

ASAL BIENNIAL NEWSLETTER
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ORGANIZATIONAL
UPDATE

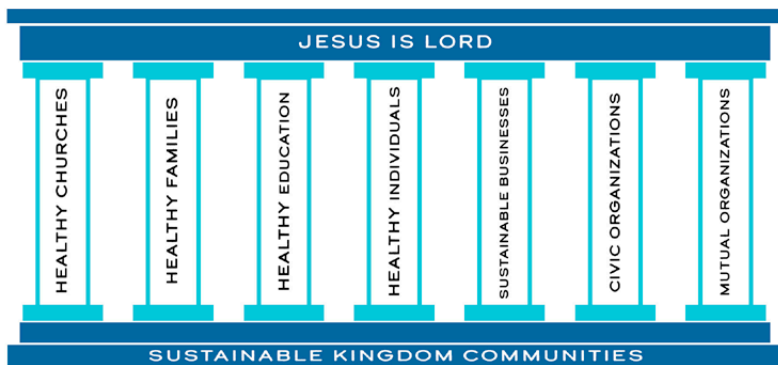
Healthy Churches

Leland Ulrich, CEO

—Continued from previous newsletter

The previous newsletter presented a model for the 7 Pillars of Sustainable Kingdom Communities with the promise of unpacking each of these pillars in subsequent articles. This is by no means an attempt to write an exhaustive exposition on the subject. Rather it is simply an attempt to highlight some basic components that need to be in place for Sustainable Kingdom Communities to exist.

Why an Article on Healthy Churches in a Financial Newsletter?



Church is the backbone of kingdom communities and gives the rest of the pillars a place to belong and a purpose. A healthy relationship between businesses and the church is key to running a kingdom business. The church is called to steward its talents, including the talents of those called to serve the kingdom through business. Kingdom businesses serve as a podium for the Gospel, provide resources for the work of the church, and serve as the economic engine for the community. The point of kingdom business is the church.

Healthy Churches—continued on p. 2

The church is the central and highest expression of a kingdom community. Jesus is coming back for his Bride the church, not just for me as an individual or for us as a family. God has placed individuals in families, and a group of families make up the church.

Healthy Churches are first and foremost Jesus followers who receive Jesus as Lord and Saviour and walk in obedience to His teachings.

Healthy Churches are committed brotherhoods who love to do life together, loving each other and seeking each other's best interest rather than their own. Brothers and sisters are willing to lay down their lives for each other as Jesus did for us.

Healthy Churches have sound doctrine. Doctrine matters. Truth—rather than personal opinion—rules the day. Care is given to seeking Truth through the leading of the Holy Spirit, prayerful studying of the Scriptures, and counsel of the brotherhood.

Healthy Churches have clear vision statements that are documented, clearly communicated, and understood by all. Vision statements are a declared future state, including a clear direction, and communicating with clarity where we are going.

Healthy Churches have a clear mission statement that is documented, clearly communicated, and understood by all. Mission statements describe how we get to the vision, and should clearly state what we do in relation to achieving the vision.

Healthy Churches articulate a clear sense of purpose that helps its people understand *why* we do what we do. Clarity of purpose helps us understand how we fit in the greater picture God is unfolding in the story of mankind.

Healthy Churches have clear core values documented, clearly communicated, and understood by all. Core values serve as guardrails on how we carry out our mission to achieve the vision. Core values communicate what we value. Shared core values are key to healthy relationships in the body that in turn make up healthy churches.

Healthy Churches understand the value of culture and how culture helps create habits on secondary things that support primary things. Intentional culture is a means to an end, not an end in itself.

Healthy Churches create a clear sense of belonging. One of the deepest needs of the human heart is the need to belong. Belonging implicates boundaries. Belonging has little meaning if there is no clarity whether you're in or out. People want to belong.

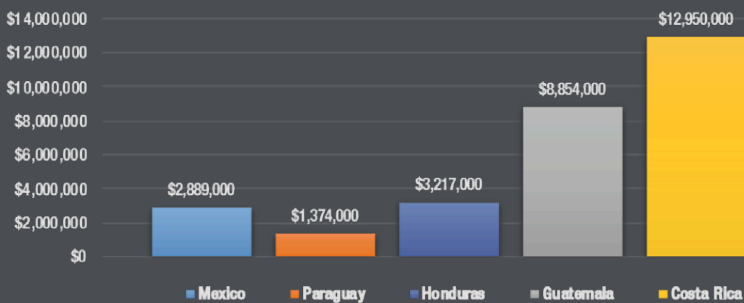
Healthy Churches identify and steward the talents of their people well. Many a kingdom businessman has felt under-appreciated and felt his calling as a businessman was not understood by the church. Good stewardship by the church of the businessman's talent is key to Sustainable Kingdom Communities.

