

# FINANCIAL MANAGEMENT AND SAVINGS TRAINING



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Agova 16.10.2018

# PRESENTATION OUTLINE

- 1 **INTRODUCTION**
- 2 **FINANCIAL MANAGEMENT**
- 3 **EXERCISE: BUSINESS PLANNING**
- 4 **SAVINGS**
- 5 **EXERCISE: SAVINGS PLANNER**
- 6 **CONCLUSION**



# INTRODUCTION

## Topics Covered

### 1. Financial Management

- Personal finances;
- Business finances;
- S.M.A.R.T goals; and
- Record keeping.

### 2. Savings

- Reasons for savings;
- Saving options; and
- Planning for savings.

# FINANCIAL MANAGEMENT

## Introduction

### Importance of Financial Management

- Personal and Business adjustments;
- Outflow and Inflow; and
- Planning for the future

### Why Separate Your Finances

- Business and Personal finances
- Profit and loss
- Accurate record

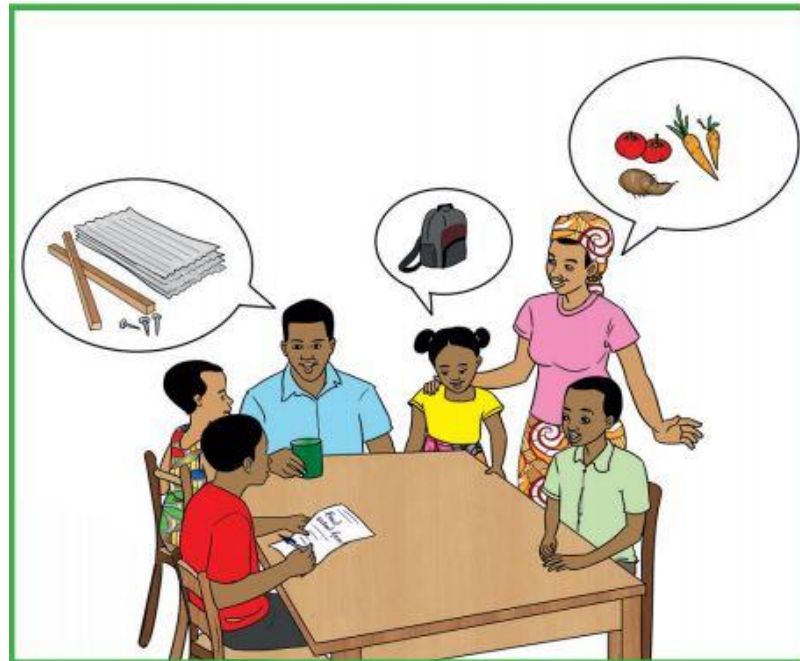
### Financial priorities

- Priorities list
- Needs and wants
- Business goals
- Personal goals

# FINANCIAL MANAGEMENT

## Case study: Personal finances

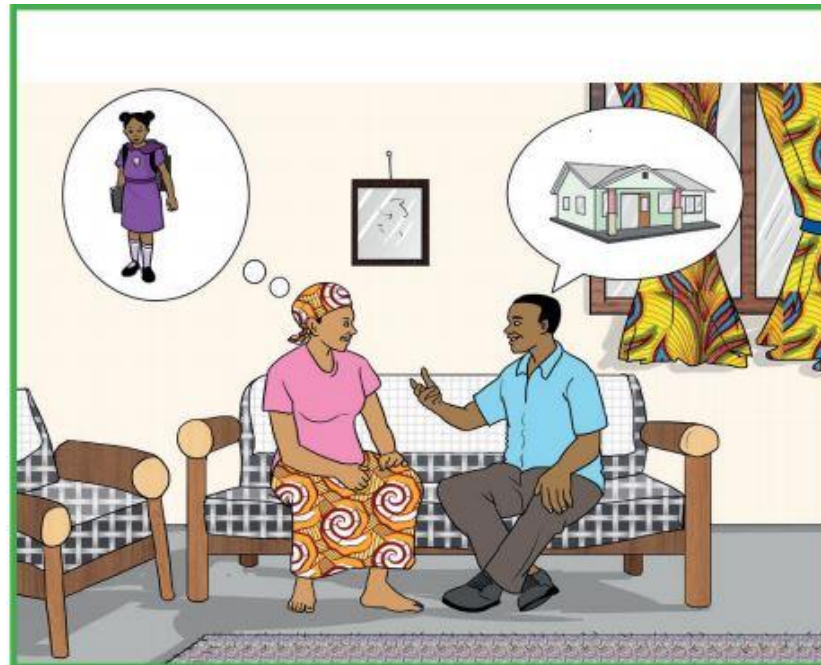
*What is happening here?*



# FINANCIAL MANAGEMENT

## Case study: Personal finances

*What is happening here?*



# FINANCIAL MANAGEMENT

Personal finances (needs and wants)

