SMARTER MONEY MANAGEMENT
&
BUDGETING FOR UNCERTAIN TIMES

Centonomy | DTB DIAMOND TRUST BANK

WHERE WE'RE STARTING

Whatever the situation — we must move… and create wealth.

Predictable salary. Predictable prices. Steady ground. That is the world most money advice was written for — and it's gone.

~2×

FUEL SINCE 2019

From ~KES 100 to over KES 200 a litre by 2026. Same shilling, half the fuel.

−30%

OFF THE TOP

Statutory deductions take roughly a third of a salary before you decide anything.

83.6%

IN THE INFORMAL SECTOR

Most Kenyans earn without a payslip — income that wobbles month to month.

MONEY MINDSET

What is your definition of wealth?

WEALTH

The ability to live the lifestyle you want — without having to work.

TODAY'S ROADMAP

1. **Man in the Mirror**

   An honest look at your money self.

2. **Money Mentality**

   The beliefs quietly running the show.

3. **How much is actually yours?**

   The real size of your slice.

4. **Three Moves**

   Pay yourself first · Track & budget · Build assets.

5. **The Balance Sheet Without the Numbers**

   The wealth no statement shows.

01

Face the (Wo)Man in the Mirror

The makeover that changes nothing on the outside.

FINANCIAL MAKEOVER OF THE WEEK

Meet our client. What's your advice?

"

I am 27, employed, earning Kes 12,000/month. I spend 3,000 on rent, 2,000 on food, 1800 on transport, 600 on insurance. In January I took a Kes 60,000 SACCO loan. I contribute 1,500/month to the Sacco. They deduct 1,500 to repay the loan. Now a workmate who quit has defaulted, leaving us three guarantors to repay his Kes 75,600 loan — I pay 1,000 per month for this. I'm left with Kes 600 at month-end. I no longer save or buy clothes. Please advise!

— Jane

WHAT ADVICE DO WE HAVE FOR OUR CLIENT?

WHAT DO WE LEARN FROM HER STORY?

SCENARIO 2

Are you doing what you advised Jane to do?

"

I am 37, employed, earning Kes 120,000/month. I spend 30,000 on rent, 20,000 on food, 18,000 on transport, 6,000 on insurance. In January I took a Kes 600,000 SACCO loan (I contribute 15,000/month); they deduct 15,000 to repay it. Now a workmate who quit has defaulted, leaving us three guarantors to repay his Kes 756,000 loan — I pay 10,000 for this. I'm left with Kes 6,000 at month-end. I no longer save or buy clothes. Please advise?

A bigger salary did not fix the problem — the behaviour scaled with the income.

So - are YOU doing what you just advised Jane to do?

EXERCISE · 10 MIN

Introspect…

01 If a stranger watched only your spending for the last 30 days — not your words, just where the money went — what would they say you value most?

02 What's one money habit you'd be embarrassed for your younger self, or your child, to see?

03 What's one money habit you're quietly proud of?

Your bank and M-PESA statements are the most honest autobiography you'll ever write.

We argue with ourselves in words. The numbers never argue back.

02

Money Mentality

People act on what they believe about money, not just what they earn.

MONEY MENTALITY

The money story you inherited.

Before you ever earned a shilling, someone taught you what money is. Meet Brian and Achieng — same home, opposite money lives. Why do so many of us end up in a rat race?

Experiences → **Beliefs** → **Thoughts** → **Patterns**

Nobody sat them down to teach money — they absorbed it from the air in the house. Patterns are where it all ends up.

THE STORY

Two children, one house.

Brian and his sister Achieng grew up in the same home, ate from the same pot, and learned about money from the same place — their parents. Nobody sat them down to teach it. They absorbed it from the air in the house.

Observation (What are your kids learning?)

It was in the words: *money doesn't grow on trees… do you think I'm made of money?… switch off that light, we don't have.* Money was always a thing running out — never a thing being built.

And it was in the silences: the low, tense arguments behind the bedroom door about how money was managed, the way *"school fees"* could turn a whole evening cold, 2-times bigger uniforms, hand-me-downs, etc.

Two children observed & listened. Then they grew up.

B

Brian

spends every shilling.

VS

A

Achieng

hoards every shilling.

Who relates to this?

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Brian — *the Spender*

1

EXPERIENCE

Watched money arrive and vanish. Heard “money doesn't grow on trees” — and his parents fighting over how it was managed.

2

BELIEF

“Money always disappears anyway — so I'd better enjoy it while it's in my hand.”

3

THOUGHTS

“I've worked hard, I deserve this.” · “It's just 500 bob.” · “I'll start saving next month.”

4

PATTERNS

Spends to zero every month · salary-week festival · on Fuliza by the 20th · never opens the statement.

Achieng — *the Hoarder*

1

EXPERIENCE

The same home. The same scarcity. The same arguments behind the same door. (Nothing changed here.)

