UNIVERSITY OF RWANDA

KIGALI CAMPUS

FACULTY OF ECONOMICS AND MANAGEMENT
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ANALYSIS OF THE SELF-FINANCING CAPACITY OF AN ENTERPRISE AND ITS CONTRIBUTION TO ITS PERFORMANCE. THE CASE OF HOME ST JEAN, KARONGI DISTRICT (2009-2013)

A dissertation submitted and presented in partial fulfillment of the requirements for the award of Masters Degree in Finance
By MUKAMUNANA RWANYANGE Eugénie

Supervisor: Dr MUGUNGA Emmanuel

Kigali, June 2014

DEDICATION

To my parents;

To my husband;

To my children;

To my brothers and sisters;

To all of my friends.

DECLARATION

I, MUKAMUNANA RWANYANGE Eugénie, hereby declare that this research work on *"ANALYSIS OF THE SELF-FINANCING CAPACITY OF AN ENTERPRISE AND ITS CONTRIBUTION TO ITS PERFORMANCE. THE CASE OF HOME ST JEAN, KARONGI DISTRICT (2009-2013)"* is a result of my original work and has never been submitted to any other University or Institution of higher learning for any academic award.

MUKAMUNANA RWANYANGE Eugénie

Student's signature ....

Date ..../.............../..................

CERTIFICATION

I, Dr MUGUNGA Emmanuel, hereby certify that the present research entitled *"ANALYSIS OF THE SELF-FINANCING CAPACITY OF AN ENTERPRISE AND ITS CONTRIBUTION TO ITS PERFORMANCE. THE CASE OF HOME ST JEAN, KARONGI DISTRICT (2009-2013)"* has been done and submitted by MUKAMUNANA RWANYANGE Eugénie under my supervision.

Supervisor: Dr MUGUNGA Emmanuel

Signature: ....

Date: ..../............/.............

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ABSTRACT

The research study entitled "Analysis of the self-financing capacity of an enterprise and its contribution to its performance, the case of Home St Jean, Karongi District (2009-2013)" was conducted with specific objectives of analyzing the self-financing capacity of Home Saint Jean for the period 2009-2013; assessing the contribution of the self-financing capacity of Home St Jean to its performance and suggesting strategies that may improve the self-financing capacity of Home St Jean.

The primary data were collected using a questionnaire and interview guide while secondary data were obtained using the financial statements of Home St Jean. The findings obtained by the researcher were found to be not different from the theories put forward by a number of scholars in chapter two.

The study has set two hypotheses retained as the ideal responses to the research questions. The case study method was adopted; Home St Jean was purposively chosen to be the case study unity.

The research findings revealed that the Self financing capacity of Home Saint remains positive during the period of this study. But its evolution remains low even negative in 2011. Considering the fixed assets and the loan from Nyundo Diocese, effort may be done to increase the Self financing Capacity of Home Saint Jean.

The research findings also revealed that the vast majority of the respondents strongly agreed that self financing capacity of Home St Jean positively contributed on its performance.

CHAPTER I. GENERAL INTRODUCTION

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I.1. The background of the study

Self-financing capacity is one of the indicators used to assess the business performance. It measures the ability of firms to generate resources for financing the activity. These resources are required to provide the company's contribution to cover the investment expenses.

To succeed in this task, companies must set up a monitoring system allowing them to stay performing or be profitable. The importance of self financing capacity within a life of an enterprise is well known. Several studies have been conducted to analyze that issue.

For example G. KARAKE, in his study entitled "Impact of self financing capacity on the profitability of a financial institution, the case of BCR 2009 - 2010" (KARAKE, 2013) showed that banks can go bankrupt if their activities do not provide enough profit.

In addition, in another study entitled "Self financing capacity applied in manufacturing enterprises in Rwanda and their impact on their growth (NTABANA, 2010), the case of Pfunda Tea Company (2009-2009) ", Mr. C. NTABANA showed that not only activities related to effort to make profit should not only be seen as a loss but as an investment as they allow those institutions to maintain their profitability and growth aspects.

Other studies have been conducted primarily on the financial analysis applied in public or private enterprises operating in Rwanda or other part of the world. As for this study, it provides new evidence on the self

financing capacity of an enterprise and its contribution to its performance in general and in Home St Jean in particular.

In other areas, STANCU I. (2009:12) believes that SFC "reflects the financial potential of the company's financial growth, i.e. the financial resources generated by the industrial and commercial activity of the company and after deducting all the expenses payable to a certain maturity".

NICULESCU M. writes about the characteristics of SFC, considering "it is a global net monetary surplus. The net feature is explained by deducting the income tax, while the global nature is due to the fact that is generated by the entire business of the company. Therefore, unlike the gross operating result, which refers only to operating activities, SFC takes into account all sides of the business activity (operational, financial, extraordinary).

By its size and structure, the self-financing capacity helps on maintaining the enterprise value (through its component, depreciations and provisions) and it is at the same time, a growth factor (via the component net income)." The author also identifies the factors that influence SFC respectively the depreciation policy, the tax policy and the measures adopted by the company for increase profitability (HREBINIAK, L.G.; JOYCE, W.F., 2004).

Based on the importance of self financing capacity in the enterprise management, this study aims to analyse the self-financing capacity and its contribution to the performance of Home St Jean (2009-2013). This enterprise which is located in Karongi District offers services of Accommodation, Restaurant, Bar and Laundry. It is owned by Nyundo Catholic Diocese.

I.2. The statement of the problem

By its size and structure, the self-financing capacity helps on maintaining the enterprise value (through its component, depreciations and provisions) and it is at the same time, a growth factor (via the component net income)." HREBINIAK, L.G.; JOYCE, W.F., (2004) also identified the factors that influence SFC respectively the depreciation policy, the tax policy and the measures adopted by the company for increase profitability.

Different authors outlined the characteristics of SFC and its destinations, as resources to finance various needs.

Then, enterprises around the world are taking increasing advantage of earned income opportunities to raise money for their activities and endowments. However, most of the companies do not have the specific capacity of producing the needed income to be able to self-finance their activities. Even where they do have this self finance, they still have additional expenses which make the available fund insufficient.

To build the capacity of enterprise leaders in creating earned income programs enabling them to self finance their activities, different authors have developed case studies on self financed enterprises which would serve as examples for others.

Despite the development of Rwandan hotel sector, the national supervisor authority put in place since 2002 cannot force restructuring of internal organization of any hotel company operating in Rwanda. Hence many of hotel companies in Rwanda fall short of standardized criteria for self financing capacity.

Based on the financial statements of Home St Jean, it can be seen that in some years this company encountered several difficulties in producing a visible income. This study will be conducted in order to analyze the self financing capacity of Home St Jean and its impact on its profitability.

I.3. Objectives of the study

This study has one general objective and three specific objectives.

I.3.1. General objective

The general objective of this research is to analyze the self-financing capacity and its contribution to the performance of Home St Jean for the period 2009-2013.

I.3.2. Specific objectives

This study aims to achieve the following specific objectives:
- to analyze the self-financing capacity of Home Saint Jean for the period 2009-2013;
- to assess the contribution of the self-financing capacity of Home St Jean to its performance;
- to suggest strategies that may improve the self-financing capacity of Home St Jean.

I.4. Research questions

The study will be done in order to search answers to the following questions:

- How was the self-financing capacity of Home St Jean during the period 2009-2013?
- What is the contribution of the self-financing capacity of Home St Jean to its performance?

I.5. Hypothesis of the study

To answer the above research questions, the following responses have been proposed and will be verified based on the results of this research:

- Home St Jean had a positive self-financing capacity during the period 2009-2013;
- The self-financing capacity of Home St Jean contributed positively to its performance.

I.6. The significance of the study

The choice of this topic was encouraged by the wish to understand if ecclesiastical local businesses have self-financing capacity and how they use it to achieve their objectives. The topic is interesting on three dimensions: personal, social and scientific.

Knowing that some enterprises depend on external source of finance, this subject helps me to focus on one of important internal funding sources. It seems to me personally interesting insofar as it addresses a hot topic with the need of any enterprise to have the capacity of self-finance in order to achieve their objectives, especially those related to their performance.

On the social side, we believe that this work is of great interest because it is a diagnosis that will allow enterprise managers to use self-financing

capacity as a means to increase their performance. It is also very significant for Catholic Diocese of Nyundo and for their Christians as the owner of that Company.

On the academic side, the subject meets the academic requirements which stipulate that any student finalizing his/her Masters' studies must prepare and submit a thesis.

On the scientific side, this study will serve as documentation for future researchers who would like to on a similar topic in their researches.

I.7. The scope of the study

As required in a bid to avoid boring, it is necessary to limit this study in time, in space and in the domain.

In time, this work is limited on the period 2009 to 2013. The year 2009 was chosen because this is when Home St Jean decided to put an emphasis on the strengthening of its self-financing capacity as a tool of increasing its performance and 2013 corresponds to the most recent period for which we have available data.

In space, the work will only focus on the case of Home St Jean located in Bwishyura Sector, Karongi District, Western Province of Rwanda.

In domain, our study is limited in enterprise management.

I.8. The organization of the study

This research has five chapters namely chapter one, chapter two, chapter three, chapter four and chapter five.

The first chapter presents a brief review of the background on the phenomenon of the self-financing capacity and its contribution to the performance of Home St Jean for the period 2009-2013. It develops also the problem statement, the objectives of the study, the research questions, the hypothesis of the study, the significance of the study, the scope and the organization of the study.

Chapter two is the literature review and theoretical framework. This chapter gives definitions of key concepts, theoretical framework and theory on self-financing capacity and the performance of hotels.

Chapter three presents the methodology used to collect the data. It gives explanations about the methodology used to collect and to analyze data. In addition, it gives details on the research area.

Chapter four shows data presentation, analysis and interpretation of findings. This chapter presents and discusses the data gathered from the field, it allows the verification hypotheses of this work and lastly it examines the self-financing capacity and its contribution to the performance of Home St Jean for the period 2009-2013.

Chapter five has summary, conclusion and recommendations. This is composed of the summary of findings and gives suggestions and recommendations related to the strategies of improving self-financing capacity of Home St Jean.

CHAPTER TWO: LITERATURE REVIEW AND THEORETICAL FRAMEWORK

This chapter contains the definition of key concepts of this work, the literature review and theory related to this topic.

2.1. Definition of key concepts

This part includes the etymology and the origin of words (from books, internet and other useful resources) used in this work.

2.1.1. Self-financing

According to the Business dictionary, we say Self-financing when a "firm or project generates its growth capital from its own income, instead of acquiring it from external sources such as investors or lenders" (www.businessdictionary.com/definition/self-financing.html). For more explanations, we can distinguish between internal and external sources of finance. By internal sources, for instance, PETER ATRILL and EDDIE MC LANEY (2007) mean "sources that do not require the agreement of anyone beyond the directors and managers of the business" (p 407). For them, finance from an issue of new shares is an external source because it requires the compliance of potential shareholders while retained profit is considered an internal source.

2.1.2. Enterprise

An enterprise is a business organization. It is an association or collection of individual real persons and/or other companies, who each provides some form of capital. This group has a common purpose or focus and an

aim of gaining profits. This collection, group or association of persons can be made to exist in law and then a company is itself considered a "legal person". The name company arose because, at least originally, it represented or was owned by more than one real or legal person (Black's Law and lee Dictionary, 2001).