Priorities list	
Needs	Wants
1. Food	1. Radio



# FINANCIAL MANAGEMENT

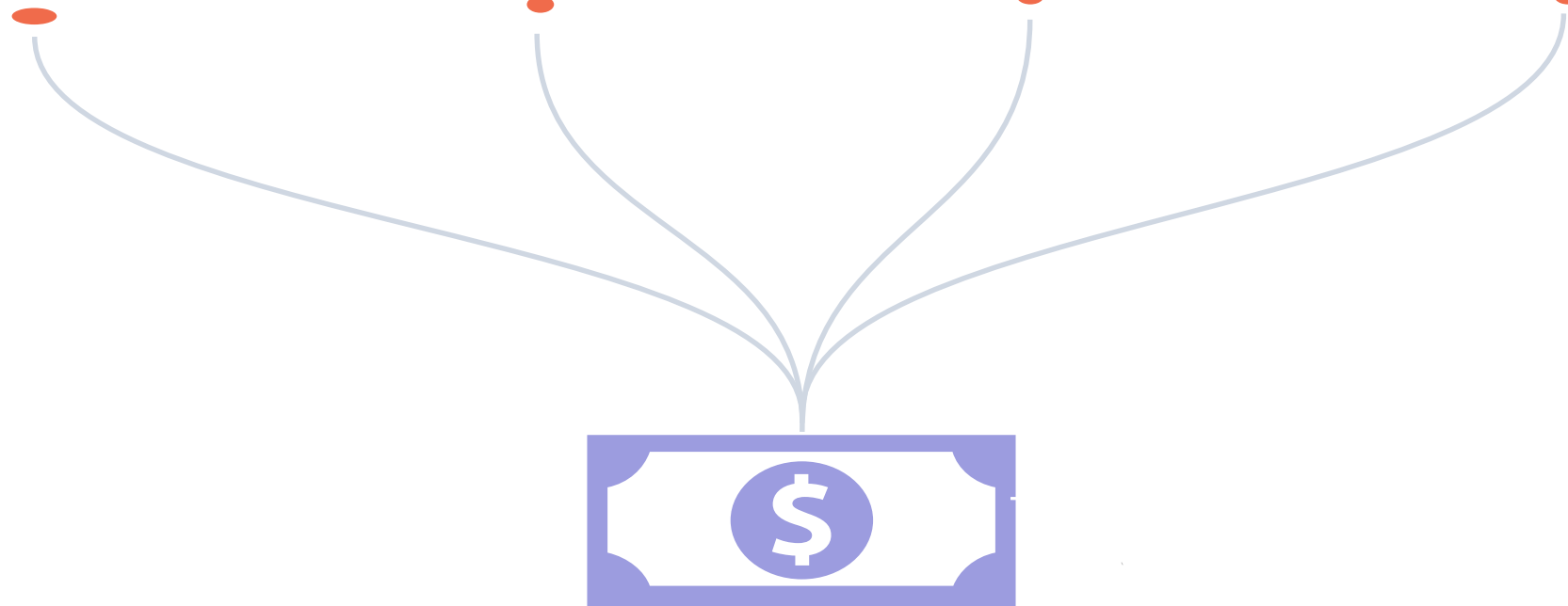
## Personal finances

Budgeting is a family activity

Know your priorities

Separate needs and wants

Always save, even just a little



# FINANCIAL MANAGEMENT

## Personal Financial planner

### Financial Planner - Budget

Items	Budgeted amount	Actual amount	Difference	Notes
Income				
Expenses				
Savings				

# FINANCIAL MANAGEMENT

## Case study: Business finances

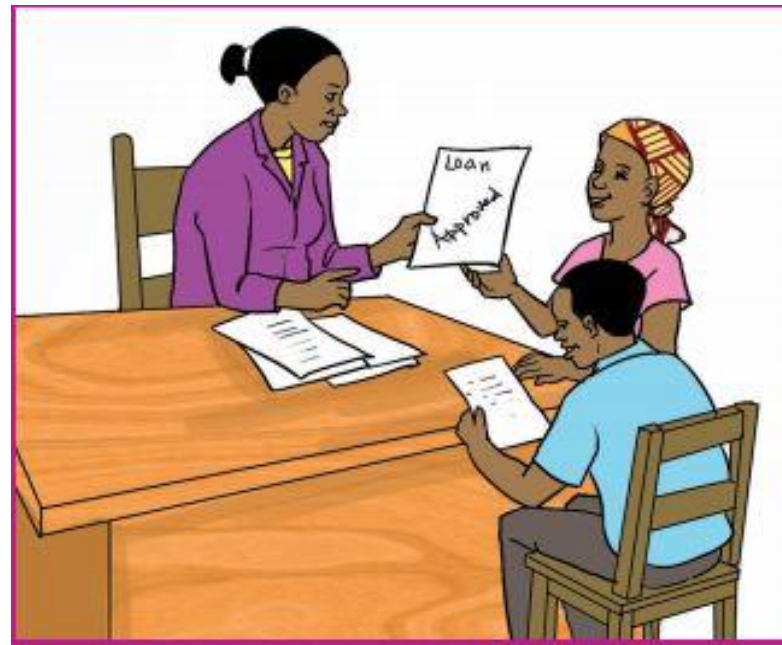
*What is happening here?*



# FINANCIAL MANAGEMENT

## Case study: Business finances

*What is happening here?*



Source: Ichuli, 2018

# FINANCIAL MANAGEMENT

## Business finances

**S**  
**Specific**

**M**  
**Measurable**

**A**  
**Attainable**

**R**  
**Relevant**

**T**  
**Timebound**

### Financial Planner - Budget

Items	Budget amount	Actual amount	Difference	Notes
<b>Income</b>				
<b>Expenses</b>				

# FINANCIAL MANAGEMENT

## Case study: Record keeping

*Handwritten example*

Farmer Records 2017			
Date	Money in	Money out	Total
August 5, 2017	K5,000 cash from last season		K5,000
October 2, 2017		Maize seeds - K500 for 25kg	
October 2, 2017		Basal fertilizer K300 for 50kg	
March 20, 2018		Harvest labour for 2 weeks - K500	
April 1, 2018	15 fresh maize grain bags sold K1050		
April 10, 2018		Transfer to family budget - K100	

# FINANCIAL MANAGEMENT

## Case study: Record keeping

*What is happening here?*



# FINANCIAL MANAGEMENT

## Record keeping

***Why keep records?***



***Benefits of good record keeping***



***Share your experiences***





# FINANCIAL MANAGEMENT

## Record keeping

**Let's Practice**

UMUNTU'S BUSINESS RECORDS 2018			
DATE	DESCRIPTION	MONEY IN	MONEY OUT
<i>10.26.2018</i>	<i>Paid rent for shop</i>		<i>K500</i>

