

NEWSLETTER

Asili Sacco Society Ltd
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ENTERPRISE RISK MANAGEMENT



What is ERM

ERM are risk management methods that a firm uses to identify and mitigate risks that can pose a problem for the enterprise. It is aimed at ensuring financial security for the business, its image and reputation.

Importance of ERM

1. It enables management to deal effectively with potential future events that create uncertainty.
2. It enables management to respond in a manner that reduces the likelihood of downside outcomes and increase upside outcomes.

RISKS FACING A SACCO

Strategic risk - these are risks that affect strategic business decisions. Examples can be as follows;

- a. Strategic decisions poorly communicated.
- b. Unsuccessful mergers or acquisitions.
- c. Changes to customer demands or expectations.
- d. Damage to the company's reputation.
- e. Challenges with suppliers, vendors, or other stakeholders.

Operational risks - these are uncertainties that a company faces in the course of conducting its daily business activities caused by flawed or failed processes, policies, systems or events that disrupt business operations. Examples are as follows;

- a. Employee conduct.
- b. Cyber security.
- c. Technological risks tied to automation - system downtimes.
- d. Regulatory risks.
- e. Natural catastrophes e.g., Covid 19.

Financial risks - these are risks directly related to money.

They include;

- a. Equity risks.
- b. Liquidity risks.
- c. Credit risks.

**Everything in life has some risk.
What you have to actually learn
to do is how to navigate it**

Hazard risks - these include risks that present a high level of threat to life, health or property.

RISK MANAGEMENT PROCESS



“Finally, a strong system of internal control is essential to an effective enterprise risk management.”

Chief Internal Auditor
07th September 2022

Understanding the United Nations sustainable development goals famously known as SDGs and how can we participate?

What's SDG?

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity.

The 17 SDGs are integrated—they recognize that action in one area will affect outcomes in others, and that development must balance social, economic and environmental sustainability.

Countries have committed to prioritize progress for those who're furthest behind. The SDGs are designed to end poverty, hunger, AIDS, and discrimination against women and girls.

In short, the 17 SDGs are:

Goal 1: No Poverty,

Goal 2: Zero Hunger:

Goal 3: Good Health and Well-being,

Goal 4: Quality Education.

Goal 5: Gender Equality.

Goal 6: Clean Water and Sanitation,

Goal 7: Affordable and Clean Energy

Goal 8: Decent Work and Economic Growth,

Goal 9: Industry, Innovation, and Infrastructure

Goal 10: Reduced Inequality,

Goal 11: Sustainable Cities and Communities,

Goal 12: Responsible Consumption and Production,

Goal 13: Climate Action: Take urgent action to combat climate change and its impacts.

Goal 14: Life Below Water: Conserve and sustainably use the oceans, seas, and marine resources for sustainable development.

Goal 15: Life on Land: Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

Goal 16: Peace, Justice, and Strong Institutions,

Goal 17: Partnerships to Achieve the goal: Strengthen the means of implementation and revitalize the global partnership for sustainable development.

Why they matter

The beauty of the goals is that everyone can contribute, and every contribution, small or big, will make an impact on our world

How procurement can contribute to SDGs

1. Reviewing supply chain and implement sustainable practices

Businesses are often the endpoint in a long supply chain that begins with basic materials and supplies taken from the very land on which we live.

Reviewing supply chain from top to bottom to make sure that all of the stages uphold human and labor rights, promote and adopt sustainable environmental practices and work against corruption in all its forms.

2. Encourage 'reduce, reuse, recycle'

The usage of single-use plastic bags, plastic bottles, and other containers puts great pressure on our Earth.

Our Sacco and you personally can support SDG 13 - Life on Land and SDG 14 - Life below Water by doing our part to reduce the amount of plastic waste you are using in your home and avoid using plastic bags.

3. Support education of the future generation - locally or globally

Education is the pathway out of poverty and the foundation for a better future. There is no dispute on that.

Sponsor local school scholarships or give to causes that build schools, supply books and train teachers in remote areas of the world. By helping remove some of the barriers to education, you're not just enriching their individual lives and leveling the playing field - you're also adding talent to the workforce. Who knows? You could be helping to educate a future employee!