In the United States, for instance, a company may be a "corporation, partnership, association, joint-stock company, trust, fund, or organized group of persons, whether incorporated or not, and (in an official capacity) any receiver or similar official, or liquidating agent, for any of the foregoing." In the USA, a company is not necessarily a corporation (BUNGAY, S.; GOOLD, M., 2001).

In English law and in the Commonwealth realms, a company is a body corporate or corporation company registered under the Companies Acts or similar legislation. It does not include a partnership or any other unincorporated group of persons, although such an entity may be loosely described as a company (Black's Law and lee Dictionary, 2001).

There are various types of enterprises that can be formed in different jurisdictions, but the most common forms of company (generally formed by registration under applicable enterprise legislation) are (JOHN MICKLETHWAIT and ADRIAN WOOLDRIDGE, 2003):

- A company limited by guarantee. Commonly used where companies are formed for non-commercial purposes, such as clubs or charities. The members guarantee the payment of certain (usually nominal) amounts if the company goes into insolvent liquidation, but otherwise they have no economic rights in relation to the company. This type of company is common in England. A company limited by guarantee may be with or without having share capital.

- A company limited by shares. The most common form of company used for business ventures. Specifically, a limited company is a " company in which the liability of each shareholder is limited to the amount individually invested" with corporations being "the most common example of a limited company. This can be a public company or private company." This type of company is common in England.

- A company limited by guarantee with a share capital. A hybrid entity, usually used where the company is formed for non-commercial purposes, but the activities of the company are partly funded by investors who expect a return. This type of company may no longer be formed in the UK, although provisions still exist in law for them to exist.

- A limited-liability company. "A company—statutorily authorized in certain states—that is characterized by limited liability, management by members or managers, and limitations on ownership transfer", i.e., L.L.C.

- An unlimited company with or without a share capital. A hybrid entity, a company where the liability of members or shareholders for the debts (if any) of the company are not limited. In this case doctrine of veil of incorporation does not apply (NIYIGENA A, 2009).

2.1.3. The performance

A subjective measure of how well a firm can use assets from its primary mode of business and generate revenues. This term is also used as a general measure of a firm's overall financial health over a given period of time, and can be used to compare similar firms across the same industry or to compare industries or sectors in aggregation (BUNGAY, S.; GOOLD, M., 2001).

There are many different ways to measure financial performance, but all measures should be taken in aggregation. Line items such as revenue from operations, operating income or cash flow from operations can be used, as well as total unit sales. Furthermore, the analyst or investor may wish to look deeper into financial statements and seek out margin growth rates or any declining debt.

Other theorists assimilate financial performance to terms like statement of financial performance, earnings statement, operating statement or statement of operations is a company's financial statement that indicates how the revenue (money received from the sale of products and services before expenses are taken out, also known as the "top line") is transformed into the net income (the result after all revenues and expenses have been accounted for, also known as Net Profit or the "bottom line") (BUNGAY, S.; GOOLD, M., 2001).

To sum up, the financial performance refers to measuring the results of a firm's policies and operations in monetary terms. These results are reflected in the firm's return on investment, return on assets, value added, etc. (GOOLD, M.; QUINN, J.J., 1994).

2.2. Literature Review on self financing capacity

Stancu I . believes that SFC "reflects the financial potential of the company's financial growth, i.e. the financial resources generated by the industrial and commercial activity of the company and after deducting all the expenses payable to a certain maturity" (HREBINIAK, L.G.; JOYCE, 2004).

Niculescu M. talks about the characteristics of SFC, considering "it is a global net monetary surplus. The net feature is explained by deducting

the income tax, while the global nature is due to the fact that is generated by the entire business of the company. Therefore, unlike the gross operating result which refers only to operating activities, SFC takes into account all sides of the business activity (operational, financial, extraordinary).

By its size and structure, the self-financing capacity helps on maintaining the enterprise value (through its component, depreciations and provisions) and it is at the same time, a growth factor (via the component net income)." The author also identifies the factors that influence SFC respectively the depreciation policy, the tax policy and the measures adopted by the company for increasing profitability (HREBINIAK, L.G.;JOYCE, 2004).

Georgescu N. identifies the destination of self-financing capacity: "financing the current needs, growing the working capital, total or partial financing of new investments, repayment of loans, remuneration of capital invested." The author studies as well the connection between SFC and cash flow, suggesting that the potential resources involved by SFC should be covered as well by cash resources.

Petrescu S. (2014) believes that "self-financing capacity or self-financing gross margin is a significant residual balance flow obtained as the difference between inflows and outflows arising from current operations leaving to the company own resources available to finance various necessities: the net income and the expenses which didn't involve payments (depreciations, provisions)."

Further, the author outlines the characteristics of SFC and its destinations, as resources to finance various needs.

According to Stefea P., "self-financing capacity measures all the potential financial resources a company can use, after a financial year." Lezeu D.N. defines the self-financing capacity as "the potential cash generated by the business during the year, which can be used for self-financing, being an indicator that expresses the company's financial independence." (ROLAND B., 2014).

Dragotă V. and collaborators analyzes the limits of SFC, considering that this indicator "can not reveal the situation of real collections and payments with the same clarity as a cash flow statement, but in the absence of other sources of information, it may be regarded as a possible approximation of their situation".

2.3. Theories on the performance of an enterprise

2.3.1. Introduction

Competitive pressures from within the industry, as well as external political, economic and other considerations are forcing the industry to re-examine and to improve its modus operandi (BUNGAY, S.; GOOLD, M., 2001).

The Royal Society of Arts, Manufactures and Commerce (RSA) said about the role of tomorrow's company: ,,To achieve sustainable business success in the demanding world marketplace, a company must use relevant performance measures". The weaknesses in the current practice and highlighted areas of further work necessary to ensure the use of performance measurement is sustained and adds value to the industry.

Andy Neely gives seven reasons why performance measurement is now on the management agenda. All of the points are relevant to any

industry: the changing nature of work; increasing competition; specific improvement initiatives; national and international quality awards; changing organizational roles; changing external demands; and the power of information technology (BUNGAY, S.; GOOLD, M., 2001).

This section provides guidance for candidates in dealing with examination questions regarding the assessment of a company's performance. If the user is to make sense of the figures in the financial statements, these figures need to be properly analyzed using accounting ratios and cash flows and then compared with previous years' figures, figures from other companies or industry averages.

The analytical measures obtained from financial statements are often expressed as ratios and percentages. There are different ways in which these measures can be analyzed (FARRIS J., PAUL W. and al., 2010).

2.3.2. Percentage analysis

(1) Definition

The percentage analysis is an analysis done based on the comparison of two elements of the balance sheet (FARRIS J., WAYNE P,. and al., 2010).

(2) Vertical analysis

Vertical analysis is the percentage analysis used to show the relationship of each component to the total within a single statement. In vertical analysis of the statement of financial position, each asset, liability item and shareholders' equity item is stated as a percentage of the total assets, total liabilities and shareholders' equity, respectively. Vertical

analysis is useful in assessing relationships in a company's financial condition and operations (FARRIS J., WAYNE P,. and al., 2010).

For example, in a vertical analysis we can compare the total equity to the total assets and interpret the percentage. If the percentage obtained is higher, this means that the company is using its own source in its activities and if the percentage is lower, the company is using credits from other partners and this has an impact on its profitability.

(3) Horizontal analysis

Horizontal analysis is the percentage analysis of increases or decreases in related items in the comparative financial statements. The amount of each item on the most recent statement is compared with the related item on one or more earlier statements. Additional information may be required for evaluating the significance of the changes in the comparative figures; for example, a decrease in accounts receivable may be due to increasing efforts in debt collection (FARRIS J., WAYNE P,. and al., 2010).

2.3.3. Ratio analysis

(1) Definition

In mathematics, a ratio is a relationship between two numbers of the same kind (e.g., objects, persons, students, spoonfuls, units of whatever identical dimension), expressed as "a to b" or a:b, sometimes expressed arithmetically as a dimensionless quotient of the two that explicitly indicates how many times the first number contains the second (not necessarily an integer) (FARRIS J., WAYNE P,. and al., 2010). There are

so many ratios but this study limit itself on the profitability ratios as they are concerned by the analysis which will be made in the following pages.

(1) Profitability ratios

Profitability ratios measure the operating success of a company for a given period of time. When the profit figure is expressed as a percentage of sales or capital employed, these ratios can be compared with those of previous years, or those from companies in the same industry.

Examples of ratios used in assessing profitability of a company are (FARRIS J., WAYNE P,. and al., 2010):

- Gross profit margin – This ratio measures the gross profit generated per dollar sales. A decrease in this ratio may indicate more intensive competition in the market, declining selling prices or an increased cost of purchases. An increase in this ratio may indicate that the company has a competitive advantage in the market and therefore is able to charge higher prices for its products or can source its purchases at a lower cost. If this ratio remains constant while the net profit margin is falling, this might indicate control over expenses is weak.
- Return on capital employed (ROCE) – This ratio measures how efficiently and effectively management has deployed the resources available to it. A change in the ROCE may be due to changes in profit margins, asset utilization, sales mix or errors in inventory counting.

- Return on equity: Return on equity (ROE) measures the rate of return on the ownership interest (shareholders' equity) of the common stock owners. It measures a firm's efficiency at generating profits from every unit of shareholders' equity (also known as net assets or assets minus liabilities). ROE shows how well a company uses investment funds to

generate earnings growth. ROEs between 15% and 20% are generally considered good.

- Return on Investment: Return on investment (ROI) is one way of considering profits in relation to capital invested. Return on assets (ROA), return on net assets (RONA), return on capital (ROC) and return on invested capital (ROIC) are similar measures with variations on how 'investment' is defined. Marketing not only influences net profits but also can affect investment levels too. New plants and equipment, inventories, and accounts receivable are three of the main categories of investments that can be affected by marketing decisions. In a survey of nearly 200 senior marketing managers, 77 percent responded that they found the "return on investment" metric very useful (FARRIS J., WAYNE P,. and al., 2010).

2.3.4. The performance indicators

For hotel companies, the performance indicators are numerous but the main ones are the following (FARRIS J., WAYNE P,. and al., 2010).

- Level of sales : net sales are operating revenues earned by a company for selling its products or rendering its services. Also referred to as revenue, they are reported directly on the income statement as Sales or Net sales (FARRIS J., WAYNE P,. and al., 2010).

- Total equity: in accounting and finance, equity is the residual claimant or interest of the most junior class of investors in assets, after all liabilities are paid; if liability exceeds assets, negative equity exists.

- Net income: a company's total earnings (or profit). Net income is calculated by taking revenues and adjusting for the cost of doing business, depreciation, interest, taxes and other expenses. This number is found on a company's income statement and is an important measure of how profitable the company is over a period of time. The measure is also used to calculate earnings per share (FARRIS J., WAYNE P,. and al., 2010).

Often referred to as "the bottom line" since net income is listed at the bottom of the income statement. In the U.K., net income is known as "profit attributable to shareholders".

An individual's income after deductions, credits and taxes are factored into gross income. Deductions and credits are subtracted from gross income to arrive at taxable income which is used to calculate income tax. Net income is income tax subtracted from taxable income.

