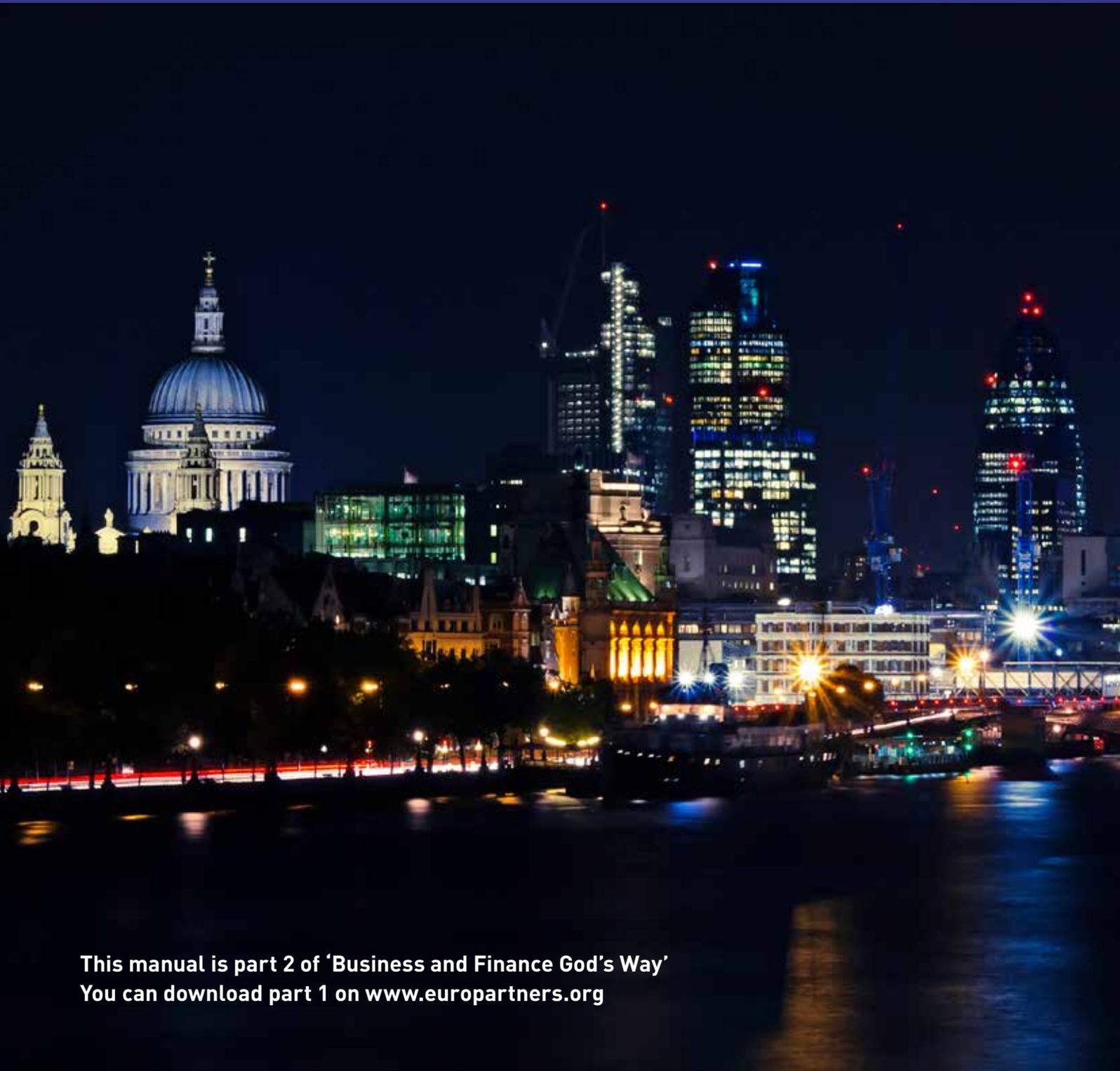


FINANCE GOD'S WAY

EUROPARTNERS YOUNG PROFESSIONALS TRAINING

Peter Briscoe - Compass: finances God's way | www.compass1.eu



**This manual is part 2 of 'Business and Finance God's Way'
You can download part 1 on www.europartners.org**

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Bible quotations are taken from the New International
Version (NIV) translation of the Bible

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1

BUSINESS FINANCE



Debt is discouraged throughout the Bible. Read the first portion of Romans 13:8 from several Bible translations: “Owe no man anything” (KJV). “Let no debt remain outstanding” (NIV). “Pay all your debts” (TLB). “Owe nothing to anyone” (NASB). “Keep out of debt and owe no man anything” (AMP).

In Proverbs 22:7, we learn why the Lord discourages debt: “The borrower is servant to the lender” (TLB). When we are in debt, we are servants- some Bible translations use the word slaves- to our lenders. The more business or personal debt we have, the more of a slave we become. We lose the freedom to decide where to spend some of the cash because it’s already obligated to lenders.

In the Old Testament, debt was considered a curse and being free of debt was one of the promised rewards for obedience. I believe this reflects the heart of God concerning debt.

“If you diligently obey the Lord your God, being careful to do all His commandments which I command you today, the Lord your God will set you high above all the nations of the earth. All these blessings shall come upon you and overtake you if you obey the Lord your God. You will lend to many nations, but you shall not borrow” (Deuteronomy 28:1-2, 12).

On the other hand, debt was one of the curses inflicted for disobedience. “If you do not obey the Lord your God, to observe to do all His commandments and His statutes with which I charge you today, that all these curses will come upon you. The alien who is among you shall rise above you higher and higher, but you will go down lower and lower. He shall lend to you, but you will not lend to him” (Deuteronomy 28:15, 43-44).

Many people think borrowing is inevitable and haven’t developed a strategy for their businesses and lives to become debt-free. And as we all have seen, the more debt businesses are encumbered with, the more vulnerable they are to an economic downturn.

BORROWING

The Bible is silent about when we can borrow money for a business. Here is the rule of thumb I recommend:

Borrow as little as possible and pay it off as quickly as possible!

Generally, there are three stages of business borrowing.