2

BELIEF

“Money is terrifying and runs out — so I must clutch it and never, ever let go.”

3

THOUGHTS

“What if I lose it?” · “I can't risk that.” · “Better safe than sorry.”

4

PATTERNS

Saves obsessively · no holiday in six years · won't invest · anxious even with a healthy account.

THE REVEAL

Same wound. Opposite patterns.

Brian spends

because money disappears, so grab the joy now before it's gone.

Achieng hoards

because money is dangerous, so guard every shilling and trust nothing.

Identical fear. Opposite direction. Neither of them chose the belief underneath — they inherited it, the way you inherit an accent.

BE AWARE

What sibling are you?

You can't change a chain you can't see. Step one isn't a budget — it's naming, honestly, where you lie.

Flip the cycle

You can't reach up and delete a childhood, or argue away a belief 30 years in the making. So you don't start at the top. You flip the chain and build it from the bottom — one repeatable action at a time.

1

NEW ACTION

Save 500 the moment salary lands — automatically.

→

2

REPEATED

Do it again next month. And the next.

→

3

NEW PATTERN

It becomes who you are with money.

→

4

NEW BELIEF

“Wait — I actually can do this.”

Patterns are the only link in the chain you can touch today. Change the action, and the belief eventually follows.

THE BALANCE

Balance risk and reward

Brian: all reward

Enjoys today, builds nothing. One emergency from ruin.

MUST LEARN TO

HOLD — save, build a buffer, let it grow.

The balanced money mind

Enjoys today AND builds tomorrow. Takes calculated risk for real reward — and never bets the rent.

Achieng: all caution

Guards everything, grows nothing. Money sits, fear stays.

MUST LEARN TO

RELEASE — spend on what matters, invest, take smart risk.

New patterns, one action at a time — until your money serves your life, not your childhood.

MONEY MENTALITY

The scripts we were handed — before we earned a shilling.

“Pesa ni ya kutumia.” Money is for spending.

“We're not money people.”

“Rich people are thieves.”

“God will provide — so I don't need to plan.”

“Don't talk about money. It's rude.”

Each one quietly runs the show — until you choose it on purpose.

TWO POSTURES

Scarcity vs. Stewardship.

SCARCITY	STEWARDSHIP
Money is always running out — so grab and spend before it disappears.	Money is a tool I direct on purpose.
Feels responsible. Actually drives impulsive, fearful decisions.	*Calm, deliberate, planned. Survives a bad month.*

Uncertain times push two mistakes: FREEZE (never look) or SPLURGE ("things are bad anyway"). Both are mentality/behaviour - not maths.

03

How much is actually yours?

"Take-home" is a myth until you do the maths.

THE WALK-DOWN · GROSS KES 100,000

Before you decide anything, the queue is already paid.

Deduction (off the top)	How it's worked	KES
NSSF	Tier I + Tier II (6%)	6,000
SHIF	2.75% of gross	2,750
Housing Levy	1.5% of gross	1,500
PAYE	on taxable 89,750, less relief	19,308
Total gone before you decide		**29,558**
Lands in your account		**≈ 70,442**

2026 rates (NSSF Phase 4, SHIF, Housing Levy; SHIF & levy deductible before PAYE). Exact net varies with allowances and reliefs.

~30%

gone before you decide

"You don't earn 100,000. You earn about 70,000 — and then the queue starts."

THE PATTERN

The higher you climb, the bigger the slice that disappears.

GROSS	GROSS	GROSS
KES 50,000	KES 100,000	KES 150,000
Take-home	Take-home	Take-home
≈ 39,029	≈ 70,442	≈ 103,618
~22% gone	~30% gone	~31% gone