Healthy Churches care for the spiritual, emotional, and physical needs of its people. Healthy people make healthy churches. Churches that understand this truth invest deeply in all three areas of nurture through discipleship and teachings from the Scripture.

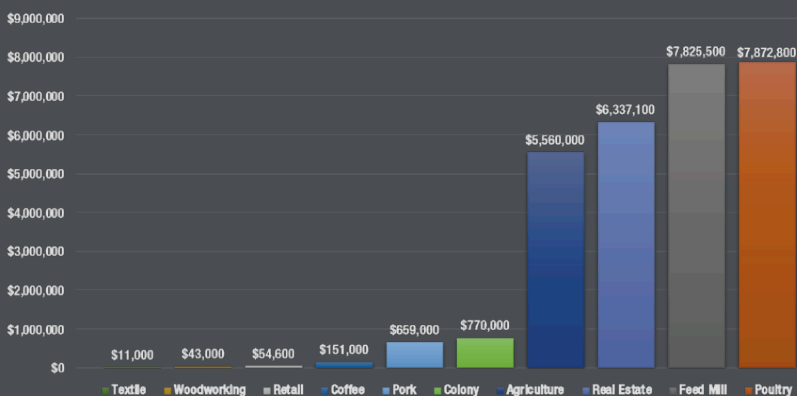
Healthy Churches carry out the Great Commission in obedience to Jesus' teachings from the New Testament (Matthew 28:16-20). A healthy church will birth many organizations over time, including para-church organizations, to address the needs of the day, such as feeding the hungry, caring for children, caring for the sick, caring for those in prisons, educational organizations, and the list goes on.

Last, but not least, **Healthy Churches** have a great relationship with the rest of the pillars that make up a kingdom community. In summary, Sustainable Kingdom Communities are about the church. Everything else is the means to this end and should support the Vision, Mission, and Purpose of the church, the beautiful Bride of Christ preparing for the great wedding day.

Loan Portfolio by Country



Loan Portfolio by Industry





Honduras is a beautiful country with lots of potential for business development and mission opportunities. ASAL Honduras is registered as a legal Savings and Loans organization in Honduras, under the direction of ASAL International on the USA side.

ASAL has the privilege of partnering with the Ebersole family in a number of projects—primarily in the processing of coffee beans for export to the USA. Other projects are the production of dairy products such as milk, cheese, yogurt and ice-cream. Producing and processing these products, combined with a retail coffee shop, deli, baked goods and dairy store, has been an excellent sustainable business model for the Ebersole family.

A more recent project is the acquisition of land for expansion into agricultural production. The goal is



to expand dairy production; provide space for future development of projects such as beef, pork, and poultry; as well as space for a future feed mill.

When considering community sustainability businesses, it's important to incorporate as many operations as possible that form the

supply chain for the final consumer products that a community is engaged in producing. This provides an opportunity for a broad range of skill sets that can be utilized in a community. This also mitigates the risk level of having to depend on other communities that provide services from a distance.

ASAL has appreciated the privilege to work with the various projects in Honduras.



Dairy Barn



Retail Store



HONDURAS

- 1. Size:** 43,433 square miles. This is just slightly smaller than Ohio which has 44,825 square miles. Honduras sits between Guatemala and Nicaragua
- 2. Population:** 9,744,000 people. Ohio, by comparison, has 11,799,000 people.
- 3. The capital city** is Tegucigalpa but another city, San Pedro Sula, is equally as important industrially.
- 4. Religion:** About two-thirds of the people adhere to the Roman Catholic religion with the remainder being a variety of Protestant groups.
- 5. Exports:** Honduras is number 8 in the top 10 list of coffee exporting countries. Other important exports include bananas and sugarcane.
- 6. Economy:** Honduras is one of the poorest countries in Central America. Chiquita and Dole, two US companies, own a large percentage of the agricultural land for banana plantations and employ many laborers.