Net income is calculated by starting with a company's total revenue. From this, the cost of sales, along with any other expenses that the company incurred during the period, is removed to reach earnings before tax. Tax is deducted from this amount to reach the net income number. Net income, like other accounting measures, is susceptible to manipulation through such things as aggressive revenue recognition or by hiding expenses. When basing an investment decision on net income numbers, it is important to review the quality of the numbers that were used to arrive at this value (FARRIS J., WAYNE P,. and al., 2010).

For example, suppose that your gross income is $50,000 and you have $20,000 in deductions and credits. This leaves you with a taxable income

of \$30,000. Then, suppose that another \$5,000 of income tax is subtracted; the remaining \$25,000 will be your net income.

- Return On Investment : Return on investment (ROI) is the concept of an investment of some resource yielding a benefit to the investor. A high ROI means the investment gains compare favorably to investment cost. As a performance measure, ROI is used to evaluate the efficiency of an investment or to compare the efficiency of a number of different investments. In purely economic terms, it is one way of considering profits in relation to capital invested.

$$ROI = \frac{NP*100}{TA}$$

With

NP: Net Profit

TA: Total Assets (Farris, Paul W. et al., 2010).

- Return On Equity: Return on equity (ROE) measures the rate of return on the ownership interest (shareholders' equity) of the common stock owners. It measures a firm's efficiency at generating profits from every unit of shareholders' equity (also known as net assets or assets minus liabilities). ROE shows how well a company uses investment funds to generate earnings growth. ROEs between 15% and 20% are generally considered good.

$$ROE = \frac{NP*100}{E}$$

With

NP: Net Profit

E: Equity (Farris, Paul W. et al., 2010).

- Return On Sales: This measure is helpful to management, providing insight into how much profit is being produced per dollar of sales. As with many ratios, it is best to compare a company's ROS over time to look for trends, and compare it to other companies in the industry. An increasing ROS indicates the company is growing more efficient, while a decreasing ROS could signal looming financial troubles.

$$ROS = \frac{NP*100}{S}$$

With

NP: Net Profit

S: Sales (FARRIS J., WAYNE P,. and al., 2010).

2.4. Theory on hotel companies

2.4.1. Definition

A hotel is an establishment that provides lodging paid on a short-term basis. The provision of basic accommodation, in times past, consisting only of a room with a bed, a cupboard, a small table and a washstand has largely been replaced by rooms with modern facilities, including en-suite bathrooms and air conditioning or climate control.

Additional common features found in hotel rooms are a telephone, an alarm clock, a television, a safe, a mini-bar with snack foods and drinks, and facilities for making tea and coffee. Luxury features include bathrobes and slippers, a pillow menu, twin-sink vanities, and jacuzzi bathtubs. Larger hotels may provide additional guest facilities such as a swimming pool, fitness center, business center, childcare, conference facilities and social function services (X, "Hotel", available on http://en.wikipedia.org/wiki/Hotel, retrieved on 2nd March 2014).

Hotel rooms are usually numbered (or named in some smaller hotels and B&Bs) to allow guests to identify their room. Some hotels offer meals as part of a room and board arrangement. In the United Kingdom, a hotel is required by law to serve food and drinks to all guests within certain stated hours. In Japan, capsule hotels provide a minimized amount of room space and shared facilities.

2.4.2. Etymology

The word hotel is derived from the French "hotel" (coming from hôte meaning host), which referred to a French version of a townhouse or any other building seeing frequent visitors, rather than a place offering accommodation. In contemporary French usage, hôtel now has the same meaning as the English term, and hôtel particulier is used for the old meaning. The French spelling, with the circumflex, was also used in English, but is now rare.

The circumflex replaces the 's' found in the earlier hostel spelling, which over time took on a new, but closely related meaning. Grammatically, hotels usually take the definite article – hence "The Astoria Hotel" or simply "The Astoria." (X, "Hotel", available on http://en.wikipedia.org/wiki/Hotel, retrieved on 2nd March 2014).

2.4.3. Types of hotels

Hotel operations vary in size, function, and cost. Most hotels and major hospitality companies that operate hotels have set widely accepted industry standards to classify hotel types. General categories include the following;

- Conference and resort hotels often contain full-sized luxury facilities with full service accommodations and amenities. Examples may

include: Conrad Hotels, InterContinental Hotels, Ritz-Carlton, Four Seasons Hotels and Resorts, Dorchester Collection, JW Marriott Hotels, Starwood - Westin Hotels, Hilton, Marriott, Hotel Indigo, Doubletree, and Hyatt

- Historic Inns and boutique hotels often contain luxury facilities of varying size in unique or intimate settings with full service accommodations. Examples may include: Conrad Hotels, InterContinental Hotels, Ritz-Carlton, Four Seasons Hotels and Resorts, Dorchester Collection, JW Marriott Hotels, Starwood - Westin Hotels, Hilton, Marriott, Hotel Indigo, Doubletree, and Hyatt

- Select Service. Examples may include: Holiday Inn, Courtyard by Marriott and Hilton Garden Inn

- Limited Service. Examples may include: Hampton Inn, Aloft, Holiday Inn Express, Fairfield Inn, Four Points by Sheraton, Days Inn, and La Quinta Inns & Suites

- Extended Stay. Examples may include: Staybridge Suites, Homewood Suites by Hilton, Residence Inn by Marriott, element, and Extended Stay Hotels

- Timeshare. Examples may include: Holiday Inn Club Vacations, Marriott Vacation Club International, Westgate Resorts, Starwood Vacation Ownership, and Disney Vacation Club

- Destination Club (X, "Hotel", available on http://en.wikipedia.org/wiki/Hotel, retrieved on 2nd March 2014).

2.4.4. Hotel ratings

Hotel ratings are often used to classify hotels according to their quality. The development of the concept of hotel rating and its associated definitions display strong parallels. From the initial purpose of informing travellers on basic facilities that can be expected, the objectives of hotel rating has expanded into a focus on the hotel experience as a whole.

Today, the terms 'grading', 'rating', and 'classification' are used to generally refer to the same concept, that is to categorize hotels, mostly using stars as a symbol (LUNDBERG DONALD, 2000).

There are a wide variety of rating schemes used by different organizations around the world. Many have a system involving stars, with a greater number of stars indicating greater luxury. Forbes Travel Guide, formerly Mobil Travel Guide, launched its star rating system in 1958. The AAA and their affiliated bodies use diamonds instead of stars to express hotel and restaurant ratings levels.

Food services, entertainment, view, room variations such as size and additional amenities, spas and fitness centers, ease of access and location may be considered in establishing a standard. Hotels are independently assessed in traditional systems and rest heavily on the facilities provided. Some consider this disadvantageous to smaller hotels whose quality of accommodation could fall into one class but the lack of an item such as an elevator would prevent it from reaching a higher categorization (LUNDBERG DONALD, 2000).

In recent years, hotel rating systems have also been criticised by some who argue that the rating criteria for such systems are overly complex and difficult for laypersons to understand. It has been suggested that the lack of a unified global system for rating hotels may also undermine the usability of such schemes.

2.4.5. Standards of hotel classification

The more common classification systems include "star" rating, letter grading, from "A" to "F", diamond or simply a "satisfactory" or "unsatisfactory" footnote to accommodation such as hostels and motels.

Systems using terms such as Deluxe/Luxury, First Class/Superior, Tourist Class/Standard, and Budget Class/Economy are more widely accepted as hotel types, rather than hotel standards (VINE, P.A.L., 2001).

Some countries have rating by a single public standard — Belgium, Denmark, Greece, Italy, Malta, Netherlands, Portugal, Spain and Hungary have laws defining the hotel rating. In Germany, Austria and Switzerland, the rating is defined by the respective hotel industry association using a five-star system — the German classifications are Tourist (*), Standard (**), Comfort (***), First Class (****) and Luxury (*****), with the mark "Superior" to flag extras beyond the minimum defined in the standard. The Swiss hotel rating was the first non-government formal hotel classification beginning in 1979. It did influence the hotel classification in Austria and Germany (VINE, P.A.L., 2001).

The formal hotel classification of the DEHOGA (German Hotel and Restaurant Association) started on August 1, 1996 and proved very successful with 80% of guests citing the hotel stars as the main criteria in hotel selection. This implementation influenced the creation of a common European Hotelstars rating system that started in 2010.

In France, the rating is defined by the public tourist board of the department using a four-star system (plus "L" for Luxus) which has changed to a five-star system from 2009 on. In South Africa and Namibia, the Tourist Grading Council of South Africa has strict rules for a hotel types granting up to 5 stars (VINE, P.A.L., 2001).

2.4.4. Management

Hotel management refers to the way hotel enterprises are managed. The services offered in these enterprises must be of good quality in order to

attract the customers. From the viewpoint of business administration, the quality of services is an achievement in any business. It reflects at each service encounter. Customers form service expectations from past experiences, word of mouth and advertisement. In general, Customers compare perceived service with expected service in which if the former falls short of the latter the customers are disappointed.

Larger hotels may operate with an extensive management structure consisting of a General Manager who serves as the head executive, department heads who oversee various departments, middle managers, administrative staff, and line-level supervisors. Degree programs such as hospitality management studies, a business degree, and/or certification programs prepare hotel managers for industry practice (X, "Hotel", available on http://en.wikipedia.org/wiki/Hotel, retrieved on 2nd March 2014).

Partial conclusion

This is the end of Chapter Two. It begins with the definition of key concepts. In this part, the following concepts were defined as key concepts of this work: self-financing, enterprise and performance among others.

Furthermore, I presented details on theory of self-financing capacity and a literature review on hotel companies. In addition, I gave the details on theory on performance of enterprise.

In the next chapter, I am going to explain the methodology which will be used to collect and analyze data.

CHAPTER THREE: RESEARCH METHODOLOGY

This chapter is devoted to the presentation and the explanation of the methodology that was used to collect and to analyze data.

3.1. Research design

This study used qualitative research design supplemented by quantitative research design. In order to achieve the stated objectives, the researcher used the strategy of case study and the case study here is Home St Jean.

3.2. Sources of data

In this research, the researcher used both primary and secondary data. However, the main source of information is secondary sources like financial statements of the hotel, account documents and other useful documents as seen in data collection.

3.2.1. Primary data

As primary data, this study used interview. Its explanation is given in the following pages.

a) Questionnaire

Kothari (2008) defines a questionnaire as that consisting of a number of questions printed or typed in a definite order on a form or set of forms. Closed ended and open ended questionnaire was administered to the respondents. The researcher used questionnaire because of its low cost, it is free from bias, respondents have adequate time to give well thought out answers and large samples can be made use of and thus the results can be made more dependable and reliable.

b) Interview

KOTHARI (1990) defines interview as: "A method of collecting data that involves presentation of oral –verbal stimuli and reply on in terms of oral-responses. This method can be used through personal interview and if possible through telephones interviews." This means that an interview is a technique that links two persons where the narrator asks questions by bring up or rising up a hint that can trigger the interviewed to respond either Oral-verbally or using telephones. This technique helped to gather additional information on the subject.

3.2.2. Secondary data

According to GRINNER and WILLIAM (1990), the documentation is a data collection method based on reading books and other documents like reports and brochures in order to get the background and to find out information of studies on similar topics. While collecting data, different books, brochures, reports, websites, daily information through Internet etc have been consulted.

This method helps to get and give the theoretical framework of this research thanks to literature and theories of previous researchers and quotes.