STAGE 1: THE OWNER OF THE BUSINESS MUST GUARANTEE THE BUSINESS DEBT

When you are launching a business or if it is not financially strong, lenders generally require you to personally guarantee its debt. When you personally

endorse a debt, you pledge all of your assets as collateral. Many people personally guarantee business debts and don't realize that as long as the debt exists, everything they own is at risk. Proverbs 22:26-27 paints this word picture: "Do not be one who shakes hands in pledge or puts up security for debts; if you lack the means to pay, your very bed will be snatched from under you."

STAGE 2: THE BUSINESS IS STRONG ENOUGH TO BORROW WITHOUT THE OWNER'S GUARANTEE

We want to challenge you to work toward eliminating the need to personally guarantee business debts. When communicating with a lender, make certain the lender understands that the only security for the debt is the business and anything else you are pledging as collateral. You have the option of paying the debt in one of two ways: (1) in cash or (2) with the business and the assets you have pledged as collateral. The lender has a decision to make. Do I feel good enough about the business and collateral to loan the money? This eliminates the need to risk all of your other assets. You are no longer slave to the lender.

STAGE 3: THE BUSINESS IS STRONG ENOUGH TO BORROW WITHOUT GUARANTEEING THE LOAN

An example of this type of loan would be a well-established investment company that buys an apartment complex and invests enough cash in it that a lender feels comfortable with the complex being the only security. This is the ideal way to borrow. You pledge the money you invested and the asset itself without risking the business or your other financial assets.

AVOID LONGTERM DEBT

"At the end of every seven years you shall grant a remission of debts" (Deuteronomy 15:1). In an era of 30-year mortgages, avoiding long-term debt sounds almost impossible. Long-term debt, however, is a relatively new idea. Our grandfathers, even many of our fathers, would have considered loans that extended for three or four decades to be unthinkable. Develop a plan to become debt free within a relatively short period of time.

1. BORROWING CAN HAMPER CREATIVITY

David Kemp and Bill Geary started an office supply business from scratch. They felt the Lord leading them to grow the new business without borrowing. This forced them to be creative. Instead of going into the retail market, they decided to serve the business community, choosing only those customers who committed to pay within 15 days of purchase. They used technology to streamline customer ordering and reduce their staffing requirements. They carried only a small inventory of frequently ordered items and their wholesale supplier made daily deliveries of other items their customers ordered. Dozens of such creative

decisions allowed Dewey and Bill to build a thriving business without credit. Evaluate your business. What creative changes could you make to operate without debt?

2. BORROWING CAN DELAY NECESSARY DECISIONS

Often a business that is in financial trouble because of poor management or other problems will sustain itself by borrowing instead of resolving the real problems. God's Word says, "The prudent sees the evil and hides himself, but the naive go on, and are punished for it" (Proverbs 22:3). The use of borrowed money can provide a false sense of security that allows a correctable situation to grow into an out-of-control problem.

Although Eastern Airlines was regularly losing money in the late '70s, the appreciating value of equipment and other assets enabled the management to borrow more and more money to sustain operations. If credit had not been available, the company would have been forced to face reality and reduce overhead or close its doors. Instead, the borrowing continued into the next decade until a speculator bought the company, cut it into pieces, and sold off the pieces. Thousands of employees lost their jobs and disrupted their families' lives. When borrowing delays the pain of necessary budget decisions, it usually results in a much greater pain.

There are many factors that determine the appropriate limitation of debt for your business. Here are several general considerations.

1. Your personal tolerance to debt should be balanced with responsibilities to others

Individuals vary greatly in their level of comfort with business debt and the question of how much is too much. But as a steward who is responsible for God's business, it's not only about your personal risk tolerance. If you are responsible for a family or for employees, you have to balance your risk tolerance with your responsibilities as God's steward.

2. What is at risk?

How is your debt collateralized? If you are unable to repay the debt, what are you going to lose? Will it be the new piece of equipment? Or, will it be everything?

The decision to borrow is often based on the presumption that our business will be profitable or our job will continue in the future. James 4:13-14 cautions us against presumption:

"Come now, you who say, 'Today or tomorrow we will go to such and such a city, and spend a year there and engage in business and make a profit.' Yet you do not know what your life will be like tomorrow..."

HOW TO GET OUT OF DEBT

Here are four steps for getting out of debt. The goal is D-Day - Debtless Day - when your business or you personally become completely free of debt.

When mountain climbers scale a steep face of rock, they often use a technique called "tying the knots." They will climb about ten feet, hammer a spike securely in the rock, and tie their supporting rope to the spike. They do this as a safety precaution. If they slip and fall, they will fall no farther than ten feet and are usually unharmed. However, if the climbers don't tie the knots, a slip can mean serious injury or even death.

The concept of tying the knots is applicable to business and personal debt.

When you pay off the debt on an asset, tie the knot! Try not to encumber the free and clear asset in case a financial slip occurs.

1. PRAY

In 2 Kings 4:1-7, a widow was threatened with losing her children to her creditor, and she appealed to the prophet Elisha for help. He told her to borrow lots of empty jars from her neighbours. Then the Lord supernaturally multiplied her only possession, a very small amount of oil, and all the jars were filled. She sold the oil and paid her debts to free her children.

The same God who provided supernaturally for the widow is interested in you becoming free from debt. The first and most important step is to pray. Seek the Lord's help and guidance in your journey toward Debt Free Day! He can act immediately, as in the case of the widow, or slowly over time. In either case, prayer is essential.

As businesses begin to accelerate debt repayment, the Lord is blessing their faithfulness. Even if you can afford only a small monthly prepayment of your debt, do it. The Lord can multiply your efforts.

2. ASK GOOD QUESTIONS

Ask these two questions about every spending category in your business or personal life: Do we need this? If so, can we do it less expensively? The more profitable the business, the quicker you can pay off the debt. Or, in your personal life, the more money is available, the quicker you can pay off the debt.

Then examine every asset in your company or personal belongings to determine if there is anything you could sell to pay down debt more quickly.

3. SNOWBALL YOUR DEBT

Snowball your way out of debt, and here's how. In addition to making the minimum payments on all your debts, focus on paying off the smallest debt first. The reason I recommend paying off the debt with the lowest balance first is

simple; getting out of debt can be challenging, and we all need to be encouraged by seeing the balance go down and finally disappear.

After the first debt is paid off, apply its payment toward the next smallest one.

After the second debt is paid off, apply what you were paying on the first and second toward the third smallest. That's the snowball in action.