BUSINESS LIMITATIONS

Roman Miller, Communications Officer

Many everyday business activities work better, are more enjoyable, and become more efficient in a group setting. No doubt—certain stresses can be avoided if I'm personally responsible and complete certain activities by myself.

However, many business activities are greatly limited when operated only by an individual. Each individual must recognize that one person is limited in time, strength, capabilities and resources.

As seen in the illustration above, one person carrying wood to a potential buyer is limited to a certain size and quality of wood—mostly firewood capacity.

The illustration below shows how 10 people with united goals can provide a more useful end product—a wide, long board!

In the business world, it's important to be very conscious of my own limitations and the products or services that I can provide on an individual basis versus the strength, quality, and stability that can be provided in a group effort. Proverbs 11:14 puts it in a very excellent perspective, *"Where no counsel is, the people fall: but in the multitude of counselors there is safety."*

In a world economy where volume is a factor that keeps profit margins razor thin, it becomes important that smaller-sized businesses pool strategic resources, automation, and production volume, in order to be able to compete with the clout of big corporations. As much as the Anabaptist culture enjoys its family farm/individual small business heritage, reality is upon us. We do need to consider more of a group effort to process and market the goods and services produced in such settings. Often higher quality and better products are possible. However, automation and volume can be stages that are costly and hard to achieve. This can make marketing to medium and larger clientele that require consistent, stable supply chains more difficult. ASAL's vision is to facilitate what is needed to keep the family farm/individual small business heritage alive and well. We aim to provide strategic planning and structures that can provide a platform to pool resources, as well as processing and providing volume to the market in a competitive process.



GROWING KINGDOM BUSINESSES TOGETHER

Leland Ulrich, CEO

Shepherding a Flock of Numbers for God's Glory

Each line in the Chart of Accounts is a sheep in the flock of numbers you are called to shepherd for God's glory as a businessman. You should take the time to name and number each line carefully and thoughtfully to help you keenly understand the nature and personality of each line.

Understanding the Chart of Accounts eludes many business persons, including some who have been successful. Thinking about the Chart of Accounts as a flock of sheep is a helpful narrative to emphasize the relationship between the accounts that ultimately make up the flock.

Did you know that all companies the world over have only 5 main accounts and they are named exactly the same globally? All additional accounts are sub-accounts to one of the 5 main accounts. These accounts are: Assets, Liabilities, Equity, Revenue, and Expense.

Each main account can have multiple sub-accounts which can also have sub-accounts. It is most normal to restrict sub-accounts to 3 levels deep. For example, Assets might have a sub-account called Properties, which contains sub-accounts for each property. Or the Revenue account might have revenue sub-accounts by product category or product line.

A conventional numbering system is Assets—10000, Liabilities—20000, Equity—30000, Revenue—40000, and Expenses—50000. The numbering system for the sub-accounts can be personalized to

what makes sense to you. However it is very helpful to be consistent in the application of a numbering system across all accounts. You might make revenue accounts for each of the product lines, such as 40100 for one product line and 40200 for the next. You would then number the expense accounts associated with those product lines as 50100 and 50200, to match the same numbering sequence as the revenue accounts. The asset accounts for those same product lines would be 10100 and 10200 respectively.

The Chart of Accounts is the foundation of your financial record keeping and budgeting process.

For reporting purposes, the Chart of Accounts is separated into the Revenue and Expense Statement and the Balance Sheet. The Revenue and Expense Statement is self-explanatory, with those two accounts being the summary of the report, including all the sub-accounts. The balance sheet is made up of the Assets, Liabilities and Equity accounts and is structured as follows: Total Assets minus Total Liabilities equals Total Equity.

To create a budget, simply add columns to the Chart of Accounts for months or years, or a combination of both, and fill in each field with the number expected for that field for that year or month. A typical layout for budget is the first 12 months, by the month, with a year total column followed by columns for subsequent years, by the year.





VISION

Sustainable Kingdom Communities

ASAL | Anabaptist Savings & Loans International

GROWING KINGDOM BUSINESSES TOGETHER

MISSION

Building Sustainable Kingdom Communities
One Business at a Time!

TRIPLE BOTTOM LINE



Discipleship in

Kingdom Impact | Social Impact | Financial Impact

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