3.3. The study population and the sample size

3.3.1. The study population

The total population of the survey is composed of all the employees of Home St Jean. According to the annual report of this hotel, these persons are 39 (Home St Jean, 2013).

3.3.2. The sample size

To determine the sample size, the researcher was based on the theory of (Jard and Richard, 1995), the closer a particular population is to homogeneity, the smaller the sample to be taken. Under normal circumstances, the whole population will be used to get the information for the study. In this study, as the study population is not composed of a lot of individuals, the researcher decided to include all of them in the sample. This means that the sample is 39 persons.

3.4. Data processing and analysis

Data have been processed using the following ways: descriptive and statistics methods (tables, percentages, graphs, etc.).

3.4.1. Descriptive method

According to KOTHARI (1990), the descriptive method enables the researcher to describe entirely the object that the study carries on. This method enabled the researcher to give a full description of the research area which is Home St Jean.

3.4.2. Statistic method

As understood, this enables to get the number and quantify it. In our research, it helped us to label the digits in graphs, charts in a bid to ease the reading of the work. This method presents data by sex, age, profession and any other source of information. During the research, different variable, are applied and identified in so that we may highlight the graphs and tables that could offer the research results later. We should not forget that statistic methods are used in exact and human sciences (KOTHARI: 1990). This method was used to get the results of the study transformed into graphs, charts and tables.

3.5. Data processing

KOTHARI (1990) argue that "*data processing and analysis involves the transformation of data gathered from the field into a systematic categories and the transformation of these categories into codes to enable quantitative analysis and tabulation; the data collected have been classified into a meaningful manner for easy interpretation and understanding. Data analysis is a practice in which raw data is ordered and organized so that useful information can be extracted from it*".

After collecting primary and secondary data, these data have been processed, analyzed and interpreted. For the better analysis of collected data some of editing coding and tabulation process has been used.

3.5.1. Editing

KOTHARI (1990), "*explains editing as a process of going through the questionnaire to ensure that the skip patterns were followed and required questionnaire filled out. The researchers have followed the same process; to see if there are some errors in the questionnaires or if some of the questions were dropped so as to get the desired result.*"

3.5.2. Coding

According to KOTHARI (1990) "*coding is a technical procedure by which data are categorized; it involves specifying the alternative categories or classes into which the responses are to be placed and assigning code numbers to the classes*".
Coding is the procedure of classifying the answers to question into meaningful categories. Coding is necessary to carry out subsequent operation of tabulating and analyzing data. If coding is not done, it is not

possible to reduce a large number of heterogeneous responses into meaningful categories with results and the analysis of data would be weak and ineffective, and without proper focus.

3.5.3. Tabulation

It comprises sorting data of different categories and counting the number of cases that belong to each category. The purpose of tabulation is to facilitate the meaning of information to come out easily and clearly. The simplest way of tabulation is to count the number of variables, while the number of responses to questions depends on the sample size.

3.5.4. Data analysis

Primary data have been collected from the respondents in sampled staff members and secondary data obtained from literature review. Data have been organized in a more meaningful and interpretive way to attain the study objectives. After the collection from the field, data have been entered into a computer to allow easy interpretation and analysis. The study employed descriptive statistical tools to analyse quantitative data obtained from the study.

Table of frequency distribution has been prepared whenever necessary as well as the percentage occurrence of each of the response to a particular question. Qualitative data have been analysed by thematic analysis of the main themes as required in the study. The results have been tabulated for easy interpretation such any one could easily visualize the various results as given by the respondents. A discussion has been made at the end of every theme and was related to the objectives of the study.

3.6. Ethical consideration

There are a number of key phrases that describe the system of ethical protections that the contemporary social and medical research establishment has created to try to protect better the rights of their research participants. The principle of voluntary participation requires that people not be coerced into participating in research. This is especially relevant where researchers had previously relied on 'captive audiences' for their subjects -- prisons, universities, and places like that. Those who participated in this study did on their willingness to help the researcher and have not been coerced to do so.

Closely related to the notion of voluntary participation is the requirement of informed consent. Essentially, this means that prospective research participants must be fully informed about the procedures and risks involved in research and must give their consent to participate.

Ethical standards also require that researchers not put participants in a situation where they might be at risk of harm as a result of their participation. Harm can be defined as both physical and psychological. There are two standards that have been applied in this study in order to help protect the privacy of research participants.

We guaranteed the participants confidentiality -- they are assured that identifying information will not be made available to anyone who is not directly involved in the study. The stricter standard is the principle of anonymity which essentially means that the participant will remain anonymous throughout the study and the participants to this study obtained this guarantee.

3.7. Limitation of the study

Due to sensitivity of the information needed for this study, the researcher faces some resistance or conflicting responses from either both sides of Home St Jean employees and authorities. This requires the surety of confidentiality from the researcher. The researcher overcame this anomaly by setting a well focused interview guide which drove the way the respondents should have to address the intended objectives of the study.

Also, the researcher encountered financial difficulties as she had a little funding. In addition, she had trouble to find the financial statements of Home St Jean because I was obliged to bring the authorization signed by the CEO of this institution at its headquarters at Nyundo Diocese.

Summary of the chapter

This chapter has explained the methodology that was used for this study. It concerned both the techniques which have been used to collect data and the methods which have been used to analyze the collected data.

Concerning the techniques, the researcher mentioned documentation and interview. Concerning methods, the researcher mentioned descriptive, comparative, analytical, synthetic and statistics methods which have been used to analyze the collected data.

CHAPTER FOUR. DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1. Introduction

This chapter gives a presentation, an analysis and an interpretation of the study on the self-financing capacity of an enterprise and its contribution to its performance based on the case of Home St Jean, Karongi District (2009-2013).

The chapter comprises two sections. The first one concerns the results obtained from the financial statements of Home St Jean while the second one concerns the results obtained from the respondents on the contribution of self financing capacity on the performance of this hotel. But, before the presentation of the results, let begin with the profile of Home St Jean as it constitutes the case of this study.

4.2. Profile of Home St Jean

4.2.1. Overview of the hotel

Home St Jean is a hotel owned by NYUNDO CATHOLIC DIOCESE. Its services include Bar, Restaurant, Laundry and 29 rooms in total dispatched as follows (Home St Jean, 2013):

Categories and prices

- 6 single executive 15,000Rwf;
- 8 double 10,000Rwf;
- 6 twin 8,000Rwf;
- 4 single 6,000;
- 3 single 5,000;
- and 2 dormitories 2,000Rwf:
- one for 10 persons in total
- Another for 20 persons in total.

Home Saint Jean is registered for Value Added Tax (VAT) since 20/02/2008: Registration number: 101613339.

4.2.2. Geographical location

Home St Jean is located in (Home St Jean, 2013):
- Western province
- Karongi district;
- Bwishyura sector
- Kibuye cell; Umudugudu Gatwaro
- Near Kivu Lac
- 125 Km from Kigali airport

4.3. Respondents' profile

Before proceeding to the step of analyzing the data in relation to the contribution of SFC on the performance of HSJ, the researcher presents the respondents' profile, taking into account their gender, age, level of education and type of contract.

4.3.1. Identification of respondents by sex

The variable sex allowed me to identify the number of men and women who took part in our survey. It also allowed me to collect both, the opinions of men and women on the contribution of SFC on the performance of HSJ.

Table nᵒ1. Identification of respondents by sex

Sex	Number	%
Male	26	66.7
Female	13	33.3
Total	39	100

Source: Field data, 2014

From this table, the researcher finds that the majority of respondents were male (66.7%) against 33.3% of women. Although women are fewer than men, the situation is encouraging since they exceed the portion of 30% of women fixed by the Rwandan law in the decision-making bodies.

4.3.2. Identification of respondents by age

The variable age is of great importance because it may influence a person in the course of his work. Thus, an adult does not appreciate things in the same way than a person still young who has not had much experience in the workplace. This variable allowed me to know the age groups of the respondents as this can be seen in the table below:

Table nᵒ2. Identification of respondents by age

Age	Number	%
[20 - 30[	15	38.5
[30 - 40[	19	48.7
[40 – and more	5	12.8
Total	39	100

Source: Field data, 2014

Regarding age, the table above shows that respondents are still young because 38.5% are between 20 and 30 years old; 48.7% are between 30

and 40 years old and 12.8% are more than 40 years old. From this observation, we believe that the reason for the predominance of group 20-40 compared to others is due to the fact that, at this age, people freshly are out of universities and are looking for work.

4.3.3. The distribution of respondents by level of education

Because all of the respondents are agents of HSJ, the level of education is also an important element in this study. The educational level of the respondents was selected and is reflected in summary form in the table below:

Table no3. Identification of respondents according to their education level

Education level	Number	%
University level	27	69.2
Secondary level	12	30.8
Total	39	100

Source: Field data, 2014

As we see from the results of this table, 69.2% of the respondents have a university level while 30.8% have a secondary level. As a comment, for some positions (Manager, Accountant), one must possess a bachelor's level but for others (Cashiers), simply a secondary level is sufficient.

4.3. Self-Financing Capacity of Home Saint Jean

This section aims at verifying the hypothesis I. It begins with the analysis of evolution of key indicators of Home St Jean. It continues with the

analysis of the self-financing capacity of the hotel. It ends with the verification of the hypothesis.

4.3.1. Analysis of evolution of key indicators of Home St Jean

4.3.1.1. Evolution of Share Capital

Table n°4: Evolution of the Share Capital between 2009 and 2013

Year	2009	2010	2011	2012	2013
Share Capital	106,395,576	109,395,576	109,395,576	109,395,576	109,395,576
Variation in %		2.8	0.0	0.0	0.0

Source: Home St Jean, *Financial statements*, 2009-2013

In the period of this study, the share capital of Home St Jean was 106,395,576 Rwf in 2009. It increased by 2.8% from 2009 to 2010. It remains the same for the other years of the study.

On the graphic, this change can be presented as follows:

Graph n°1. Evolution of share capital
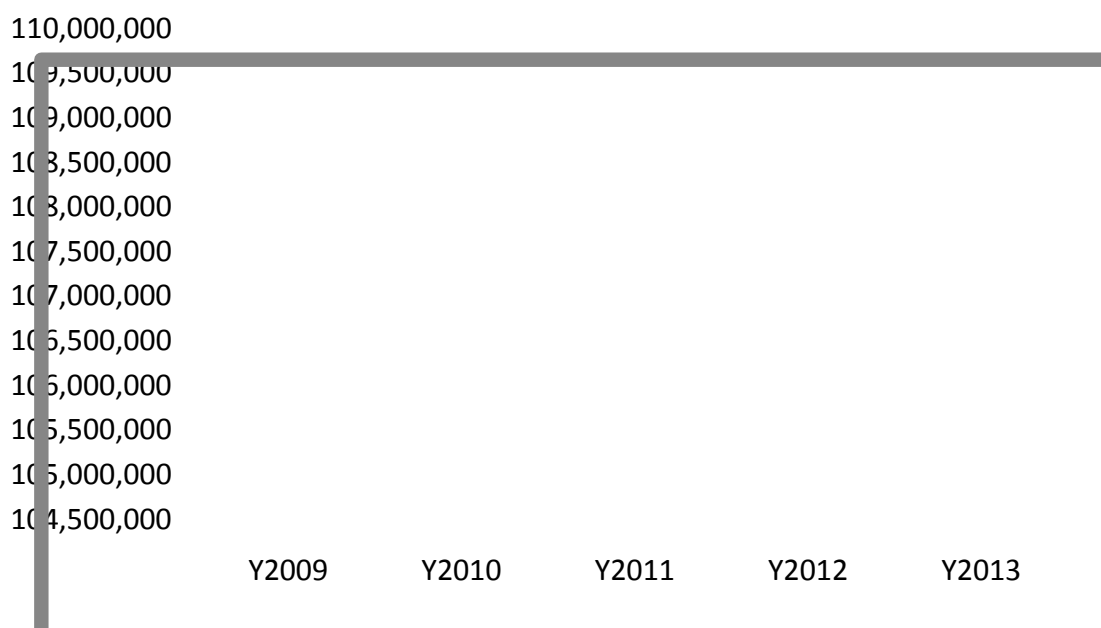
This graphic shows that the share capital increased only from 2009 to 2010. During the other years, the share capital did not change.