This can be exciting as you see the balance really start to drop. So... where do you start? List your debts in order with the smallest remaining balance first. If you are disciplined and already making progress on paying off debt, you may choose to focus on paying off the higher-interest-rate debts first, even if the balances are larger.

One important step toward your company or personal life becoming debt free is to stop borrowing more money as soon as practical. If your business depends on credit, ask the Lord for His creativity, direction, and wisdom to eliminate the necessity of continued borrowing.

4. DO NOT GIVE UP!

On October 29, 1941, Winston Churchill, Prime Minister of England, gave a school commencement address. World War II was devastating Europe, and England's very fate as a nation was in doubt. Churchill stood and said, *"Never give in. Never give in. Never, never, never-in nothing, great or small, large or petty-never give in except to convictions of honour and good sense."*

So, I want to encourage you to never give up in your effort to get out of debt. It may require hard work and sacrifice, but the freedom is worth the struggle. Remember, it's on God's heart for you and your business to become debt free.

BANKRUPTCY

In bankruptcy, a court of law declares a person or business unable to pay its debts. Depending on the type of bankruptcy, the court may allow the debtor to develop a plan to repay the creditors or the court will distribute the debtor's property among the creditors as payment for the debts.

Should a godly person declare bankruptcy? The answer is generally no. Psalm 37:21 tells us, *"The wicked borrows and does not pay back, but the righteous is gracious and gives."* However, in our opinion, bankruptcy is permissible under two circumstances:

- If a creditor forces a person into bankruptcy, or
- If the debtor's (or his family's) emotional health is at stake due to an inability to cope with the extreme financial pressure.

After bankruptcy, seek counsel from an attorney to determine how it is legally permissible to repay the debt. Make every effort to repay the debt. For a large debt, this may be a long-term goal that is largely dependent on the Lord's supernatural provision of resources.

EXTENDING CREDIT

You don't have to be a banker to be in the lending business. Unless you are paid in full every time you consummate a sale, you become a lender and have to deal with credit in the form of accounts receivable. Too many businesses are damaged or fail because of lax lending or credit policies.

There is nothing biblically wrong with extending credit to qualified customers. As we have already learned, God promised Old Testament believers that they would be blessed if they obeyed His commandments. One of those blessings had to do with lending. *"The Lord will bless all the work of your hand; and you shall lend to many nations, but you shall not borrow"* (Deuteronomy 28:12).

Just because lending is a part of "the blessing" doesn't mean we can simply forge ahead without considering how to extend credit in a way that is both honoring to God and consistent with biblical principles. You must answer the questions: To whom we extend credit, how much credit, and what do we do about collections and accounts receivable?

Maintaining a healthy level of cash in the business to be able to meet all obligations like payroll, bank overdraft, suppliers etc. is extremely important. I remember the CEO of ICI, one of the largest chemical companies at the end of the last century saying, *"turnover is vanity, profit is sanity, but cash is reality!"*

Doing business by biblical principles requires that we manage our credit in such a way that we keep bad debts at a minimum. Most companies sue others or turn them over to collection without giving it a second thought. For them, it is simply a part of doing business. We are not to operate like that.

We are to conduct business by a higher standard. Remember, our purpose in business is to glorify God and to sincerely care about customers even if we don't know them personally.

It is imperative that you establish a well-conceived policy for extending credit. Manage your receivables to keep bad debts at a minimum. If you have a customer with an outstanding balance extending beyond 30 or 60 days, communicate, communicate, communicate! They may be using your credit to fund other needs in their company.

Become a student of the customers who owe you money. What are vendors or others in the marketplace saying that might indicate your delinquent payers are in trouble?

If customers are unable or unwilling to pay, talk with them to discuss the matter. Then listen. Although you may be frustrated or even angry, remember that your purposes in business include glorifying God and influencing people for Christ. Many businesses routinely sue those who are delinquent without making an effort to preserve the relationship. However, we are not to conduct business like that; we are to genuinely care for others, even if we ultimately turn the debt over to collections.

Follow these two simple principles:

- Limit your lending to those who are faithful in repaying
- Do not extend credit to those who will be damaged by it

COLLECTING DEBTS

Unless you are paid in full every time you sell your products or services, you are in the lending business. In particular, wholesalers, contractors, distributors and professional service providers usually have to deal with credit in the form of their debtors.

What happens when people don't pay? You will discover that if you live by God's principles, your ability to collect a delinquent debt is limited because many common means of collection are unscriptural. It is important, therefore, that you determine how much you can afford to lose before extending credit to others.

Since collecting bad debts can be such an unpleasant part of business, some owners don't want to know what their employees or collection agencies are doing to handle it. The solution is not that simple, however; owners and CEOs are responsible for everything that goes on in the company. You cannot divorce yourself from what others do on your behalf. Any individual or agency that represents your business makes an impact on your reputation and your witness to the world. It is your responsibility to ensure that your agents (attorneys, collectors, and negotiators) represent not only your financial interests but your values as well.

LITIGATION WITH OTHER CHRISTIANS

Tens of thousands of lawsuits are filed each day in the United States. Unfortunately, many of these suits pit Christian against Christian. Many factors contribute to this flood of lawsuits, including an avalanche of new laws and, most disturbingly, people becoming less and less forgiving. The court system uses an adversarial judicial process that frequently creates animosities and fractures relationships between parties. Instead of trying to heal the wounds, the system provides a legal solution but leaves the problems of unforgiveness and anger untouched.

ANALYZE YOUR MOTIVES

If you sincerely believe that everything you have belongs to God and that you are just a manager for Him, then you must make every decision with that in mind. If the motive behind your system of collections is greed, anger, or resentment, then it is your money you're collecting, not God's. You have a right to the money that is owed to you, but if you are willing to violate the principles God has established for recovering that money, your loss is much more than a financial one.

THE PROCESS

The Bible stresses that the goal should be reconciliation. "If therefore you are presenting your offering at the altar, and there remember that your brother has something against you, leave your offering there before the altar and go your way; first be reconciled to your brother" (Matthew 5:23-24).

Scripture states that when Christians are at odds with each other, they should try not to settle their disputes through the courts.

