PORTFOLIO SAMPLE

THE NIGERIAN ENTREPRENEUR'S MONEY PLAYBOOK

Selected excerpt from Chapter 1: "The Money Illusion"

Author: Avuhe Stone

Presented by Trust Omonoseh | Ghostwriter & Writing Consultant

Chapter 1: The Money Illusion

There is a particular kind of tiredness that has nothing to do with how hard you have worked. It is the tiredness of a business owner who has just finished a good week. Sales were strong, customers kept coming, and the shop—or the WhatsApp page serving as one—was busy from Monday to Saturday. Yet by Sunday night, when the owner counts what remains, there is almost nothing. There is no money for new stock, no rent money, and certainly no profit to put aside. The money seems to have disappeared.

If this has happened to you, it does not automatically mean you are bad at business. You may be experiencing what this book calls the money illusion: the gap between money moving through a business and money the business has actually earned and can retain as profit.

The illusion can make a busy business look healthier than it is. A shop may be full, customers may be placing orders, and payments may be arriving every day, yet the owner may still struggle to answer a basic question: "How much did I actually make?"

Here is what makes the illusion convincing: the money entering the account is real. Customers pay. Bank alerts arrive. POS terminals print receipts. The mistake is assuming that every naira received belongs to the owner to spend. Some inflows represent sales; others may be loans, money invested by the owner, refunds, or transfers from another business. They may all appear as credits in an account, but they do not all mean the same thing.

Why the distinction matters

Imagine the money that enters a small business account during a month. Some may come from sales of goods or services. Some may be money the owner transferred from personal savings to cover a shortage. A cooperative or digital lender may disburse a loan. A supplier may refund an earlier payment. The owner may also transfer funds from a second business. If these amounts are not recorded by source, the account balance alone cannot tell the owner how well the business performed.

Treating every inflow as sales income can create a false picture of success. Loan proceeds have to be repaid. Owner contributions are not sales revenue. A refund generally reverses or adjusts an earlier outflow, while a transfer between businesses is not automatically new income for the receiving business. Spending without recognising these differences can leave an owner short of the money needed for stock, operating costs, or repayments.

This is not merely a technical concern for accountants. It is a practical reason to keep clear records. When a business owner knows where each inflow came from, it becomes easier to distinguish sales from borrowing, track obligations, and ask more useful questions about profit and cash flow.

The GrowWise Money Control System

This book uses a five-stage framework called the GrowWise Money Control System:

MAKE → MEASURE → MANAGE → PROTECT → MULTIPLY

MAKE means generating revenue by selling a product or service. MEASURE means recording what came in, what it cost to operate, and what remains. MANAGE means planning cash movements so that money is available when bills fall due. PROTECT means limiting avoidable losses, poorly tracked debts, uncontrolled withdrawals, and other risks. MULTIPLY means considering how genuine surplus can support reinvestment and, over time, personal wealth.

Making sales matters, but sales alone do not provide a complete picture of business health. An owner also needs to measure performance, manage cash, protect what has been earned, and make deliberate decisions about any surplus. The framework is intended to help readers build those habits one step at a time.

A Nigerian small-business example

Consider Adaeze, who runs a clothing boutique in Enugu. During a busy month, customers place several bulk orders for the wedding season. Her business account receives ₦2.4 million. The total looks encouraging, and she feels confident enough to pay herself ₦400,000, settle a personal debt of ₦150,000, spend ₦300,000 on new shelving, and buy ₦900,000 in additional stock.

By the following month, she is short of rent. When she reviews the transactions, she discovers that the ₦2.4 million was not all sales revenue. It included a ₦500,000 cooperative loan that must be repaid and ₦300,000 she had transferred from personal savings to cover an earlier stock shortage. Her actual sales revenue for the month was closer to ₦1.6 million.

Adaeze's example illustrates the problem: a single account balance can combine money with very different purposes. The loan creates a repayment obligation. The personal transfer is not a new sale. Without records that distinguish these amounts, Adaeze could mistake a mixture of sales, borrowing, and owner funding for a stronger trading result than she actually achieved.

The figures and person in this example are fictional and are used only to illustrate the concept. In a real business, the owner should check the records and account for the full picture—including the cost of goods sold, operating expenses, outstanding obligations, and the timing of payments—before deciding whether the business made a profit.

The Money Reality Test

Before moving on, answer these questions as honestly as you can:

1. 1. How much money did your business receive last month across its accounts and payment channels?
2. 2. How much of that total came from actual sales?
3. 3. How much came from owner contributions, loans, refunds, or transfers?
4. 4. How much did the business spend during the month?
5. 5. How much went to business costs, and how much was withdrawn for personal use?
6. 6. Can you answer these questions using records, or are you relying mainly on estimates?

If you cannot answer confidently, do not treat that as a personal failure. Treat it as information about the records and habits you need to strengthen. The purpose of this exercise is not to solve every problem immediately; it is to identify what you know, what you do not know, and what you need to track.

Your action plan

Before moving to the next chapter, review the money that entered your business account during the last 30 days. Beside each transaction, label its source: Sales, Owner Capital, Loan, Refund, Transfer, Other, or Unsure. If you are uncertain about a transaction, mark it for checking rather than guessing.

Count the transactions marked Unsure. That count gives you a starting point. Your next task is to improve the records so that you can identify the source of each inflow more reliably. You do not need to fix everything in one sitting. Begin by seeing the money clearly.