4.3.1.2. Evolution of net profit

The surplus for the year is one of the sources of funds used by Home St Jean. This is one of the indicators of growth of any business. In the table below, we give the situation of surplus during the period under study:

Table nº5. Evolution of net profit between 2009 and 2013

Year	2009	2010	2011	2012	2013
Net profit of Home St Jean	1,653,898	988,960	3,244,755	859,725	6,831,774
Variation in %		(40.20)	228.10	(73.50)	694.65

Source: Home St Jean, *Financial statements*, 2009-2013

The results in this table show that Home St Jean recorded a net income of 1,653,898 Rwf in 2009. This result has decreased by 40.20% in 2010. It increased by 228.20% in 2011. It decreased by 73.50% in 2012 and increased by 694.65% in 2013.

On the graphic, this change can be presented as follows:

Graph nº2. Evolution of net profit
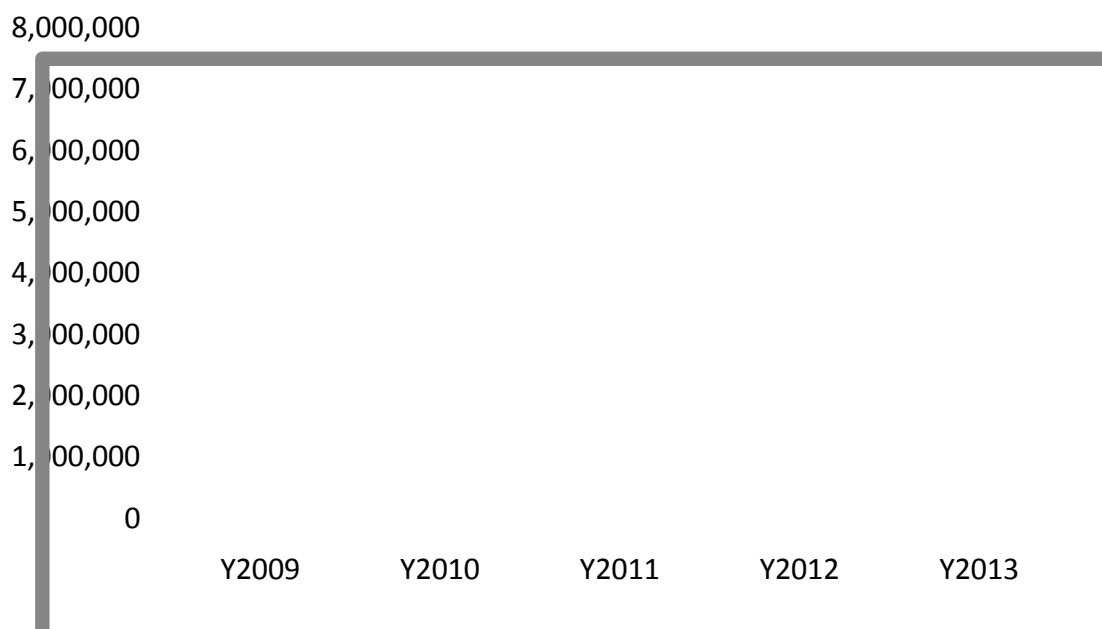
As we can see through the above graphic, the net income recorded changing values during the period of the study. This change is mainly explained by the global economic crises which stroke the world in for some of the years of the study.

4.3.1.3. Evolution of equity of Home St Jean

The Equation of Statement of Financial Position states that Asset equals Liabilities plus Owners Equity (Asset=Liabilities + O. Equities).

The equity of Home St Jean experienced a positive growth during the period under study. The table below gives us the details.

Table nº6. Evolution of equity

Year	2009	2010	2011	2012	2013
Net profit of Home St Jean	1,653,898	988,960	3,244,755	859,725	6,831,774
Share capital	106,395,576	109,395,576	109,395,576	109,395,576	109,395,576
Equity	108,049,474	110,384,536	112,640,331	110,255,301	116,227,350
Variation in %		2.16	2.04	(2.12)	5.42

Source: Home St Jean, *Financial statements*, 2009-2013

The results in this table show that in 2009, the equity of Home St Jean was 108,049,474 Rwf. In 2010, this equity increased by 2.16% to become 110,384,536 Rwf. In 2011, the increase continues to reach 112,640,331 Rwf which is an increase of 2.04%. In 2012, the equity of Home St Jean decreased by 2.12% and it increased by 5.42% in 2013.

On the graphic, this change can be presented as follows:

Graph nº3. Evolution of equity
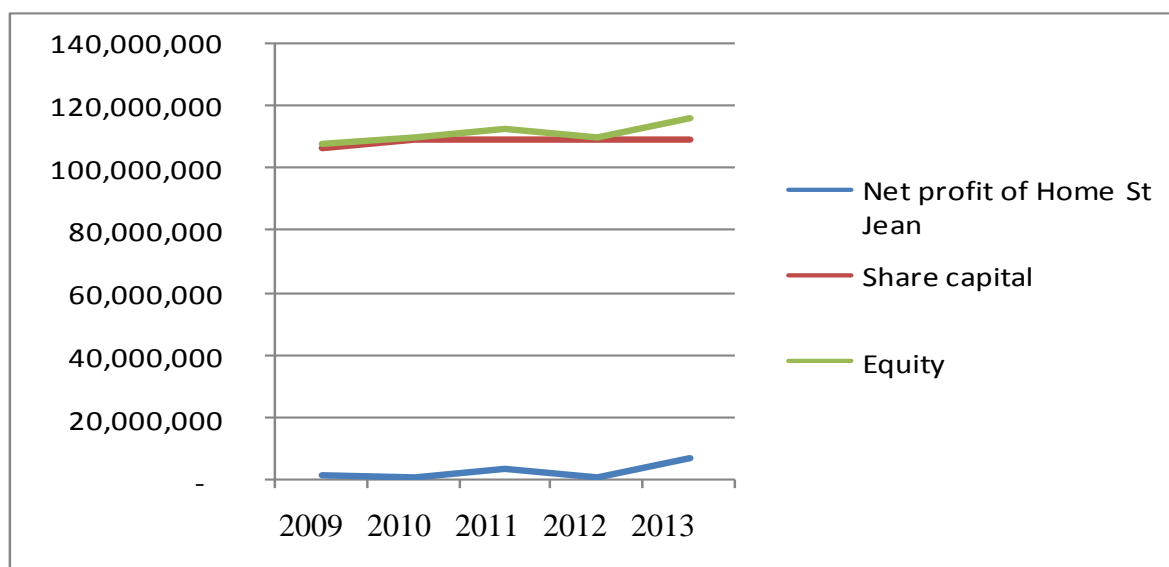
4.3.1.4. Evolution of total assets

In the table below, I present the growth of total assets of Home St Jean during the concerned period:

Table nº7. Evolution of the total assets

	Y 2009	Y 2010	Y 2011	Y 2012	Y 2013
Total assets of Home St Jean	192,880,374	196,077,123	211,437,736	219,795,342	221,384,547
Variation in %		1.66	7.83	3.95	0.72

Source: Home St Jean, *Financial statements*, 2009-2013

From the table above, we see that the total assets of Home St Jean were 192,880,374 Rwf in 2009. This amount increased by 1.66% in 2010; by 7.83% in 2011; by 3.95% in 2012 and by 0.72% in 2013.

On the graphic, this change can be presented as follows:

Graph nº4. Evolution of total assets
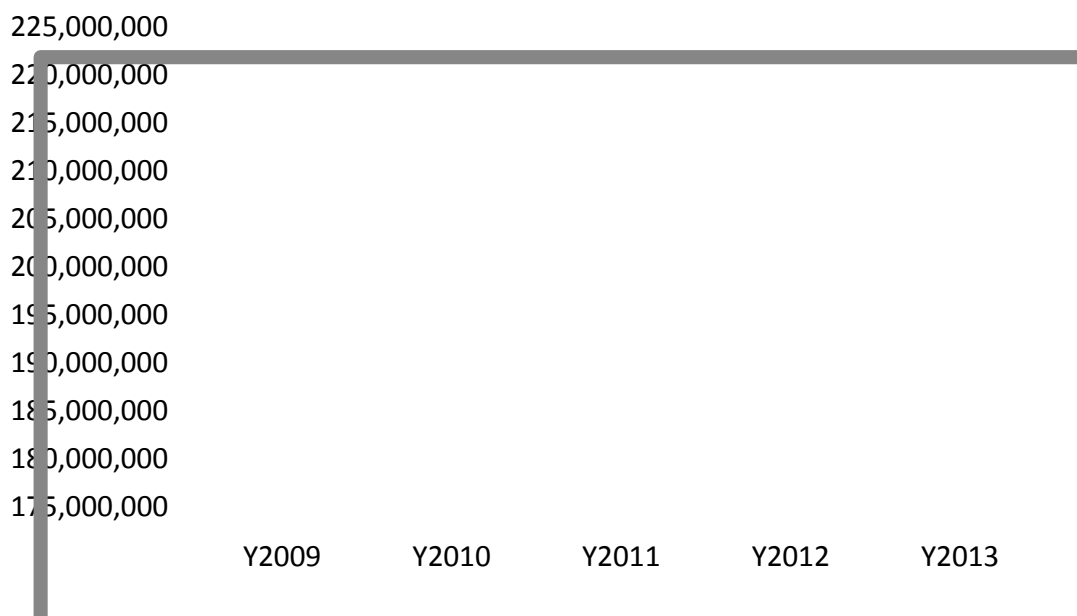
The total assets increased due to the increase in sales and decreased due to the same fact as the researcher was told by the Accountant of Home St Jean.

4.3.1.5. Evolution of cash in hand

In common language cash refers to money in the physical form of currency, such as banknotes and coins.

In bookkeeping and finance, cash refers to current assets comprising currency or currency equivalents that can be accessed immediately or near-immediately (as in the case of money market accounts). Cash is seen either as a reserve for payments, in case of a structural or incidental negative cash flow or as a way to avoid a downturn on financial markets.

For the case of this study, the table below allows us to understand the evolution of cash in Home St Jean between 2009 and 2013.