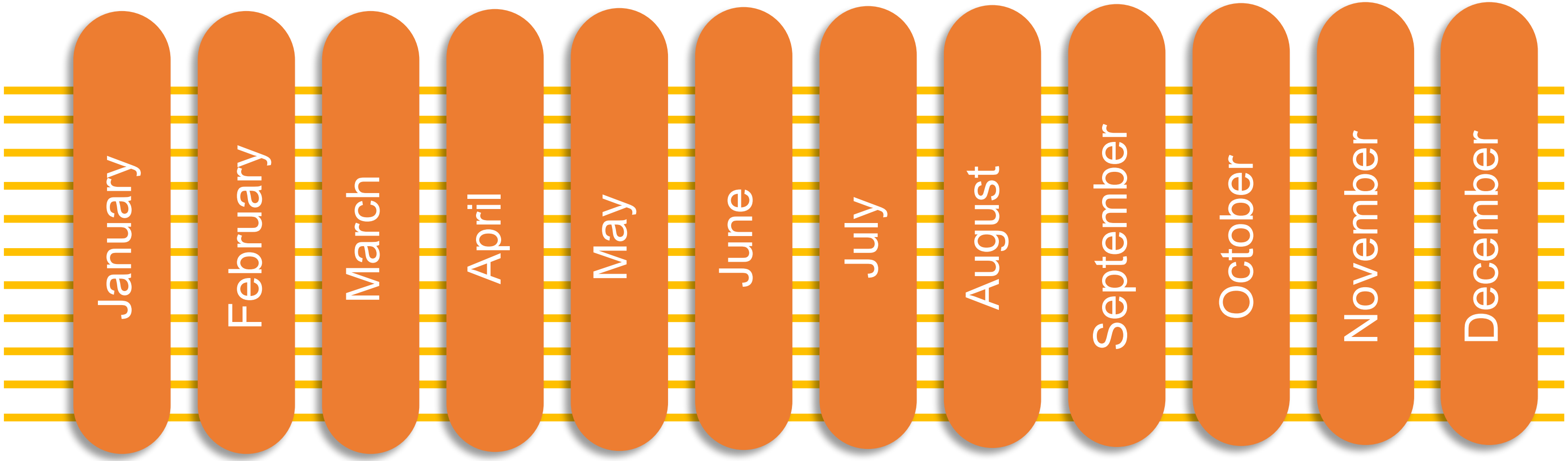
"I just need a raise" solves less than people think — a bigger gross also means a bigger queue.

How Much of What You Earn Is Actually Yours?

Calculating income sustainability

Example – Wanjiku earns KES 100,000/month gross. Where does this go?

Whose factory is she (are you) building? - Waceke Nduati, Making Cents Book



04

Three Tips for Uncertain Times

Pay yourself first · Track, then budget · Build assets, not flossets.

MOVE 1

Pay yourself first… *by saving and investing.*

Everyone on the deduction list got paid before you — KRA, the landlord, the SACCO, Netflix. You are last in your own queue, and last gets the leftovers. Flip it: pay yourself off the top, the moment money lands.

1

Treat it like a bill

Same status as rent — “off the top,” never “what's left.”

2

Automate it

Standing order, SACCO deduction, MMF auto-debit. Willpower gets no vote.

3

Start uncomfortably small

Aim 10%. If impossible now, start at 1% and climb. The habit beats the amount.

“Whose factory are you building?” — Waceke Nduati, Making Cents

Track. You can't manage what you can't see.

Tracking for even 30 days is more shocking than any lecture. The best tracker is the one you'll actually open.

M-Ledger / M-PESA statement

Most Kenya-relevant — pulls your real M-PESA history so you can't lie to yourself.

Spendee

Best visuals — the donut charts. Good if seeing it motivates you.

Myzola

Locally built; budgeting and goals with a Kenyan flavour.

Centonomy Spending Tracker

Excel-based — you input daily spending.

Money Manager

Strong manual categorisation, clean reports, works offline.

Pen + notebook + Sunday

M-PESA statement and 30 minutes a week. Never underestimate it.

Budget the ABC way.

A Essential

You default or go hungry without it. Rent, basic food, school fees, transport to work, loan repayments, medication.

B Important but not Essential

Makes life work and dignified, but you could trim it. Some subscriptions, occasional eating out, certain lifestyle costs.

C Everything Else (Nice to have / wants)

Pure lifestyle. The bar, impulse shopping, the upgrade you don't need.

The buckets are personal — one person's A is another's C. That's fine.

SAMPLE PERSONAL BUDGET/ CASH FLOW STATEMENT

	CURRENT BUDGET	A	B	C	PROPOSED BUDGET
A. CASH INFLOW (MONEY COMING IN)					
Net Salary (after tax and sta	125,000.00	125,000.00			125,000.00
TOTAL CASH INFLOWS	**125,000.00**	**125,000.00**	-	-	**125,000.00**
B. CASH OUTFLOW (MONEY GOING OUT)					
HOUSEHOLD EXPENSES					
Household Groceries	15,000.00	15,000.00			12,500.00
Rent	20,000.00	20,000.00			20,000.00
Gas	400.00	400.00			400.00
Electricity	3,500.00	3,500.00			3,000.00
Water	800.00	800.00			800.00
Phone Expenses	3,500.00	1,500.00	2,000.00		3,000.00
Domestic Help	6,000.00	6,000.00			6,000.00
CHILD CARE EXPENSES					
School Fees	4,000.00	4,000.00			4,000.00
Clothes ETC	7,000.00	6,000.00		1,000.00	6,000.00
Medical Expenses	5,000.00	5,000.00			5,000.00
ENTERTAINMENT					
DSTV/Cable	7,000.00			7,000.00	3,000.00
DVD's Videos	1,500.00			1,500.00	500.00
Eating Out	6,000.00			6,000.00	4,000.00
Holiday Savings	5,000.00			5,000.00	5,000.00
LOAN REPAYMENTS					
Personal Loan	7,500.00	7,500.00			7,500.00
TRANSPORT					
Fuel	8,000.00		8,000.00		8,000.00
Car Insurances	3,200.00		3,200.00		3,200.00
Repairs/Service	3,000.00		3,000.00		3,000.00
SELF CARE					
Hair Care	4,000.00		4,000.00		4,000.00
Clothes	2,500.00		2,500.00		2,500.00
SPIRITUAL CHARITIES					
Spiritual/Tithe	7,000.00	7,000.00			7,000.00
SAVINGS & INVESTMENTS					
Savings Policies	5,000.00		5,000.00		5,000.00
TOTAL OUTFLOWS	**124,900.00**	**76,700.00**	**27,700.00**	**20,500.00**	**113,400.00**
NET CASH FLOW	100.00				11,600.00

