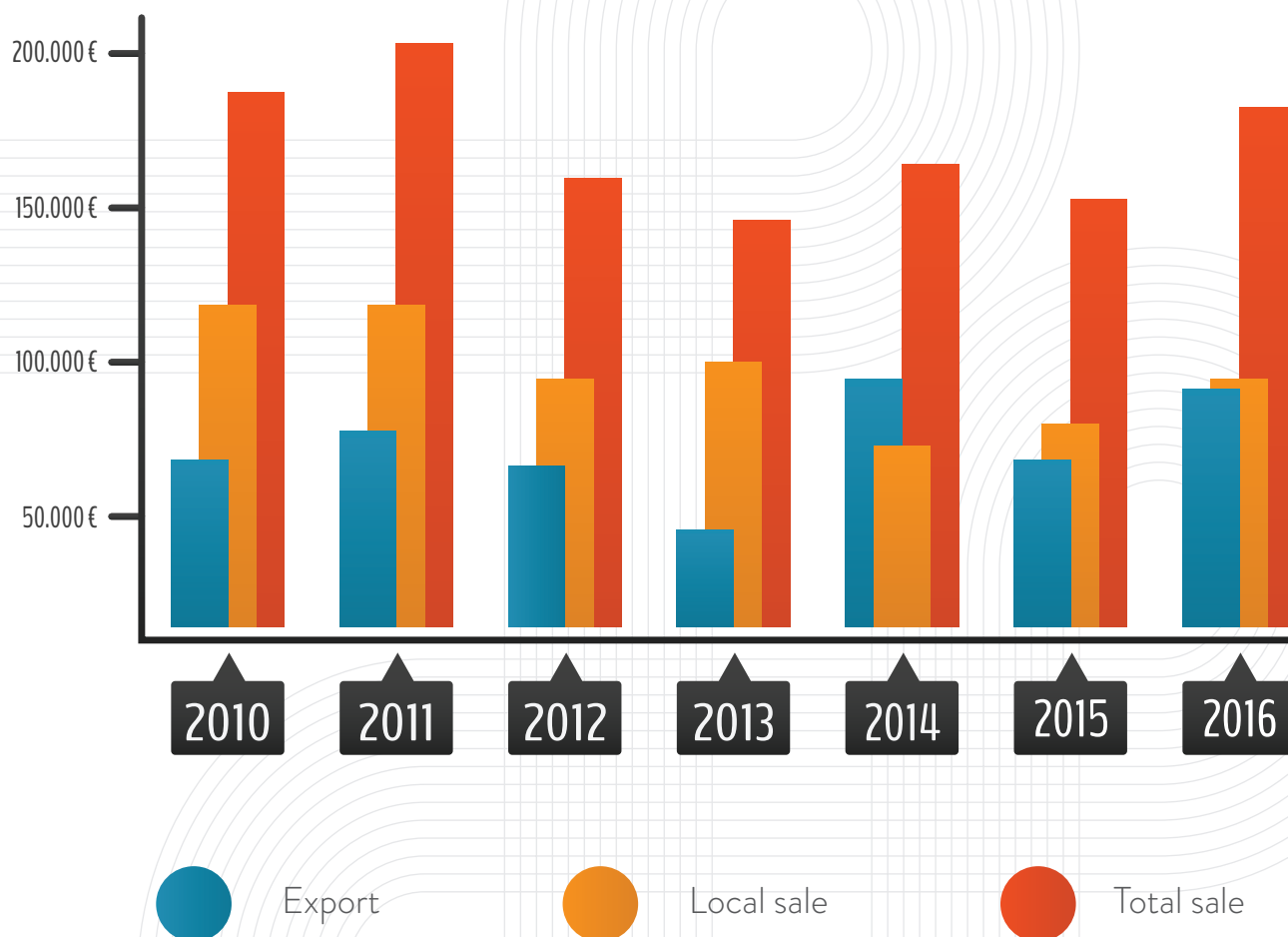
Sales volume: € 3.067 - 3,38%

06

SAUDI ARABIA

Sales volume: € 1.367 - 1,51%

Historical Data Analysis



Beneficiaries

117 Bosnian women got engaged in the production process and they earned the total amount of € 59.774,79, which is 32,40% of the total sale. The amount of € 11.931,52 was paid for pension and health insurance and income tax (73,30% for full time employees, for the “work at home” contracts tax percentages are 18%

in Federation of BiH, and 11% in Republic of Srpska,).

Total VAT in 2015 was € 11.473. The amount paid for the pension, health and unemployment insurance and income tax for 7 employees (2 sales persons, Designer/Production Manager, CEO and admin staff) was € 19.493,33

Thanks to socially responsible buyers and all BHcrafts customers our beneficiaries were able to buy firewood for this winter, books and bus tickets for their school children, and last, but not least – feel more confident and useful society member



The number of 10.300 final products, plus 12.500 parts of the final products/details (crocheted flowers, felted balls etc.) made in 2016 shows the productivity, motivation and good organization of the production in this small scale social enterprise. Some of our beneficiaries considers this work as the steady source of monthly income, with the great benefit of working at home, taking care of their children, or grandchildren, gardening and doing all daily house work, at the same time.



Some of BHcrafts beneficiaries earn a decent monthly income, compared to average salary in textile sector in BiH, while the others treat this work as hobby, therapy, or additional income. Regardless the load of work they do, or ethnic background, all beneficiaries have the same treatment, with the same access to information, technical help in the production process and the same price for the work they do.



Work with BHcrafts is not just the source of income, but also improvement of skills, gained knowledge in design, colors, fashion trends and cultural heritage/tradition of different ethnic groups living in BiH. Social reintegration, raised confidence and financial empowerment are very important factors which differentiate this project from similar ones.



Increased turnover, steady percentage of self-financing and steady number of beneficiaries/producers is the best illustration of the commitment and decisiveness of all BHcrafts stakeholders to succeed and reach the goal set 22 years ago.



Projects implemented in 2016

BHcrafts got supported by BHcrafts Inc. with the total amount of € 9.884,35.

The other projects in 2016, all successfully implemented and reported to the donors, are as follows:

- NAK-karitativ e. V. and Help-Hilfe zur Selbsthilfe – € 3.160,81
- Grad Tuzla – € 2.965,48
- Općina Centar Sarajevo – € 1.022,58

As the result of these two projects 23 women participated in the skills trainings and 18 of them got engaged in the production process.

Who benefits the most?

It's not a big job to calculate that BHcrafts, a small scale social entrepreneurship, contribute to the state budget with the amount of € 43.615,85€, or cca 25,5% from the total turnover.

The total amount for the projects in 2016,

financed by the different state levels (Municipal, Kantonal and State) was € 3.988,06 which brings us to the difference of € 39.627,79 as the benefit for the state.