"Does any one of you, when he has a case against his neighbour, dare to go to law before the unrighteous, and not before the saints? Or do you not know that the saints will judge the world? And if the world is judged by you, are you not competent to constitute the smallest law courts? Do you not know that we shall judge angels? How much more, matters of this life? If then you have law courts dealing with matters of this life, do you appoint them as judges who are of no account in the church? I say this to your shame. Is it so, that there is not among you one wise man who will be able to decide between his brethren, but brother goes to law with brother, and that before unbelievers? Actually, then, it is already a defeat for you, that you have lawsuits with one another. Why not rather be wronged? Why not rather be defrauded?" (1 Corinthians 6:1-7).

Instead of initiating a lawsuit, a three-step procedure for Christians to resolve their differences is set forth in Matthew 18:15-17: "If your brother sins, go and show him his fault in private; if he listens to you, you have won your brother. But if he does not listen to you, take one or two more with you, so that by the mouth

of two or three witnesses every fact may be confirmed. If he refuses to listen to them, tell it to the church; and if he refuses to listen even to the church, let him be to you as a Gentile and a tax collector."

So with that in mind, how should Christians approach collecting a debt from another Christian? That process could be expressed in modern culture this way.

- Go in private. Contact the debtor yourself (or in the case of a large company, through your representative) to work out a payment plan. There may be extenuating circumstances that limit your debtor's ability to pay. Offer them a chance to discuss their difficulties.
- Go with one or two others. If that fails, try to get them to meet with a Christian debt counsellor to work out an arrangement.
- Go before the church. If your debtor doesn't seem to be willing to work with you, see if he or she would be willing to submit to Christian arbitration. If the debtor is unwilling to try to resolve the matter, you have the option of a collection agency or the courts. In the case of a collection agency, we recommend selecting one that practices similar values as your business.

The greatest benefit of following this procedure is not simply reaching a fair settlement of the dispute but practicing forgiveness and demonstrating love.

COLLECTING FROM THOSE WHO DO NOT KNOW CHRIST

We recommend that a similar process of collecting past-due bills be used with those who do not know Christ. In a one-on-one contact in which you show respect for the person, attempt to work out a payment plan. If this fails, encourage the person to meet with a debt or business counsellor. If that also fails, you have the option of a collection agency or the courts.

Make every decision in light of your primary function—to glorify God. If you are a business owner, carefully consider the following verse before you make a decision to sue anyone over a personal loss. "Give to everyone who asks of you, and whoever takes away what is yours, do not demand it back" (Luke 6:30).

When you work for a public company, you have the legal fiduciary responsibility to act for the benefit of the stockholders. You may not have as much freedom to forgive debts. However, you can still model the love of Christ by your respectful and reasonable communication with those who are past due.

2

FINANCIAL PLANNING



Life is full of choices – how we spend our time, how we manage our resources, and what goals and activities we choose to pursue. The decisions we make reflect our values and priorities and have a ripple effect in other areas of our life. Experience has taught us that today’s decisions have lifetime implications. I believe the longer range your perspective, the better your decision-making, and in life, there are no independent decisions. Using biblical principles, a comprehensive financial planning approach clarifies decision making and focuses on leaving a legacy of financial, social, and spiritual capital. The objective is to ensure that your decisions accurately reflect your values and help you achieve your financial goals.

Combining vision and action, a financial plan includes everything from short-term cash flow planning based on the “five uses of money” to long-term retirement planning, from minimizing debt proactively to understanding the tax consequences of various decisions, from funding retirement or your child’s education to determining how much insurance you might need. By understanding how all the components integrate with each other, we can work toward sound decisions, wise stewardship, and a road map to your desired destination: an enriched life.

THE FINANCIAL PLAN

The purpose of a financial plan is to set you on a path to achieving your financial goals. There are no independent financial decisions and there is a greater ability to make wise choices when we are able to see with a long-term perspective. A well-crafted, integrated plan is a road map showing an efficient way to get to your desired destination.

When making our financial plan, we must always use these five guiding principles which are essential to healthy financial planning. A good friend, Ron Blue, was invited to testify before a Congressional sub-committee during an economic crisis. The question asked was, “*Mr. Blue, what advice would you give the American family?*” Ron Blue answered, “*there are 5 basic principles for financial health.*” The senator chairing the meeting said, “*these would work at any income level and during any economic situation!*” “*Yes,*” replied Ron, “*even for the US government!*” Here are the five principles.

FIVE KEY PRINCIPLES

1. SPEND LESS THAN YOU EARN BECAUSE EVERY SUCCESS IN YOUR FINANCIAL LIFE DEPENDS ON THIS HABIT

Ultimately, if we do not live within our means, we will not accomplish our desires and plans in other areas of our financial life. The difference between in-

come and expenditure is margin. Margin is an essential factor and without this, it is impossible to achieve any financial goals and to move into any of the other principles. Without margin we cannot avoid debt, give, or accumulate for the unexpected that will come. And our goals cannot be met. If we do not follow this first principle, we will never have the flexibility or freedom to pursue the goals and objectives that God gives to us. The opposite is also true: Following this first principle will give the flexibility and freedom to pursue the goals and objectives that God gives to us.

Often, when facing a tight budget, people immediately seek to add more income. Perhaps they take a second job. Maybe a spouse goes back to work. Maybe borrow. Ultimately, it may make sense for you to add income in order to accomplish your goals, but I believe that respecting the pay check you have now and living within this financial constraint is the first step toward accomplishing any long-term financial desire or goal.

2. AVOID DEBT BECAUSE DEBT ALWAYS MORTGAGES THE FUTURE

Have you ever pondered the reality that any debt we have puts a burden on our future. Debt always mortgages the future. The Bible states it very simply in Proverbs 22:7. *“The rich rule over the poor, and the borrower is a slave to the lender.”*

Being in debt puts us in a position of servitude. It mortgages our tomorrow and it means that we have an obligation to serve the lender first—before we save our money or give it or choose to spend it on family memories. Debt payments demand first priority, no matter what. Scripture goes so far as to make debt repayment a moral issue. Psalm 37:21 says, *“The wicked man borrows and does not repay, but the righteous one is gracious and giving.”*

Both re-paying debts and being “gracious and giving” are upright practices in the eyes of the Lord, but I would speak from experience in saying that being a gracious giver is a lot more fulfilling than being a faithful debt repayer!