MOVE 2 · THE UNCERTAIN-TIMES SETTING

Barebones budgeting.

Step 1 — Cut all the Cs. Every single one. The emergency setting.

Step 2 — If it's really bad, cut into the Bs. Down toward an A-only budget that keeps you alive and current.

A pre-decided protocol means you're not making panicked cuts in the dark when income drops.

The silent C-to-A converter

Inflation. Things that were comfortable become tight - without you changing a single habit. Your money simply buys less.

Petrol: ~KES 100/L (2019) → over KES 200/L (2026). *Same shilling, half the fuel.*

Takeaway: a budget is never “set once” — revisit it as prices move. And idle cash in a current account is quietly losing value every month.

MOVE 3

Focus on Assets

Assets vs. Flossets vs. Liabilities

ASSETS

Money IN your pocket

Earn, appreciate or produce. MMFs, SACCO shares, rental income, NSE shares, T-bills & bonds, a business — and skills that raise your income.

FLOSSETS

The trap in the middle

Look like wealth, behave like liabilities. The car you can't afford, the latest phone, the plot that just sits. Bought to floss — they bleed money.

LIABILITIES

Money OUT of your pocket

Debt, things you owe, ongoing costs that take money out month after month.

Real wealth is mostly invisible. Flossing is mostly visible. The two are usually inversely related.

ASSET Vs FLOSSET

Rental

(Consumption Asset)
residential

MOVE 3 · THE TOOL

Your personal balance sheet.

WHAT YOU OWN · ASSETS	WHAT YOU OWE · LIABILITIES
• M-PESA & bank balances • SACCO shares & deposits • Chama contributions • DhowCSD (T-bills & bonds) • NSE shares, MMFs, property	• SACCO / bank loans • Mobile & digital loans • Hire-purchase balances • Outstanding bills & rent arrears • Any money you must repay

NET WORTH = Assets − Liabilities · Grow the left, shrink the right, stop disguising flossets as the left.

05

The Balance Sheet Without the Numbers

In hard seasons, your most valuable assets never appear on a statement.

The Balance Sheet *...without the numbers.*

↑ ASSETS

What non-financial things in your life could become assets in your Wealth Creation Plan?

Think: *your time, networks, job, business, and specific skills.*

↓ LIABILITIES

What is working against you? Be very specific.

Name it: *where your time actually goes, weak networks, a stalled career, avoidance, fear of debt, impulse spending.*

GROW ASSETS · REDUCE LIABILITIES

Your real net worth is built here — long before the numbers ever move.

EXERCISE · 4–5 MIN

Take stock of what you can't bank.

1. List your top 3 invisible assets right now.
2. Name ONE you'll deliberately invest in this year — a skill to learn, a network to nurture, health to protect.
3. Spot one invisible liability to address — a draining tie, a reputation dent, a neglected skill.

You are richer than your bank balance — and in uncertain times, that's not consolation. It's strategy.

BRINGING IT HOME

One move beats ten intentions.

The mirror Look honestly — your statement doesn't lie.

The mentality Choose your money beliefs on purpose.

The maths Know your real slice — about 70% of “100K.”

The three moves Pay yourself first · track & budget · build assets, not flossets.

The invisible sheet Skills, networks, character, health, mindset.

Leave with ONE action you'll take this week. Write it down.

OVER TO YOU

Your Assignment

1

Track your spending

Record where every shilling actually goes

1 MONTH

2

Build your Spending Plan

Turn what you learned into a budget using Centonomy's ABC Budget.

ABC BUDGET

3

Earn an extra income

Put a non-financial asset to work — your time, skills, network or business.

2 WEEKS

Remember: *grow the assets you just listed, starting now — that's where wealth is built.*

Let’s keep building.

PHONE / EMAIL	0700 036 433 / talkcents@centonomy.com
FACEBOOK	/Centonomy
X (TWITTER) | IG	@centonomy
WEB	WWW.CENTONOMY.COM
ADDRESS	Dale House, Rhapta Road, Westlands