

MONEY MATTERS

WORKBOOK



Lack of enough money to meet at least basic family needs is still the biggest problem for nearly half the world's population!

Aid for Trade is committed to providing suitable information and commercial know how to help individuals, families or groups to start and grow income generation activities, to help meet basic needs

You probably already have skills and experience of trading goods for money or for other goods that you need

I CAN/CAN'T DO	I can do this very well	Can do this well	Can do this but not very well	Can't do this
I can find paid work for some of my time	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I can grow all the food we need	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I can already sell surplus produce	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I can save some money each week	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I need to generate more income	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Discuss your situation with others in your group

Money can be earned by working for others or yourself, which is the best money!



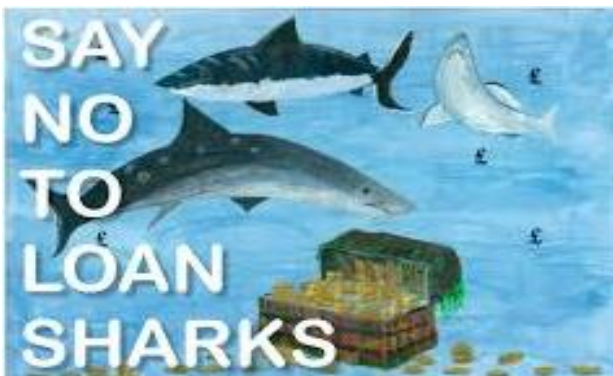
Never borrow money if you can avoid it, as loans plus charges have to be repaid from profit made from your hard work and debt can be a heavy burden!



Many agencies offer to loan money :

Banks generally will not loan money to help small trading start ups.

They may be interested to help if you have grown your business well and have records to prove it



Local Moneylenders, often called 'loansharks', get rich by charging very high interest, which can be very difficult to repay and can cause much misery. Never borrow from local money lenders!

Microfinance Institutions provide small loans to help business start ups or growth and are better than local moneylenders but may have high interest rates. A satisfactory business plan may be needed



INTERNET FUNDING It is possible to put your trading plan and need for money to start or grow, onto the internet. The biggest is probably www.kiva.com

Interest rates may be the same as loans from Microfinance agencies



Savings and Loan Associations or Credit Unions are the best source of loans when needed as they are owned by the savers and set their own interest levels

AIDfor**TRADE** Recommends Savings and Loan Associations as the best way to save and borrow money

This is how Savings and Loan Associations or Credit Unions work:



Discuss any experiences you have had of saving or taking loans

Money Matters in your trading activities all the time.

You need money to buy raw ,materials, stock or seed, and you need money to pay for other things.

People give you money for your produce or services, from which you need to take income and also to pay for things you need next week.

This is called



Which can be shown as



You should always have money in the tank!

Discuss the need for not taking all your profit as income