# SAVINGS

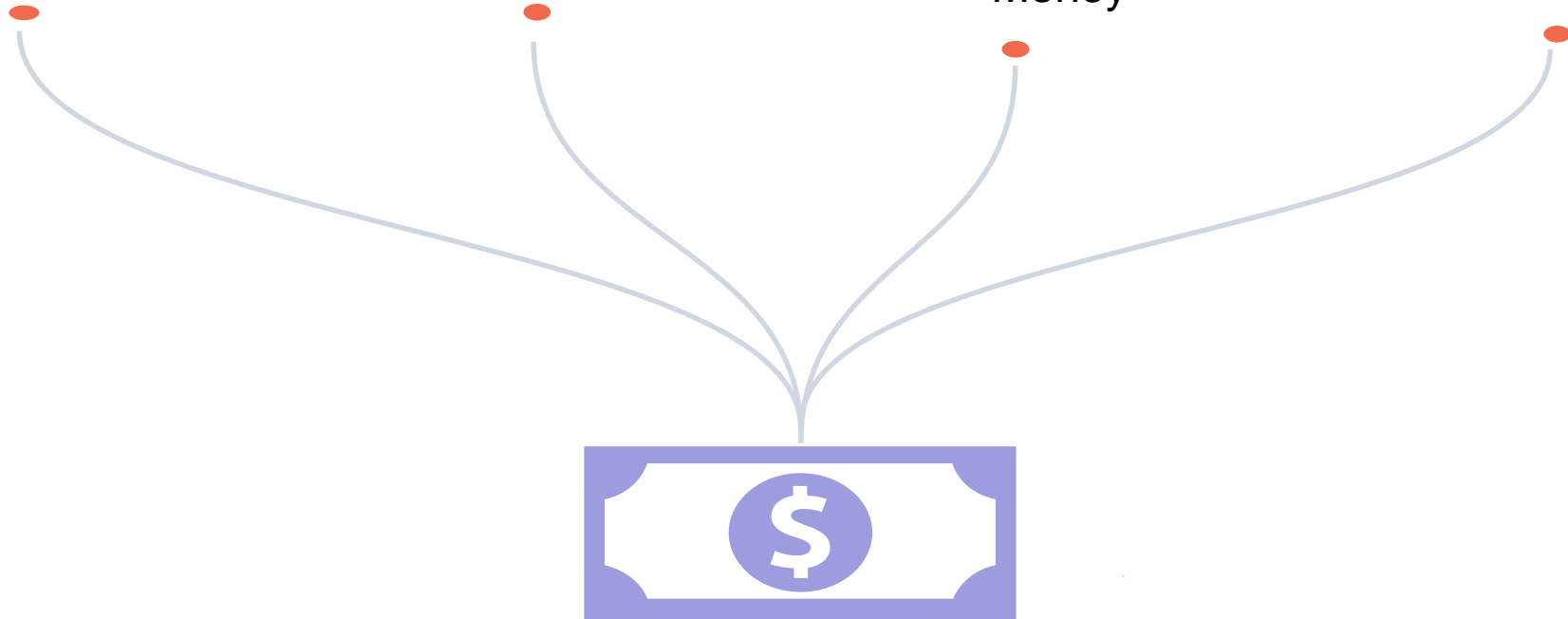
## Introduction

Why Save Money

What do You Save for?