Table nº8. Evolution of cash between 2009 and 2013

	Y 2009	Y 2010	Y 2011	Y 2012	Y 2013
Cash of Home St Jean	504,275	122,019	71,151	392,193	98,560
Variation in %		(75.80)	(41.69)	451.21	(74.87)

Source: Home St Jean, *Financial statements,* 2009-2013

The results of this table show that the indicator cash was 504,275 in 2009. In 2010, this amount decreased by 75.80%. It decreased also by 41.69% in 2011 and increased by 451.21% in 2012. It also decreased in 2013 by 74.87%. This is due on the fact that cash may not exceed 500,000RWF according to the accounting rules of Home Saint Jean. The main payments are made by Bank.

On the graphic, the change in cash can be presented as follows:

Graph n°5. Evolution of cash
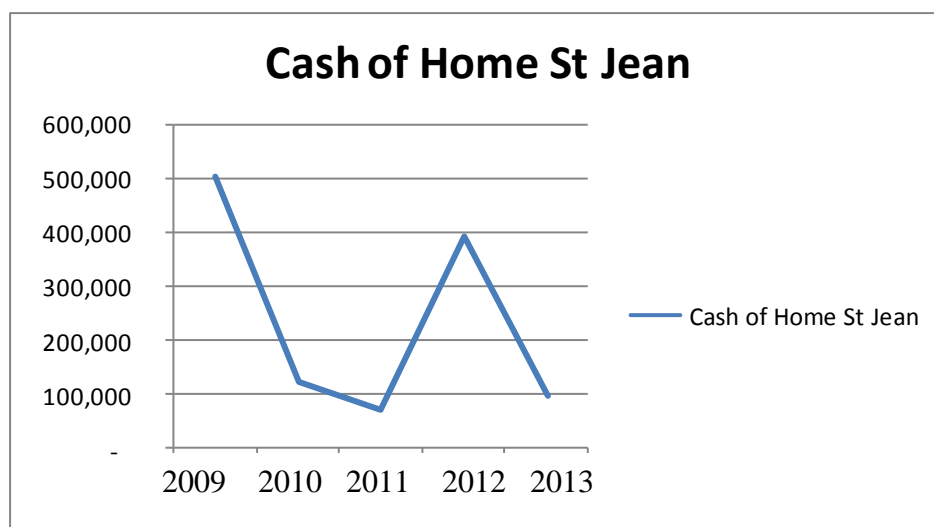
Cash of Home St Jean

This graphic shows that cash recorded a marked change for the period of the study.

4.3.1.6. Evolution of liquidity in bank

For the case of this study, the table below allows us to understand the evolution of liquidity in bank in Home St Jean between 2009 and 2013.

Table n°9. Evolution of liquidity in bank between 2009 and 2013

	2009	2010	2011	2012	2013
Bank of Home St Jean	523,588	4,485,371	20,457,303	2,971,573	6,132,077
Variation in %		756.66	356.09	(85.47)	106.36

Source: Home St Jean, *Financial statements*, 2009-2013

The results in the table above show that the liquidity in bank was 523,588 Rwf in 2009. This amount increased by 756.66% in 2010, by 356.09% in 2011 and decreased by 85.47% in 2012 before an increase of 106.36% in 2013.

On the graphic, this change can be presented as follows:

Graph n°6. Evolution of liquidity in bank
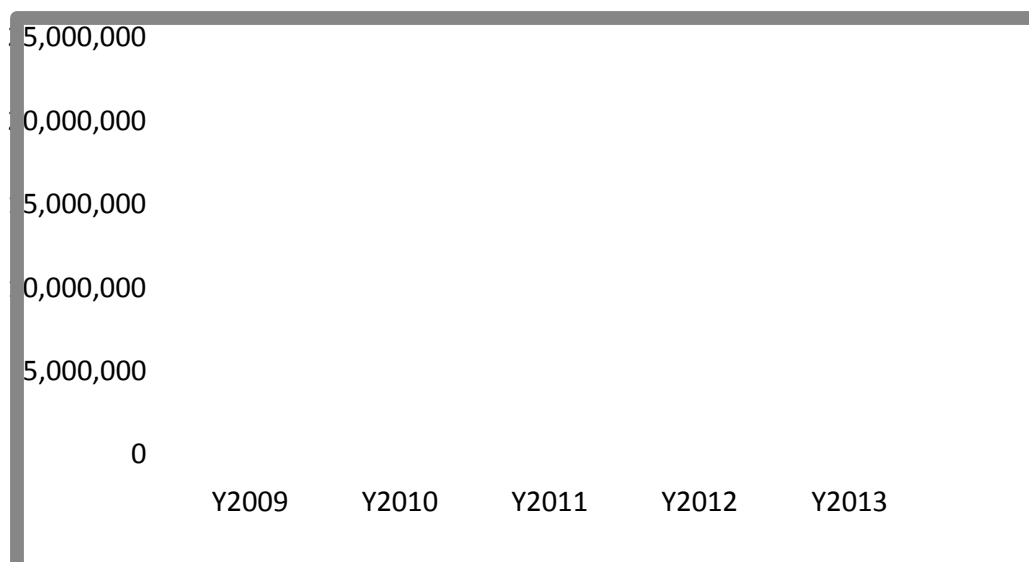
On this graphic, it is obvious that liquidity in bank was higher in 2011.

4.3.1.7. The evolution of amortization and depreciations

In the table below, it is displayed the evolution of the amortization and depreciations constituted by the company during our study period.

Table n°10. The evolution of amortization and depreciations

Year\\Indicator	2009	2010	2011	2012	2013
Depreciation & Amortization	7,010,650	9,971,196	7,210,484	9,990,525	5,803,285
Variation in %		42.23	(27.69)	38.55	(41.91)

Source: Home St Jean, *Financial statements*, 2009-2013

These figures can be shown in graph as follows:

Graph n°7. The evolution of amortization and depreciations
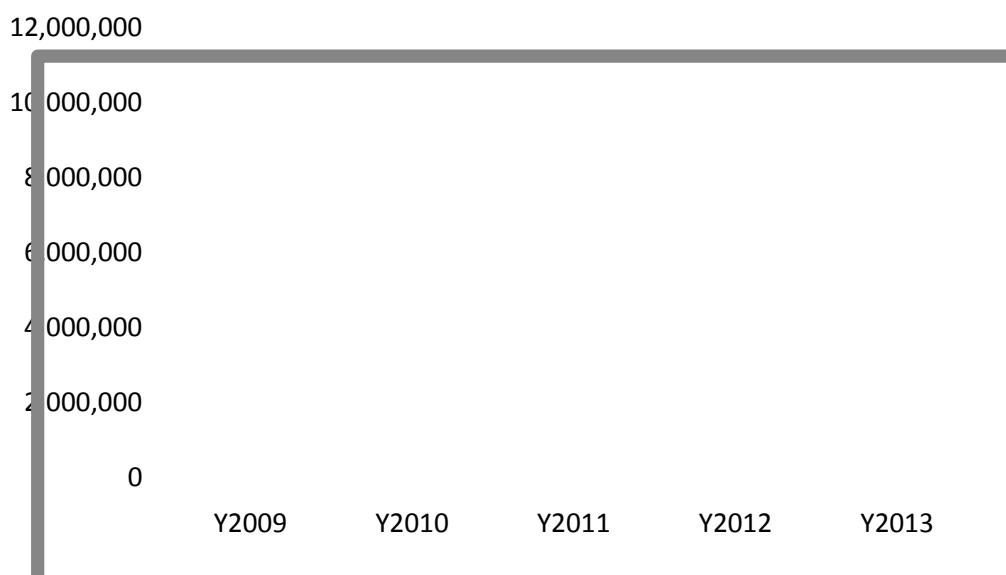
The results obtained show that the depreciation and amortization recorded a changing evolution throughout the study period. They were 7,010,650 Rwf in 2009. This sum increased by 42.23% in 2010. The sum decreased by 27.69% in 2011. The increase resumed by 38.55% and the decrease resumed with a decrease of 41.91%.

4.3.1.8. Calculation of the SFC

In the following part I'll present the Self financing capacity of Home Saint Jean, the Share of Net profit and Share of Depreciation and amortization using the formula given below:

- SFC= Net profit + Depreciations and amortizations
- Share of Net profit= SFC/Net profit
- Share of Depreciation and amortization= SFC/Depreciation and amortization

Table nº11. SFC of Home St Jean

Indicators	2009	2010	2011	2012	2013
Net Profit	1.653.898	988.860	3.244.755	859.725	6.831.774
Depreciation	7.010.650	9.971.196	7.210.484	9.990.525	5.803.285
SFC	8.664.548	10.960.056	10.455.239	10.850.250	12.635.059
Evolution of SFC in %		26,49	-4,61	3,78	16,45
Share of Net profit	19,09	9,02	31,03	7,92	54,07
Share of Depreciation	80,91	90,98	68,97	92,08	45,93
Fixed asset	190.426.638	183.780.445	176.569.961	213.579.436	212.165.891
Rate of financing fixed asset	4,55	5,96	5,92	5,08	5,96
Loan from Nyundo Diocese	84.772.600	84.772.600	72.772.600	72.772.600	72.772.600
Rate of reimbursement	978,38	773,47	696,04	670,70	575,96

Source: Source: Home St Jean, *Financial statements*, 2009-2013

The SFC is positive during the period of this study. Its evolution is negative in 2011 and positive but very low in 2012.

In 2009, the share of net profit in SFC was 19,09%. Its very low level is 9,02% in 2010 while the highest level is 54,07% in 2013. The share of depreciation, during the period of this study, is always up to 50% except in 2013 where it is 45,93%.

The loan from Nyundo Diocese remains high and the rate of reimbursement of that loan still very high. It may be very dangerous if

the loan can generate interest. According to the information received during interview, there's no interest paid for these loans as they are obtained not from financial institutions but from other production units of Nyundo Diocese.

4.4. Results obtained from the questionnaire

The results presented in this section are obtained using the questionnaire. As it has been explained in the third chapter of this work, the sample of this survey is composed of all 39 employees of Home Saint Jean.

4.4.1. Contribution of SFC on the performance of HSJ

This section is devoted to the analysis of the contribution of SFC on the performance of HSJ. The information obtained helped us to verify the second hypothesis of this study:

Table nº12. Sources of revenue in insuring SFC of HSJ

Responses	Number of respondents	Percentage
Strongly agree	31	79.5
Agree	8	20.5
Disagree	0	0
Strongly disagree	0	0
Total	39	100

Source: Field data, 2014

The results obtained in the survey show that 79.5% of the respondents strongly agreed that the sources of revenue of Home St Jean are

sufficient to insure its self financing capacity while 20.5% agreed with that assertion. Nobody disagreed or strongly disagreed.

Table nº13. Profit in insuring SFC of HSJ

Responses	Number of respondents	Percentage
Strongly agree	17	43.6
Agree	14	35.9
Disagree	5	12.8
Strongly disagree	3	7.7
Total	39	100

Source: Field data, 2014

The results obtained in the survey show that 43.6% of the respondents strongly agreed that the profit obtained by Home St Jean are sufficient to insure its self financing capacity and other 35.9% agreed with that assertion. 12.8% disagreed while 7.7% strongly disagreed.

Table nº14. Turnover of HSJ adequately covering its expenses

Responses	Number of respondents	Percentage
Strongly agree	8	20.5
Agree	25	64.1
Disagree	5	12.8
Strongly disagree	1	2.6
Total	39	100

Source: Field data, 2014

The results obtained in the survey show that 20.5% of the respondents strongly agreed that the turnover of HSJ adequately covers its expenses; 64.1% agreed and 12.8% disagreed with that assertion while 2.6% strongly agreed.