3. GIVE GENEROUSLY BECAUSE GIVING BREAKS THE POWER OF MONEY

There is a freedom in giving money away that exists nowhere else in a person’s financial experience. My favourite analogy for this freedom is the image of an open hand. When I hold my hand open, with my financial resources available to God at all times for His purposes, I experience freedom. I know that He can take away from my hand and that He can add to my hand, but something about the process of giving provides freedom to trust Him more fully. Jesus used the analogy of treasure when He taught about giving. He said, *“Don’t collect for yourselves treasures on earth, where moth and rust destroy and where thieves break in and steal. But collect for yourselves treasures in heaven, where neither moth nor rust destroys, and where thieves don’t break in and steal. For where your treasure is, there your heart will be also.”* (Matt. 6:19–21)

Jesus had the distinct advantage of knowing first-hand the difference between Earth and eternity. He witnessed the entropy and decay on planet Earth and knew the contrasting glory and longevity of heaven. He urged His followers to lay up heavenly treasures by putting their financial resources into eternal accounts. In the process, He knew that their hearts would then become captivated and motivated by eternal purposes. The “treasure principle” says that our hearts and our money are inextricably linked—our hearts always follow our money.

If our hearts follow our money, then we can break the power that money holds over our hearts by giving it away. Giving sends a powerful message that we believe in God’s goodness, we trust God’s ownership, and we are about God’s agenda. And, when we give, we deeply experience the reality of His goodness, His ownership, and His agenda in our lives.

4. PLAN FOR FINANCIAL MARGIN BECAUSE THE UNEXPECTED WILL OCCUR

The last two wise financial principles are tied very strongly to the first one:

“spend less than you earn.” They work together like dominoes. If I spend less than I earn, I will have flexibility and I can decide what to do with the extra.

Then, if I decide to use some of the extra to build margin into my finances, I will be able to effectively deal with unexpected expenses.

And, even better, I can then begin to save the extra for long-term financial goals, allowing me to pursue God-given desires and priorities in my future.

Jesus said, *“You will have suffering in this world”* (John 16:33).

Suffering, including financial suffering, is part and parcel to being human.

Accordingly, we must prepare for the unexpected by having short-term, emergency savings and by having long-term, goal-focused savings. Solomon talked about the ant, reminding us that, *“Without leader, administrator, or ruler, it prepares its provisions in summer; it gathers its food during harvest”* (Prov. 6:7–8).

Jesus talked about planning for the future and counting the cost when He said, *“For which of you, wanting to build a tower, doesn’t first sit down and calculate the cost to see if he has enough to complete it?”* (Luke 14:28).

Financial wisdom says that we need to have accessible savings, allowing us to deal with short-term trouble and helping us grow toward long-term goals.

5. SET LONG-TERM GOALS BECAUSE THERE IS ALWAYS A TRADE-OFF BETWEEN THE SHORT TERM AND THE LONG TERM

Finances always involve a trade-off between the short term and the long term.

If we don’t have long-term goals, we simply won’t know how to prioritize our spending and saving in the short term. Because money is a tool to accomplish other goals and objectives, setting goals gives us clarity about how to use our “tool”—money—toward our savings, debt repayment, budgeting, or giving.

Also, having written goals means that we are far more likely to continue to be financially disciplined and to create good financial habits. Habits take hold be-

cause we have a strong “why” motivating our habits. Goals provide the why—the necessary motivation. In some ways, written goals close the loop with all of the otherwise financial habits. Knowing why we are doing something via a written goal helps us to have a starting point, it helps us to stay the course, and it lets us know when we are done and can look to other, new goals.

Proverbs 29:18 (NASB) says, “Where there is no vision, the people are unrestrained.” Writing goals is a way that we clarify the vision that God has given us for our lives. Pursuing them provides us with a pathway and helps us to make more confident decisions today.

And, better still, as followers of Christ, we are privileged to be able to set goals with God’s input and vision. Ephesians 2:10, one of my favourite verses, says, “For we are His creation, created in Christ Jesus for good works, which God prepared ahead of time so that we should walk in them.” God has prepared works for us to do already. When we ask Him to speak into our goals, He can move us into those works and allow us the privilege of completing them.

HOW GOD USES MONEY

I believe God uses money in three ways. God uses money as a tool, a test and a testimony. As a tool to assess our capacity to use money well. In Matthew 25, God gives large amounts of money to three stewards who are expected to do business with what they have been entrusted with. To those who used the money well, according to the master’s wishes, the master complemented them. The reward of good stewardship was more stewardship! “Well done, good and faithful servant. You have been faithful over a little; I will set you over much.” (Matthew 25:23) The reward was also the ‘the joy of the master’.

As a test to assess our faithfulness in using the money in the right way. Especially with the little we are entrusted with. Luke 16:10 “One who is faithful in a very little is also faithful in much, and one who is dishonest in a very little is also dishonest in much. The extent to which we will be trusted with what Jesus called “the true riches” is to a large extent determined by how well we use the money entrusted to us. Luke 16:11 “If then you have not been faithful in the unrighteous wealth, who will entrust to you the true riches?” And the extent to which we will be given more money to manage is also determined by how faithful we are in managing God’s money as a trusted steward. Luke 16: 12 “And if you have not been faithful in that which is another’s, who will give you that which is your own?”

As a testimony to those around us as they see God working through our lives as we trust Him in our financial decisions. It is a great testimony to our Lord when we live a life of contentment and thankfulness despite the difficult circumstances, and when we are generous and sharing what we have to alleviate needs of others.

SETTING GOALS

It is, of course, essential to know in which direction we are heading! Knowing where you are going will help to take the best short-term decisions.

If you don’t know this, then you will be led in all directions! See this classic Monty Python Clip at the Silly Olympic Games on “The Hundred Meters for people with no sense of direction.”

Imagine a sprinter preparing to run a 100-meter race. When the gun fires, all of the runners dash for the finish line except him. He runs hard but without direction, not knowing where the tape is. We can’t imagine an athlete being so foolish. After all, the placement of the finish line determines everything about the race. Yet many of us run our financial lives without any idea of where our finish lines are. Lacking clearly defined goals, the years pass without the type of meaningful progress we desire because we don’t know what we are trying to accomplish.

Without goals, our financial decisions are dictated by other people, unchecked emotions, and perceived urgency, all of which obstruct wise decision-making. Most of us are satisfied with simply accumulating as much as we can, which is the world’s way of thinking. Since the longing for more is insatiable, we never experience financial freedom. When we choose to set financial objectives, our choices become purposeful, and we stay focused on what is most important. But just developing goals is not enough.