Risky and Safe Places to Save Your Money

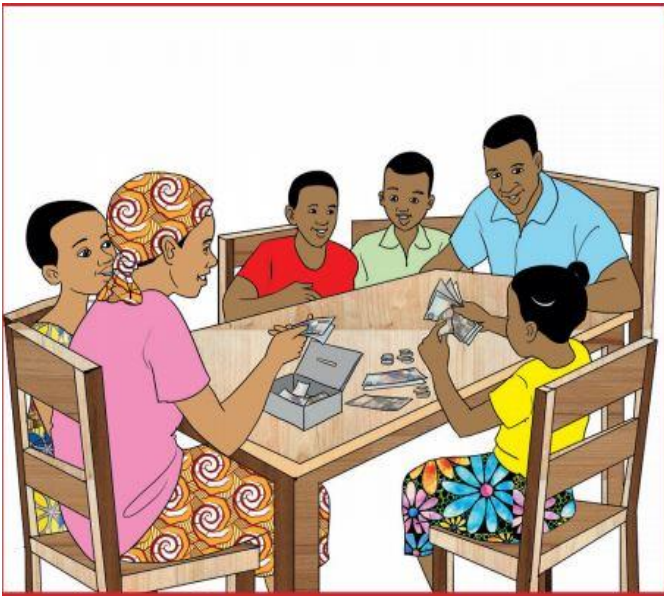
How to Maximize Your Savings



# SAVINGS

## Case study

*What is happening here?*



# SAVINGS

## Discuss

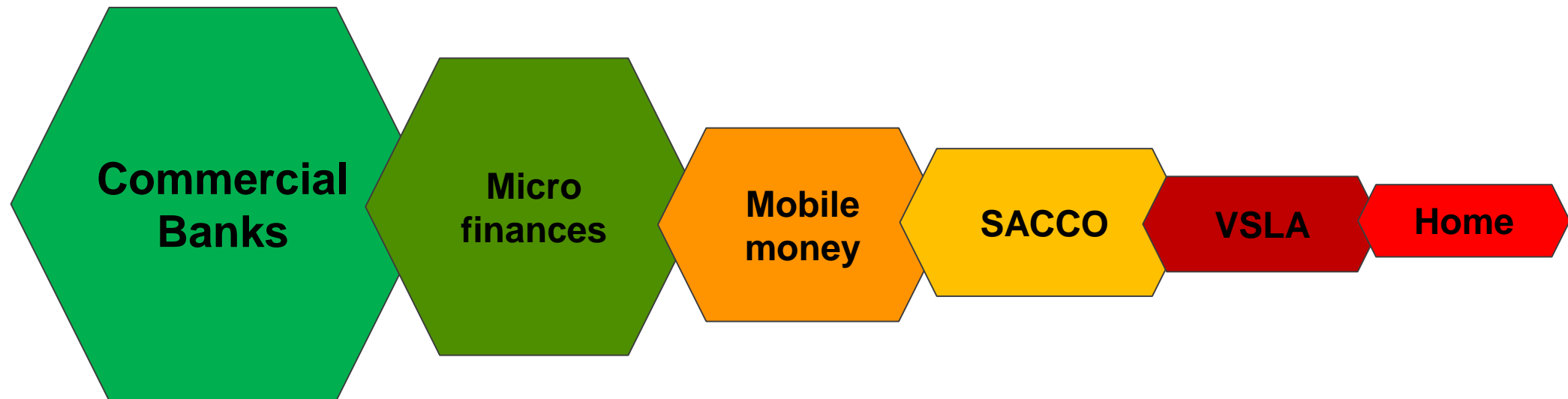
- 1. In addition to the options mentioned, list other savings option that you know of;**
- 2. For the options you provided mention three (3) advantages and three (3) disadvantages**

# SAVINGS

Saving options

SAFER

RISKIER



# SAVINGS

## Savings planner

BAMAYO'S SAVINGS PLANNER 2018				
Savings Goals	Total to be saved	I can save xxx every week/month/year	It will take me xxx time to save	Source of income to be saved
<i>Roofing sheets</i>	<i>2000</i>	<i>100</i>	<i>20 months</i>	<i>Selling chickens</i>

# CONCLUSION

## Key Messages

Separate Your Personal Finances  
From Your Business Finances

Set S.M.A.R.T Goals

Know Why You Are Saving

Choose the Safest Savings  
Options

# Q&A?

