

Homepesa Sacco powering Mutual Credit for Businesses

Homepesa Sacco Mutual credit is an alternative way to pay for things, without conventional money.

Here's an example of how it works:

Imagine you run a florist – and you need an update to your website which is going to cost ACB 500. But you only have ACB 200 in your Homepesa account. In order to pay for your new website design, you either need to take out a loan, or wait until you've saved up.

Homepesa Sacco Mutual credit provides a way to pay for your new website straight away, and avoid paying interest too.

When you join a Homepesa Sacco Mutual credit network you offer your goods and services to the other members of network, at exactly the same price as you would charge in conventional money (ACB 1 is equivalent to 1 Credit), and receive an interest free line of credit in return.

You offer ACB 500 worth of flowers to other members of the network and are allocated ACB 500 in credit. Your account balance starts at zero, but now you are able to order your website straight away.

You contact Alice, a web designer who is part of the network, who agrees to upgrade your website for ACB 500 Credits. She designs the site and sends you a payment request, via Homepesa Sacco Mutual credit account, for ACB 500 in Homepesa Sacco Mutual credit.

You log in to your Homepesa Sacco Mutual credit account and accept the payment request. The funds are transferred and your balance goes down by ACB 500 Credits and Alice's balance goes up by ACB 500 Credits. Your new website is up and running straight away, so you can take more orders for flowers.

Your Homepesa Sacco Mutual credit account is now minus ACB 500 Credits, so you've reached your credit limit. But unlike a bank loan, or paying for the website on your credit card, you're not being charged interest.

The next day, after your shiny new website goes live, 3 people order your ACB 50 'Birthday Bouquet' and pay you in Homepesa Sacco Mutual credit, so your Homepesa Sacco Mutual credit balance is now -ACB 350. You can now place other orders for ACB 150 worth of goods or services through the network, or keep selling to get your balance back to zero. As you sell more your balance will become positive.

As a member of the Homepesa Sacco Mutual credit network you can trade with any other member in Credits, growing your network of trusted trading partners. The more business join the network, the more effective it becomes for everyone.

Benefits of Homepesa Sacco Mutual credit:

Several of the advantages of Homepesa Sacco Mutual credit are explained in the above example:

- 1. Free leads via enquiries from the directory – Alice got your enquiry via the directory, which she may not have done if she was not part of Homepesa Sacco Network.*
- 2. Interest-free credit – You were able to order what you wanted straight away without taking out an expensive loan from the bank, or elsewhere.*
- 3. Improved cash flow – You were able to order what you wanted straight away without needing to wait to save up.*
- 4. Accept credit – Accepting payment in Homepesa Sacco Mutual credit makes your business more attractive, especially to other business with cash-flow issues. You may not have got the 3 ‘Birthday Bouquet’ orders if you only accepted conventional money.*
- 5. Preferred supplier status – If you’re the only business offering a specific product or service to the network you will be the first-choice supplier for other businesses looking to pay in Homepesa Sacco Mutual credit.*

6. *Trusted trading partners – Having traded with a business in Homepesa Sacco Mutual credit, got to know them a little and found you share an interest in ethical trading, which benefits local businesses rather than banks, you'll be more likely to trade with them again – and other businesses will be more likely to trade with you again.*

Wider economic benefits:

The wider economic benefits of using Homepesa Sacco Mutual credit are also significant. The more business members conduct through the network the stronger and more valuable the network becomes. Homepesa Sacco Mutual credit creates an alternative, collaborative, cooperative economy.

The Homepesa Sacco Network is a cooperative, meaning it exists to serve the interests of its members, not to extract profits from them. Members have a say in how the network evolves, how fees are set and how credit limits are allocated so, by trading in Homepesa Sacco Mutual credit you are spreading the cooperative ethos.

Plus, by avoiding borrowing from, and using, banks you are encouraging an alternative to debt-based, bank-controlled money, developing economic resilience to financial crashes, avoiding wealth being siphoned from communities to tax havens and enabling trade even when money is scarce.

If you have any questions about how Homepesa Sacco Mutual credit works please get in touch.

How does Homepesa Sacco Mutual Credit work?

1. Join the Directory

Bob The Builder joins the network and list what his business 'offers' and what his business 'wants'.



Beer ✕

2. Find new leads

Bob adds his business details and agrees to the [Membership Agreement](#). As soon as he saves his Directory listing he's directed to his ACB Dashboard which shows him potential suppliers and customers that match his offers and wants.

Bob The Builder

Potential Trades

New Leads

Another member is looking for:

building

carpentry

New Suppliers

Another member is offering:

beer

food

3. Start trading

Flora the Florist is looking for a Carpenter so Bob contacts her via the directory and offers to make some shelves for her shop for £350 credits.

Meanwhile, he's approved as a 'Trading Member' with a credit limit worth 500.

[Dashboard](#)[Find Businesses](#)[My Profile](#)[FAQ](#)[Lo](#)

Flora The Florist

I'm looking for someone to make some shelves for me

This Business Offers

[flowers](#)[bouquets](#)[plants](#)[bulbs](#)

This Business Wants

[accountancy](#)[carpentry](#)

Send an Email to This Business

From: <Bob@TheBuilder.com>

Subject: Contact from OCN directory member

Hi Flora,

I can make shelves, I've been a builder for 25 years.

If you send me details of what you need I will send you a quote str

Bob

4. Pay online

Bob notices Beth is offering pale ale to the network. He contacts her and places an order for 2 crates, and sends her £80 Credits from his ACB Trading Account. Beth accepts Bob's payment: her balance goes up by Ksh80 Credits and Bob's balance goes down by Ksh 80 Credits.

[Dashboard](#)[Find Businesses](#)[Transfer](#)[Statement](#)

Transfer Credits

- ☒ I want to send
- ☐ I want to receive

Amount (Credits): *

80

To: *

Beth@TheBrewer.com

Description:

For 2 crates of Pale Ale

Your current balance: 0.00

Your available credit: 500.00

Go

Cancel

5. Request payments

Bob makes Flora's shelves and sends a request to Flora for £350 Credits via his ACB Trading Account, just like an invoice but for mutual credit. Flora approves the request and her account is debited and Bob's account is credited accordingly.

[Dashboard](#)[Find Businesses](#)[Transfer](#)[Statement](#)

Transfer Credits

- ☐ I want to send
- ☒ I want to receive

Amount (Credits): *

350

From: *

Flora@TheFlorist.com

Description:

For the shelves I made for
you

Your current balance: -80.00

Your available credit: 420.00

Go

Cancel

6.Track transactions

Bob's balance is now positive at Ksh 270 Credits $(-80 + 350)$ and he can carry on trading with anyone else in the network.

He's found a new customer, bought beer before getting paid, and it hasn't cost him a penny!

Bob The Builder

Your

Potential Trades

Transactions

Transaction history

Transfer	ID	Amount	Description	From/To
→ In	1XMNTcXY	350	For the shelves I made for you	Flora@TheFl (Flora The I
← Out	1XMMd0CS	-80	For 2 crates of Pale Ale	Beth@TheBr (Beth The B

[See more transfer history](#)