A study of Harvard students in 1979 revealed that 3% had written goals and plans. 13% had goals but no written plans and 87% had neither. Ten years later, in 1989, the study showed that the 13% who had goals were earning twice as much as those with no goals. But the 3% who had both goals and written plans, were earning ten times as much.

Ron Blue has three convictions:

1. Goals setting is the beginning of meaningful life planning. Until you have this you have not started to plan your life
2. A goal is not a goal until it is measurable, it is at best a good intention
3. Only a Christian has the ability to set faith goals and ask, “God what do you want me to achieve?” This is a way to experience the hand of God in my financial situation.

So, what do we understand by “Faith goals”?

A faith goal is a statement: “I believe that God would have me to... whatever it is” I need to believe in my whole heart that I need to take this and internalise it. I need to believe

1. that they give direction and purpose.
2. passionately that they help crystallise thinking.

3. goals provide personal motivation, and
4. that God will direct my steps

God's Word has a lot to say about goals setting and the process. "The heart of man plans his way, but the Lord establishes his steps" (Proverbs 16:9). Setting goals gets me moving and God can direct my steps. "Now to Him who is able to do far more abundantly than all that we ask or think, according to the power at work within us..." (Ephesians 3:20). This is all part of the faith process. My goalsetting comes from God, I seek His will and His wisdom, I start to move, and He can direct my steps. "The plans of the heart belong to man, but the answer of the tongue is from the Lord. All the ways of a man are pure in his own eyes, but the Lord weighs the spirit. Commit your work to the Lord, and your plans will be established" (Proverbs 16:1-3).

LIFE PLANNING

It starts with God at the centre and my relationship with Him. Our challenge is to maintain balance in the various areas of life. Often, we get out of balance in our vocation, our work, as we strive to produce more wealth at the cost of our relationship with God, family, and other meaningful relationships. Then the process of financial planning helps us to step back and assess our God-given goals and priorities, managing our finances in a way which relieves financial pressure and provides peace of mind. By balancing our lives through financial planning, we are able to focus on Life Impact to develop social and spiritual capital in our lives and those around us.

An exclusive focus on money can so easily bring us off-balance. Remember, Jesus unmasked a power behind money which He called Mammon, and this power uses money to disturb our lives, and take us away from God.

When Michelangelo started on sculpturing David, he started with a block of rough marble, but he saw in this lump of stone, a beautiful figure – hidden. To realize this, he needed to chip away and remove the parts which did not fit. This is the process of discipleship. God is the Sculptor - what He is looking to make is a person who prospers – socially, physically, spiritually so that God can use us to achieve His goals.

- That we should become like Christ
- That we should love Him with all our heart
- That we should love our neighbour, enjoying meaningful relationships
- That we should enjoy creation
- That we should lead others to Jesus

To this end, it is important that, in our life and financial planning, we build wealth, not riches – there is a difference!

Riches in a Biblical sense is money accumulated and Solomon said that this would never satisfy. "He who loves money will not be satisfied with money, nor he who loves wealth with his income; this also is vanity. When goods increase, they increase who eat them, and what advantage has their owner but to see them with his eyes?" (Ecclesiastes 5:10,11).

Wealth on the other hand, is money put to use for a purpose. "You shall remember the Lord your God, for it is He who gives you power to get wealth, that He may confirm his covenant that He swore to your fathers, as it is this day" (Deuteronomy 8:18). The purpose for which God gives us the ability to create wealth is to establish Gods covenant. This covenant establishes the relationship between God and man, interpersonal relationships and the covenant with the resources which the earth provides.

Therefore, the goal of life planning and therefore financial planning is to build capital in all areas of life.

- Physical capital to enjoy strength and good health
- Emotional capital to enjoy inner, mental strength to cope with tough situations
- Relational capital to enjoy friendship and mutual help
- Time capital to enjoy work, relaxation and relationships
- Material capital to enjoy material things, beauty and resources
- Spiritual capital to enjoy Gods presence and activity

From experience, I know just how much the pursuit of financial capital can come at the expense of one or more of the above life capitals. The art is to keep a life in balance with God at the centre directing each area of my life.

In looking at the following diagram "Life Overview", we see a life planning process. The circle reminds us all of life is about balance. God is at the centre. Money can be used as a tool in all of these arenas to achieve God's goals and purposes. Financial planning is all about the managing of income and cash flow, but that is only one piece of life. In our next illustration we will simplify the areas of life capital in which to practice planning.

Financial Capital includes money and material assets such as land, shares, and jewellery. Financial Capital built will be for nothing if the other forms of capital are not taken care of.

Spiritual Capital manifests itself in the understanding of Biblical absolutes, how to come to Christ, God's character, how to walk by faith and trust God, Biblical principles of money management, child rearing, and marriage relationships.

Social Capital is a resource base that allows one to relate to society including all the character qualities necessary for effective and productive interaction in society. Morality is a critical component to Social Capital and includes ethics, right conduct, and distinguishing right from wrong.

3

CREATING YOUR FINANCIAL FUTURE



Having a financial plan de-clutters our financial picture. Knowing our priorities and our long-term goals lessens the confusion of daily financial decisions. We are free to be unique.

In short, there are only two key truths that lead to long-term financial freedom. From a spiritual angle, you must recognize that God owns it all so that you are free from grasping and anxiety. From a practical angle, you must spend less than you earn and do it for a long time. Without a commitment to these two things, you will never be financially free.

There are four truths that make it wise for us to plan rather than respond.

They are:

- We all have limited resources
- There are always more ways to spend money than money available to spend
- Today's decisions impact our future. A dollar spent now cannot be used tomorrow for something different
- The longer term your perspective, the better your decisions will be

Before we get started, let me communicate something clearly to you: Money is symptomatic and emblematic. Every financial decision you make reveals something about your priorities. Accumulating wealth is never a valid end in itself. Therefore, the process of financial planning will drive you to discover your priorities and your values. Financial planning is a gift that will help you to see where your life is in balance and where it is out of balance with your desires and goals. With every financial decision you make, ask yourself: what am I really trying to accomplish? If you take away the dollar layer and get to the underlying purpose, you'll learn so much! Jesus said, "[Where your treasure is, there shall your heart be also.](#)" (Matthew 6:21)

Spend some time thinking about your money and your priorities. If your bank statement were the place that revealed your heart, what would it show? What would you want it to show?