Table nº15. Total assets covering the working capital of HSJ

Responses	Number of respondents	Percentage
Strongly agree	20	51.3
Agree	14	35.9
Disagree	4	10.3
Strongly disagree	0	0.0
Total	39	100

Source: Field data, 2014

The results obtained in the survey show that 51.3% of the respondents strongly agreed that the total assets of HSJ are sufficient to cover its working capital while 35.9% agreed with that assertion. 10.3% disagreed but nobody strongly disagreed.

Table nº16. Difficulties faced by Home St Jean in insuring its SFC

Responses	Number of respondents	Percentage
A lot of loans	29	74.4
Insuficient customers	8	20.5
Higher taxes	2	5.1
Total	39	100

Source: Field data, 2014

The results obtained in the survey show that 74.4% of the respondents fingered a lot of loans as the main difficulty faced in insuring SFC to HSJ. 20.5% evoked insufficiency of customers and 5.1% talked about higher taxes paid by this hotel.

4.5. Hypothesis testing

The first hypothesis of this study was stated as follows: Home St Jean had a positive self-financing capacity during the period 2009-2013. The results obtained based on its financial statements showed the following situation:

- In the period of this study, the share capital of Home St Jean was 106,395,576 Rwf in 2009. It increased by 2.8% from 2009 to 2010. It remains the same for the other years of the study

- Home St Jean recorded a net income of 1,653,898 Rwf in 2009. This result has decreased by 40.20% in 2010. It increased by 228.20% in 2011. It decreased by 73.50% and increased by 694.65.

- In 2009, the equity of Home St Jean was 108,049,474 Rwf. In 2010, this equity increased by 2.16% to become 110,384,536 Rwf. In 2011, the increase continues to reach 112,640,331 Rwf which is an increase of 2.04%. In 2012, the equity of Home St Jean decreased by 2.12% and it increased by 5.42% in 2013

- The total assets of Home St Jean were 192,880,374 Rwf in 2009. This amount increased by 1.66% in 2010; by 7.83% in 2011; by 3.95% in 2012 and by 0.72% in 2013

- The indicator cash in hand was 504,275 in 2009. In 2010, this amount decreased by 75.80%. It decreased also by 41.69% in 2011 and increased by 451.21% in 2012. It also decreased in 2013 by 74.87%

- The liquidity in bank was 523,588 Rwf in 2009. This amount increased by 756.66% in 2010, increased by 356.09% in 2011 and decreased by 85.47% in 2012. In 2013 there is an increase of 106.36%. The amount was 6,132,077 RWF in Bank in 2013.

- Home St Jean has no Bank loan. The sole loan is from NYUNDO Diocese and it doesn't decrease sensibly.

- The Self financing capacity of Home Saint remains positive during the period of this study. But its evolution remains low even negative in 2011. Considering the fixed assets and the loan from Nyundo Diocese, effort may be done to increase the Self financing Capacity of Home Saint Jean.

To sum up, these results show that the first hypothesis is verified and confirmed because Home St Jean had a positive self-financing capacity during the period 2009-2013.

Concerning the second hypothesis, it was stated as follows: The self-financing capacity of Home St Jean contributed positively to its performance. The results obtained using the questionnaire showed the following situation:

- 79.5% of the respondents strongly agreed that the sources of revenue of Home St Jean are sufficient to insure its self financing capacity while 20.5% agreed with that assertion. Nobody disagreed or strongly disagreed.

- 43.6% of the respondents strongly agreed that the profit obtained by Home St Jean are sufficient to insure its self financing capacity and other 35.9% agreed with that assertion. 12.8% disagreed while 7.7% strongly disagreed.

- 20.5% of the respondents strongly agreed that the turnover of HSJ adequately covers its expenses; 64.1% agreed and 12.8% disagreed with that assertion while 2.6% strongly agreed.

- 51.3% of the respondents strongly agreed that the total assets of HSJ are sufficient to cover its working capital while 35.9% agreed with that assertion. 10.3% disagreed but nobody strongly disagreed

- 74.4% of the respondents fingered a lot of loans as the main difficulty faced in insuring SFC to HSJ. 20.5% evoked insufficiency of customers and 5.1% talked about higher taxes paid by this hotel.

In sum, these results verify and confirm the second hypothesis as it is clear that the self-financing capacity of Home St Jean contributed positively to its performance.

CHAPTER V. SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1. Summary

This chapter presents the summary, conclusion and recommendations of the topic under the study. It adopted analytical and descriptive design. Based on the respondents found in the finance and administration of Home St Jean, five employees have been selected to fill the questionnaire hence adopting a universal sampling technique.

In this chapter, I am going to report the study. Initially, the researcher's interest has been aroused by the need to assess the sufficient of the self financing capacity of Home St Jean. The study established whether its profit is related to its self financing capacity.

The hypotheses of this study are:
- Home St Jean had a positive self-financing capacity during the period 2009-2013;
- The self-financing capacity of Home St Jean contributed positively to its performance.

This study has set the following specific objectives:
- to analyze the self-financing capacity of Home Saint Jean for the period 2009-2013;
- to assess the contribution of the self-financing capacity of Home St Jean to its performance;
- to suggest strategies that may improve the self-financing capacity of Home St Jean.

5.2. General conclusion

By its size and structure, the self-financing capacity helps on maintaining the enterprise value (through its component, depreciations and provisions) and it is at the same time, a growth factor via the component net income. Analysts identified the factors that influence SFC respectively the depreciation policy, the tax policy and the measures adopted by the company for increase profitability

Different authors outlined the characteristics of SFC and its destinations, as resources to finance various needs. The researcher has investigated the contribution of SFC on the performance of an enterprise. The study has set two hypotheses, research questions and objectives. The case study method was adopted; Home St Jean was purposively chosen to be the case study unity.

The research findings revealed that the Self financing capacity of Home Saint remains positive during the period of this study. But its evolution remains low even negative in 2011. Considering the fixed assets and the loan from Nyundo Diocese, effort may be done to increase the Self financing Capacity of Home Saint Jean.

The research findings also revealed that the vast majority of the respondents strongly agreed that self financing capacity of Home St Jean positively contributed on its performance.

The primary data were collected using a questionnaire and interview guide while secondary data were obtained using the financial statements of Home St Jean. The findings obtained by the researcher were found to be not different from the theories put forward by a number of scholars in chapter two.

Self-financing capacity is one of the indicators used to assess the business performance. It measures the ability of firms to generate resources for financing the activity. These resources are required to provide the company's contribution to cover the investment expenses. This study was done in order to analyze the self-financing capacity and its contribution to the performance of Home St Jean for the period 2009-2013.

To collect data, the researcher used documentary techniques, questionnaire, sampling technique and interview. The researcher also used historical, comparative, analytical, synthetic and statistics methods to analyze data collected.

The results obtained based on the financial statements of Home St Jean are summarized as follows:

- In the period of this study, the share capital of Home St Jean was 106,395,576 Rwf in 2009. It increased by 2.8% from 2009 to 2010. It remains the same for the other years of the study

- Home St Jean recorded a net income of 1,653,898 Rwf in 2009. This result has decreased by 40.20% in 2010. It increased by 228.20% in 2011. It decreased by 73.50% and increased by 694.65.

- In 2009, the equity of Home St Jean was 108,049,474 Rwf. In 2010, this equity increased by 2.16% to become 110,384,536 Rwf. In 2011, the increase continues to reach 112,640,331 Rwf which is an increase of 2.04%. In 2012, the equity of Home St Jean decreased by 2.12% and it increased by 5.42% in 2013

- The total assets of Home St Jean were 192,880,374 Rwf in 2009. This amount increased by 1.66% in 2010; by 7.83% in 2011; by 3.95% in 2012 and by 0.72% in 2013

- The indicator cash in hand was 504,275 in 2009. In 2010, this amount decreased by 75.80%. It decreased also by 41.69% in 2011 and increased by 451.21% in 2012. It also decreased in 2013 by 74.87%

- The liquidity in bank was 523,588 Rwf in 2009. This amount increased by 756.66% in 2010, increased by 356.09% in 2011 and decreased by 85.47% in 2012. In 2013 there is an increase of 106.36%. The amount was 6,132,077 RWF in Bank in 2013.

- Home St Jean has no Bank loan. The sole loan is from NYUNDO Diocese and it doesn't decrease sensibly.

- The Self financing capacity of Home Saint remains positive during the period of this study. But its evolution remains low even negative in 2011. Considering the fixed assets and the loan from Nyundo Diocese, effort may be done to increase the Self financing Capacity of Home Saint Jean.

In sum, these results show that the first hypothesis was verified and confirmed because Home St Jean had a positive self-financing capacity during the period 2009-2013.

Concerning the contribution of this SLF on the performance of Home St Jean, the following results have been obtained based on the questionnaire:

- 79.5% of the respondents strongly agreed that the sources of revenue of Home St Jean are sufficient to insure its self financing capacity while 20.5% agreed with that assertion. Nobody disagreed or strongly disagreed.

- 43.6% of the respondents strongly agreed that the profit obtained by Home St Jean are sufficient to insure its self financing capacity and

other 35.9% agreed with that assertion. 12.8% disagreed while 7.7% strongly disagreed.

- 20.5% of the respondents strongly agreed that the turnover of HSJ adequately covers its expenses; 64.1% agreed and 12.8% disagreed with that assertion while 2.6% strongly agreed.

- 51.3% of the respondents strongly agreed that the total assets of HSJ are sufficient to cover its working capital while 35.9% agreed with that assertion. 10.3% disagreed but nobody strongly disagreed

- 74.4% of the respondents fingered a lot of loans as the main difficulty faced in insuring SFC to HSJ. 20.5% evoked insufficiency of customers and 5.1% talked about higher taxes paid by this hotel.

In sum, these results verify and confirm the second hypothesis as it is clear that the self-financing capacity of Home St Jean contributed positively to its performance.

In addition, the study objectives were attained and the questions to the study were answered.

5.3. Recommendations

Strengths	Weakness
Increasing assets	Low level of sales
Positive SFC	A lot of loans
Price fixed based on other factors	Insufficient liquidity

In order to improve self-financing capacity of Home St Jean, I formulate the following suggestions:

- Increase the sales because we have seen that in 2009 they were very low and had an impact on the profitability;

- Continue to fix the price based on the increasing of the other factors as I detailed in work;
- Make efforts in paying back the loans obtained from other production units of Nyundo Diocese as it was found that these loans are still high;
- Increase the level of liquidity.

5.4. Area for further research

This study was carried out in Home St Jean as a case study, given time and financial resources, the researcher could be more reasonable if she compared her findings to other similar enterprises working in Rwanda or outside of Rwanda. In addition, the researcher does not claim to have exhausted all concern this research topic. However, she just marked the runway and call for future researchers to complete this research.

The proposed topics are the following:
- Analysis of the inventory management as a factor underlying the profitability of Home St Jean;
- Effect of staff motivation on the improvement of the quality of services and its impact on the sustainability of Home St Jean.

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APPENDICES

LETTER TO THE RESPONDENT

Dear sir/madam,

My name is MUKAMUNANA RWANYANGE Eugénie. I am a student at University of Rwanda, Campus of Kigali.