Raymond Matata
Procurement, Asili Sacco

SUSTAINABLE DEVELOPMENT GOALS



THE SAVING CULTURE

A savings culture means to discipline yourself into saving money regularly. One of the Holy Books tells us that those who sow in tears will reap with joy and singing. Also, the book further adds that a wise man leaves an inheritance for his children's children. This is relatable to the savings that we normally do in our lives. We are where we are today because of the efforts that were put either by ourselves or by others on our behalf yesterday. Come to think of it,

- We can only harvest today if we planted yesterday
- We can only build good houses today if we saved yesterday's proceeds to buy one brick, 2 bricks, gravel, sand, cement that will make that house to stand

Therefore;

- our children will be able to graduate tomorrow only if we sacrifice ourselves today so that we can cater for their education
- we will be able to have a comfortable retirement only if we save today now that we are working either in employment or in the business sector

Let me submit to you that Savings calls for sacrifice. As we normally say, ukiona vyaelea jua vimeundwa; Our lives won't be better by luck. On the contrary, our lives will only be better through taking well calculated steps culminating into the realization of the dreams that we envision. When we sacrifice, we are able to save the extra coin which will in turn be of assistance in our lives tomorrow. Saving is not easy. In deed it is not a walk in the park. It means that we have to forego some things today so that we can be able to secure tomorrow.

Unfortunately, the saving culture in our country isn't remarkable. As a citizenship we have to up our game when it comes to savings. There are various reasons as to why most people have not embraced savings. For example, the high unem-



ployment rate, high inflation rate and the daily skyrocketing market prices of almost all commodities. For saving to be realizable, we have to device various avenues.

Someone once said that when we have increments in our income, we easily translate it into an increase in our expenditure. A good example is that, when we are given a salary increment, we very fast shift into a more expensive apartment, buy high end electronics, phones or buy high fuel consuming vehicles. Well, all this is not bad, but a good proposition is that we can seize such golden opportunities and increase our savings. In such a case, our savings will increase without us feeling it. We can also try to abstain from impulse buying. It is not usually easy but it is good to plan what you want to buy at a particular day and stick by it. Refuse to fall within the statistics of those who do not save. Don't just be like anyone else. Be different.

Asili Sacco is here to make your saving as easy as possible. Once you are a member of Asili Sacco, you can contribute to your savings in various ways. If you are a salaried member, you can easily contribute monthly through check-off. If you have a business, you can easily contribute through making cash deposits or depositing cash through the use of our Mpesa Paybill. Mpesa Paybill is very convenient and can be used by all clients. Mpesa paybill is very flexible as you can deposit at the comfort of your home or workplace at any time whether day or night (24/7)! In implementation of its mission, Asili Sacco has gone further to embrace the use of technology through the introduction of the mobile banking (Ezy-Cash). Ezy Cash enables you to deposit savings, check your account balances and make cash withdrawals at your comfort



50/30/20

BUDGET RULE EXPLAINED

50% Needs

- Housing
- Food
- Utilities
- Health care
- Insurance



20% Savings

- Emergencies
- Savings
- 401k
- Investments



30%

Wants

- Personal care
- Entertainment
- Hobbies
- Subscriptions



ATM/EZY-CASH

At Asili Sacco, we have something for everyone. No one is left behind. Another exciting savings account is the Holiday Savings Account. The account enables you to save that extra cash throughout the year and withdraw the savings in the month of December. Imagine saving that extra cash throughout the year and receiving all of it in lump sum with inclusion of interest accrued in the month December! You will have an easy time taking your precious son or daughter back to school!

Asili Sacco enables you to varyate your monthly contributions at any time through filling the Variation of Monthly Deductions Form. You can increase your monthly contributions or decrease them whenever need be for example when you are servicing a loan.

You can now access the members portal accessible via Asili Sacco Website. The portal is a gateway or a platform for you as a member which enables you to access all relevant information you need. All you need to know about all your accounts and loans is now accessible via the web portal. Easily monitor all your accounts. Web portal enables you to view balances in all your accounts. It also enables you to view your profile and names of all your nominees and many more.

It is said that your habit becomes your character. Your character will determine your destiny. Though most things seem challenging when we are starting, we get used to them fast. That is our nature as humans. Though saving might seem challenging in the beginning, we soon get used to it as time goes on.