THE ELEVEN BUCKETS

This tool, created and taught by Ron Blue, founder of Kingdom Advisors, depicts the eleven ways that people can use money - five short term and six long term. It also shows a five-step process for setting and attaining financial goals.

Two things determine how your money is allocated among the buckets: your commitments and your priorities.

Commitments come with various family situations and often arise out of past financial decisions. The money you put toward debt has to do with past spending decisions. The money you pay for food, clothing, and daily needs arises from your unique family situation. In both cases, you have levels of commitment. Additionally, your priorities will determine how you allocate your money. If you

prioritize certain lifestyle desires, you will have less money for saving or giving. If you prioritize giving, you will have less money to pay down mortgage debt or to save and invest. Life continually demands that we assess our priorities and make adjustments to our spending decisions accordingly. Having clarity about your priorities and having ongoing reinforcement for the values you hold dear will allow you to make financial decisions that are in line with your priorities. Scripture gives many guidelines about these areas of money management. However, it gives very few commands. Determining your flow of priorities and your commitments best happens as you spend time alone with God and together with your spouse asking for His direction and guidance. He has entrusted His resources to you, therefore He will speak to you about their use in your life.

Here are a few principles about using the buckets.

- First of all, remember that each bucket is legitimate in God's eyes. He owns it all, and these five buckets are all of the places you can put His money. So, every spending decision is a Spiritual decision.
- Secondly, remember that there is no such thing as an independent financial decision. Once you put money into one bucket, you've also affected the level of money in the other four buckets.
- Thirdly, the longer term your perspective, the better your financial decision today. Saving and investing will yield rewards later in life; giving will yield rewards in eternity. So, taking the long view allows your money to be much more productive, in your own life and in others.

ELEVEN BUCKETS



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PHASE 1: SUMMARISE YOUR PRESENT POSITION

Did you know that there are only five places your money can go? All of your income can be divided among five key areas: giving, taxes, savings/investments, debt, and lifestyle. Of the five short-term uses of money, two are productive in nature and three are consumptive.

Paying off short-term consumer debt which normally carries a high interest rate can free up cash for both short-term needs and long-term goals. This should be a priority – become free from consumer debt as soon as possible! This frees you up to use your money as you want, not as how the creditor determines! Paying taxes is for most people automatic. For the business owner or free-lancer, it is absolutely essential, but often overlooked, to set aside and reserve the taxes to be paid regularly. *“Therefore, render to Caesar the things that are Caesar’s, and to God the things that are God’s.”* (Matthew 22:17)

Giving monthly should also be a priority and a percentage of income. Personally, I believe a tenth is a good starting point. *“On the first day of every week, each of you is to put something aside and store it up, as he may prosper”* (1 Corinthians 16:2).

Lastly, develop margin for saving and investing. The first priority for saving will be for emergencies and to reserve for short term larger expenses like car repairs or holidays. *“Precious treasure and oil are in a wise man’s dwelling, but a foolish man devours it”* (Proverbs 21:20).

Both saving and giving will yield a harvest later on; taxes, debt, and lifestyle represent areas where your money is consumed by the spending decision. When you know your spending level in these five areas, you can control spending so that your cash flow margin (saving and investing bucket) grows.

PHASE 2: ESTABLISH YOUR LONG-TERM GOALS

There are basically only six broad areas in which you can set your long-term goals:

- Lifestyle desires, such as a special vacation, second home, things of beauty, collections or home improvements. Remember, the Lord wants us to enjoy good things!
- Family needs like buying a home, or helping your (grand-) children to buy a home; special needs for handicapped children, or being able to help parents in times of need.
- Financial independence, which would enable you to retire from paid work at a certain age, to be able to volunteer work for charitable causes. This means that your resources will eventually generate enough income to fund all of your short-term objectives, excluding savings. (If “enough” has been saved, you will no longer need short-term savings.)

- Freedom from debt, paying of business borrowings or mortgages.
- Charitable giving such as major donations or setting up a trust fund.
- Business goals such as starting a new business with saved capital or helping others to start a business with venture capital or loans.

As you can see, some of these buckets apply only in certain situations. The process of goal setting will help you determine your “finish lines” so that you will know how much is enough for your financial future.

PHASE 3: PRIORITISE GOALS

Having written down your goals, which ones are the most important for you? Which do you want to tackle first?

PHASE 4: CREATE MARGIN

In order to create margin, we use a spending plan to make sure that each month we are spending less than we earn. This means sitting down (together with your partner), analysing your spending pattern and habits, reflecting on your spending priorities and then making a plan to allocate the available money over the different categories. This plan can be adjusted as necessary.

PHASE 5: CONTROL CASH FLOW

This phase is to control cash flow according to your plan. Am I on track with my spending? Or maybe overspending in a particular area? Am I reserving enough for savings and long-term goals?

As you move into the in-depth process of creating a plan for yourself, please remember several things:

- Process: This is a process, and it will take time. Count on spending time on some basics: committed spousal communication, prayer about God’s direction for you, and an ongoing assessment of your financial situation. Don’t expect perfection and don’t expect a quick fix. You will learn so much about yourself by digging into the process, and you will find that the reward is great!
- Interdependence: Remember that there are no independent financial decisions. As you decide to put your resources in one bucket, you’ve effectively decided NOT to put them in the other buckets. This is the reality of money management.
- Perspective: Also, remember that the longer term your perspective, the better the financial decision will be. A close friend once defined financial maturity as, “being able to give up today’s desires for future benefits”. If you make a choice to delay gratification today on behalf of a future need or priority, you’ve probably made a wise financial decision.
- Goals and Priorities: Finally, remember that decisions determine destiny.