For the partial fulfillment of the requirements for the Award of Masters Degree in Finance, I am doing a research on analysis of the self-financing capacity of an enterprise and its contribution to its performance. The case of Home St Jean, Karongi District (2009-2013). So, I am asking you to give your contribution on this study by answering to these questions and I promise I will stay confidential.

_____

Yours MUKAMUNANA RWANYANGE Eugénie

QUESTIONNAIRE

A. Identification

Q1. Sex
☐ Male
☐ Female

Q2. How old are you?
☐ 20-30
☐ 30-40
☐ 40 and more

Q3. What is your education level?
☐ University level
☐ Secondary level

B. Questionnaire related to the contribution of SFC on the performance of HSJ

Q4. Are the sources of revenue of Home St Jean sufficient to insure its self financing capacity?
☐ Strongly agree
☐ Agree
☐ Disagree
☐ Strongly disagree

Q5. Is the profit obtained sufficient to insure the self financing of Home St Jean's activities?
☐ Strongly agree
☐ Agree

☐ Disagree

☐ Strongly disagree

Q6. Does its turnover cover adequately its expenses?

☐ Strongly agree

☐ Agree

☐ Disagree

☐ Strongly disagree

Q7. Are its total assets enough to cover its working capital?

☐ Strongly agree

☐ Agree

☐ Disagree

☐ Strongly disagree

What are the difficulties faced by Home St Jean to insure its self financing?

Thank you for your collaboration

_____

Eugenie

INTERVIEW GUIDE

What are the main sources of revenue of Home St Jean?

How do you consider its total assets?

Is Home St Jean increasing its turnover?

What is your opinion on the sufficiency of the profit obtained by Home St Jean the last four years?

Are the profit obtained sufficient to insure the self financing of Home St Jean's activities?

What are the difficulties faced by Home St Jean to insure its self financing?

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HOME SAINT JEAN
KARONGI
BP 20 KIBUYE

Bilan au 31/12/2009

N°Cpt	ACTIF COMPTES	MONTANT BRUT	AMORT/PROV	MONTANT NET	TOTAUX PART	n°Cpt	PASSIF COMPTE	MONTANT NET	TOTAUX PART
	VAL.IMM						CAPITAUX		
2210	VALEURS IMMOBILISES	210,785,960	20,359,322	190,426,638		10	CAPITAL PROPRE	106,395,576	
							DETTES AM/T		
	Total	210,785,960	20,359,322	190,426,638	190,426,638		PRÊT DU DIOCESE DE NYUNDO	84,772,600	
	VALEURS D'EXPLOITATION						S/TOTAL	191,168,176	191,168,176
31	MATIERES PREMIERES ET FOURNIT	1,099,475		1,099,475					
	TOTAL	**1,099,475**		**1,099,475**	**191,526,113**				
	VALEURS REALIS ET DISPON								
41	CLIENTS	25,400		25,400			**DETTES FISCALES**		
4310	ACOMPTES 3%								
4311	ACOMPTES 1/4	300,998		300,998		433	TPR DECEMBRE 2006	58,300	
							DETTES SOCIALES		
56	Banque	523,588		523,588		434	CSR		
57	CAISSE	504,275		504,275		85	RESULTAT NET	1,653,898	
	TOTAL	1,354,261		1,354,261	192,880,374		S/TOTAL	1,712,198	192,880,374
	TOTAL GENERAL				**192,880,374**		**TOTAL GENERAL**		**192,880,374**

CERTIFIE EXACTE ET SINCERE
LE 3/4/2010
HOME ST JEAN

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HOME SAINT JEAN
KARONGI
BP 20 KIBUYE

Bilan au 31/12/2010

N°Cpt	ACTIF COMPTES	MONTANT BRUT	AMORT/PROV	MONTANT NET	TOTAUX PART	n°Cpt	PASSIF COMPTE	MONTANT NET	TOTAUX PART
	VAL.IMM						CAPITAUX		
2100	MAISON D'EXPLOITATION	102,507,600	13,325,988	89,181,612		10	CAPITAL PROPRE	109,395,576	
2210	FRAIS IMMOB(JARDIN)	2,000,000		2,000,000					
2211	REHABILITATION(MAISON D'EXPLO	84,772,600	3,233,178	81,539,422					
2212	EQUIPEMENT ET MATER	24,829,960	13,770,549	11,059,411					
	Total	214,110,160	30,329,715	183,780,445	183,780,445		S/TOTAL	109,395,576	109,395,576
	VALEURS D'EXPLOITATION						DETTES A C/T		
30	MARCHANDISE	757,850		757,850			DETTES DIOCESE DE NYUNDO	84,772,600	
31	MATIERE PREM ET FOURNITURE	1,342,460		1,342,460			ELECTROGAZ (FACTURE 08)	268,297	
312	AUTRES FOURNIT/HYG	179,010		179,010			RWANDATEL (FACT DE DEC 08)	41,170	
	TOTAL	2,100,310		2,100,310	185,880,755				
	VALEURS REALIS ET DISPON						DETTES FISCALES		
41	CLIENTS	4,953,536		4,953,536		432	TVA DECEMBRE 2008	329,953	
4310	ACOMPTES 3%	131,320		131,320		433	TPR DECEMBRE 2008	69,555	
4311	ACOMPTES 1/4	504,122		504,122					
							DETTES SOCIALES		
56	Banque	4,485,371		4,485,371		434	CSR	211,012	
57	CAISSE	122,019		122,019		85	RESULTAT NET AVANT IMPOT	988,960	
	TOTAL	10,196,368		10,196,368	196,077,123		S/TOTAL	86,681,547	196,077,123
	TOTAL GENERAL				196,077,123		TOTAL GENERAL		196,077,123

CERTIFIE EXACTE ET SINCERE
LE 31/5/2011
HOME ST JEAN

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HOME SAINT JEAN
KARONGI
BP 20 KIBUYE

Bilan au 31/12/2011

N°Cpt	COMPTES	MONTANT BRUT	AMORT/PROV	MONTANT NET	TOTAUX PART	n°Cpt	COMPTE	MONTANT NET	TOTAUX PART
	ACTIF						**PASSIF**		
	VAL.IMM						**CAPITAUX**		
22	VAL IMM	214,110,160	37,540,199	176,569,961		10	CAPITAL PROPRE	109,395,576	
	Total	**214,110,160**	**37,540,199**	**176,569,961**	**176,569,961**		**S/TOTAL**	**109,395,576**	**109,395,576**
	VALEURS D'EXPLOITATION						**DETTES A C/T**		
30	MARCHANDISE	773,516		773,516			DETTES DIOCESE DE NYUNDO	72,772,600	
31	MATIERE PREM ET FOURNITURE	688,090		688,090			FOURNISSEURS	25,554,479	
	TOTAL	**1,461,606**		**1,461,606**	**178,031,567**		RWANDATEL (FACT DEC 2009)	9,511	
	VALEURS REALIS ET DISPON						**DETTES FISCALES**		
41	CLIENTS	12,877,715		12,877,715		432	TVA DECEMBRE 2009	177,482	
							DETTES SOCIALES		
56	Banque (FINA BANK)	19,477,303		19,477,303		434	CSR	283,333	
56	COGEBANK	980,000		980,000					
57	CAISSE	71,151		71,151		85	RESULTAT NET AVANT IMPOT	3,244,755	
	TOTAL	**33,406,169**		**33,406,169**	**211,437,736**		**S/TOTAL**	**102,042,160**	**211,437,736**
	TOTAL GENERAL				**211,437,736**		**TOTAL GENERAL**		**211,437,736**

CERTIFIE EXACTE ET SINCERE
LE 24/4/2012
HOME ST JEAN

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HOME SAINT JEAN
KARONGI
BP 20 KIBUYE

Bilan au 31/12/2012

N°Cpt	ACTIF COMPTES	MONTANT BRUT	AMORT/PROV	MONTANT NET	TOTAUX PART	n°Cpt	PASSIF COMPTE	MONTANT NET	TOTAUX PART
	VAL.IMM						CAPITAUX		
22	VAL IMM	261,110,160	47,530,724	213,579,436		10	CAPITAL PROPRE	109,395,576	
	Total	261,110,160	47,530,724	213,579,436	213,579,436		S/TOTAL	109,395,576	109,395,576
	VALEURS D'EXPLOITATION						DETTES A C/T		
30	MARCHANDISE	652,000		652,000			DETTES DIOCESE DE NYUNDO	72,772,600	
31	MATIERE PREM ET FOURNITURE	421,840		421,840			FOURNISSEURS	36,020,499	
	TOTAL	1,073,840		1,073,840	214,653,276				
	VALEURS REALIS ET DISPON						DETTES FISCALES		
41	CLIENTS	1,778,300		1,778,300		432	TPR DECEMBRE 2010	95,889	
							TVA DECEMBRE 2010	206,355	
56	Banque (FINA BANK)	2,505,553		2,505,553		434	DETTES SOCIALES		
56	COGEBANK	466,020		466,020			CSR	444,698	
57	CAISSE	392,193		392,193		85	RESULTAT NET AVANT IMPOT	859,725	
	TOTAL	5,142,066		5,142,066	219,795,342		S/TOTAL	110,399,766	219,795,342
	TOTAL GENERAL				219,795,342		TOTAL GENERAL		219,795,342

CERTIFIE EXACTE ET SINCERE
LE 10/3/2013
HOME ST JEAN

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HOME SAINT JEAN
KARONGI
BP 20 KIBUYE

Bilan au 31/12/2013

N°Cpt	COMPTES	MONTANT BRUT	AMORT/PROV	MONTANT NET	TOTAUX PART	n°Cpt	COMPTE	MONTANT NET	TOTAUX PART
	ACTIF						**PASSIF**		
	VAL.IMM						**CAPITAUX**		
22	VAL IMM	261,110,160	48,944,269	212,165,891		10	CAPITAL PROPRE	109,395,576	
	Total	**261,110,160**	**48,944,269**	**212,165,891**	**212,165,891**		**S/TOTAL**	**109,395,576**	**109,395,576**
	VALEURS D'EXPLOITATION						**DETTES A C/T**		
30	MARCHANDISE	787,119		787,119			DETTES DIOCESE DE NYUNDO	72,772,600	
31	MATIERE PREM ET FOURNITURE	402,200		402,200			FOURNISSEURS	30,729,036	
	TOTAL	**1,189,319**		**1,189,319**	**213,355,210**				
	VALEURS REALIS ET DISPON						**DETTES FISCALES**		
41	CLIENTS	1,798,700		1,798,700		432	TPR DECEMBRE 2011	589,975	
							TVA DECEMBRE 2011	113,631	
56	Banque (FINA BANK)	5,680,417		5,680,417		434	**DETTES SOCIALES**		
56	COGEBANK	451,660		451,660			CSR 4 TRIM	951,955	
57	CAISSE	98,560		98,560		85	RESULTAT NET AVANT IMPOT	6,831,774	
	TOTAL	**8,029,337**		**8,029,337**	**221,384,547**		**S/TOTAL**	**111,988,971**	**221,384,547**
	TOTAL GENERAL				**221,384,547**		**TOTAL GENERAL**		**221,384,547**

CERTIFIE EXACTE ET SINCERE
LE 3/5/2014
HOME ST JEAN