Start saving today. The coin you save today will help you in a rainy day. Make hay when the sun still shines. Savings will ultimately enable you to transform your life. It is also good to remind one another that we are here to leave a legacy. What we do for ourselves die with us but what we do for others' lives on even when we are gone. Besides this, savings will also enable us to touch the lives of those we love in a more special and meaningful way.

Remember that when you save, you will become eligible for a loan after 3 months. It is always comforting to know that there is somewhere you can run to and get a loan to fund your project. In the spirit of our mantra Asili Our Sacco Our Future, we are here also to give you financial advice concerning loans that will suit your needs and lifelong goals. Our loans will propel your project with a lot of ease and contentment. Our loans can also cater for you in case of an emergency. Emergency loans take only two hours to be processed.

Don't tarry! Start saving today!

**By Joshua Muthomi.
(Registry Department)**



Usijipate hapa! Just start saving now



NEWSLETTER ARTICLE

Importance of the youth saving in a Sacco

Majority of youth possess excellent business ideas but lack financial capability to implement them. Are you a youth claiming to have less cash? Planning with little cash, no matter how little cash you have, it is possible to put aside a certain proportion to look after your future through monthly deposits in Saccos. Saving is a crucial element of any development as it is the undisputable way of growing income. Owing to limited resources people boost their income through borrowing from Saccos. Saccos create opportunities to improve members wellbeing. They are an option for an all-embracing development. To attain financial empowerment, the youth, need to join Saccos because of the following reasons:

Promotes a saving culture

The youth tend to spend all their income without saving for future. It is vital to save during youthful days when you are still active and creative. The monthly deposit made to saccos help uphold a saving culture. The monthly deposits contributed act as collaterals for loans you apply in future. It may be 3times or 4 times provided that you have guarantors. This if well exploited by the youths it can enhance their capability to develop themselves since they are not limited to borrow what only corresponds to their deposits

Low interest rates on loans

Saccos provide affordable interest rates on loans compared to other financial institutions. The interest rates are stable and do not fluctuate so much. The process of acquiring loans has been simplified through mobile banking It is vital for the youths to do their calculations right and start saving little amount from money from their pay slips and businesses to be financially secure now compared to saving large proportions of money in their old age.

Return on investments

Saving in saccos earns dividends both on your deposits and your shares. The youths are recommended to reinvest their dividends which makes deposits to increase. Interest added into interest is referred to as compound interest. This leads to money creating money, and money that creates money creates more money.

Save with Asili Sacco in your youth to grow your savings and to safeguard your future.

Prepared by
Jesca wabwile
Marketing Assistant



5 pillars of Financial Literacy

- **Earn.**
Understand your pay and benefits to make the most out of what you earn. ...
- **Save and invest. ...**
- **Protect. ...**
- **Spend. ...**
- **Borrow.**

20 THINGS THAT WASTE TIME DURING THE DAY

1. Not planning your meals.

It takes time choosing what to eat & ensuring you have the right ingredients in the house.

2. Watching TV out of habit.

Do you watch TV because you can't think of anything else to do, are bored or lose track of time?

3. Social media.

Mindless scrolling can soon add up during the day.

4. Not having a visual To Do List.

Don't rely on your memory!

5. Not planning in advance.

Avoid problems and don't forget appointments.

6. Procrastinating.

Don't put things off for another day. Get them done today and feel much better for ticking them off your list at last!

7. Not being organised.

Stop running around like a headless chicken. Plan, prepare and give yourself some wiggle room for emergencies.

8. Overloading.

Your calendar and your To Do list. You won't get it all done anyway.

9. Being tempted by distractions.

Try to complete one task at a time and not get side-tracked.

10. Not blocking out chunks of time

& underestimating how long something will take.



ASILI SACCO SOCIETY LTD

- 📍 **Asili Coop Centre, Lower Ngara Road**
- ✉ P.O. Box 49064 – 00100 Nairobi
- ☎ 0202630244/2699305/ 0722 472 823/0733 472 823
- ✉ info@asilisacco.coop / asilisacco@yahoo.com
- 🌐 www.asilisacco.coop

Customer Care Line: 0729 875 784

Finance & Account Department: 0758 253 835

Credit & Loan Processing Dept: 0759 073 485

Records Department: 0703 276 323

Marketing Department: 0115 152 518