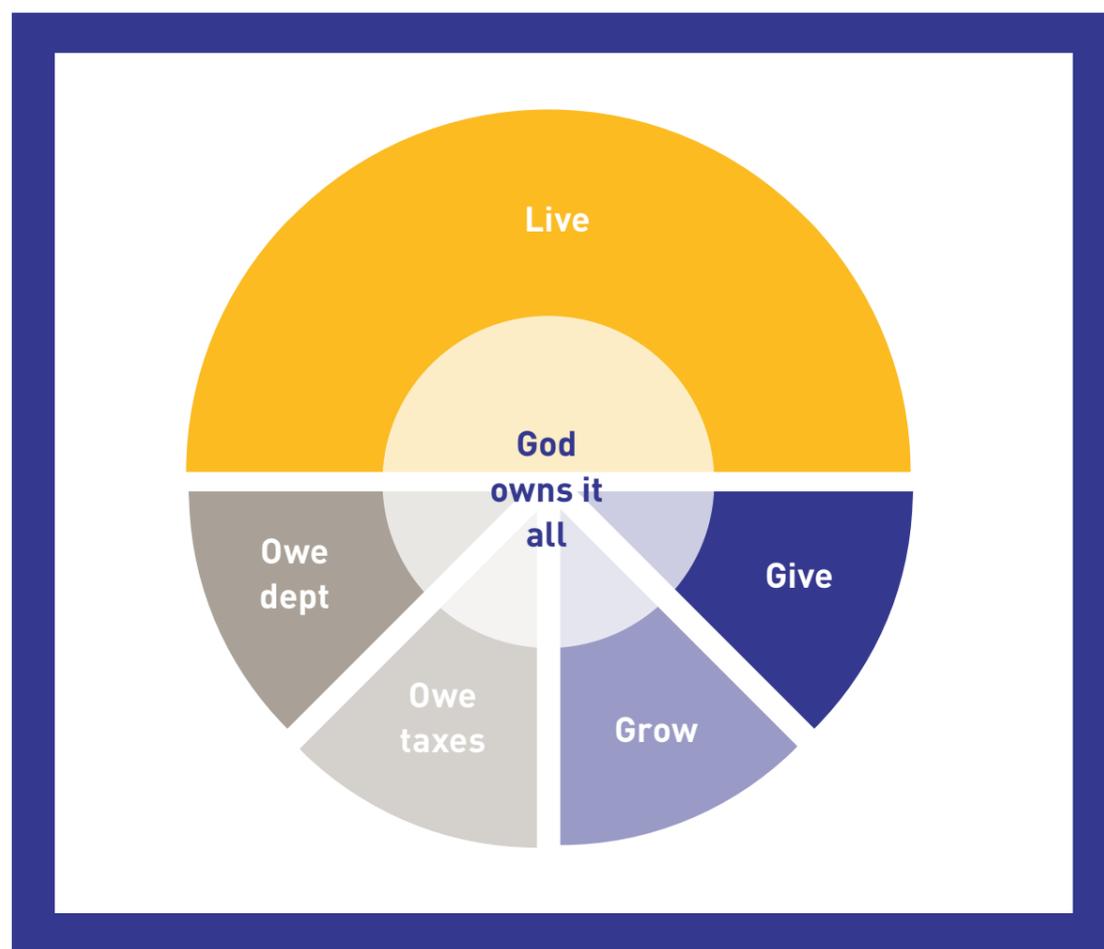
Every choice you make in the present will determine, in part, your financial destiny. Therefore, your key to successful financial planning is knowing where you are going (your goals) and knowing how you plan to arrive there (your plan). Money is just a resource that will facilitate the accomplishments of your desires and goals.

LIVE, GIVE, OWE AND GROW

I have found that one of the most helpful diagrams when it comes understanding the flow of money is the "Live, Give, Owe, Grow" pie chart.

As you can see, all of your income is divided among five key areas: living, giving, owing (debt and taxes), and growing.

It is fairly simple to look at last year's numbers and fill in the blanks for how much owing (both debt and taxes), growing, and giving you did. What remains in your income is what you have left to live on. Knowing this, you are motivated to spend differently so that you have a circle that reflects the priorities of your heart!



For as complicated as money may seem, it only has four potential uses:

1. We can live on it
2. We can give it away
3. We can pay what we owe in debt or taxes
4. We can make it grow through saving

Since we control our money and not the other way around, which of these uses is most important to you? Which do you want to see as a smaller portion of your plan? The Live, Give, Owe, Grow exercise puts you in control. Let me explain how this works.

LIVE

This is often the largest portion of someone's personal pie chart at least at the start. Housing, food, utilities, entertainment, etc. would all be included here. The societal default is that higher income increases one's standard of living. Others ask themselves if an increase in standard of living is necessary and instead set boundaries to their living expenses. In other words, just because income increases, it doesn't mean it should be spent on lifestyle.

GIVE

It's helpful to me when doing this exercise, to separate "productive" uses of money and "consumptive" uses. What has lasting value and what is just "consumed"? Giving, to me, is the ultimate productive use because of its eternal impact. Serving people and furthering God's truth have eternal value. Giving also breaks the power of mammon, bringing money into the Kingdom of God under His control.

OWE

Financially successful people minimize or avoid the use of consumer debt. Paying interest to someone else is not in their plan. Debt can increase risk because of the obligation it causes. Proverbs 22:7 says, "The rich rule over the poor, and the borrower is slave to the lender." Borrowing is not wrong, however, it's not always wise because it presumes upon the future. When borrowing takes place, it should include a way to pay it back, such as with a mortgage when the property serves as collateral.

Taxes are symptomatic of God's provision as they increase based on a rise in income. "And Jesus said to them, 'Render to Caesar the things that are Caesar's, and to God the things that are God's.'" (Mark 12:17). We are to pay our fair share of taxes, which means not cheating the system, nor paying more than what we are prescribed.

GROW

To meet long-term goals, we need to set aside a portion of our earnings. Proverbs 6:6-8 instructs us to save, "Go to the ant, O sluggard, observe her ways and be wise, which, having no chief, officer or ruler, prepares her food in the summer and gathers her provision in the harvest." How we save and invest for the future should be mapped out based on short and long-term priorities. Therefore, this is best addressed through a comprehensive financial plan, which can provide context for sound decisions today based on an uncertain future. "Growing" can be viewed as a productive use of money because it allows for future flexibility and freedom. Increasing the "grow" portion is encouraged. However, you might also consider tapering off this allocation as savings becomes reasonably adequate. You must ask the question, "How much is enough?" I suggest reading the Parable of the Rich Landowner in Luke 12:13-34 to see how a complete focus on accumulating more is harmful.

Make your own chart and see where you stand. Decide which portions need to be increased or decreased for the coming year and plan the action steps to make this happen. After one year, adjust your chart based on your money usage and continue to repeat the process.

HOW MUCH IS ENOUGH?

Answering the question "How Much Is Enough?" will lead to contentment, confidence and better communication. A simple, but true answer to our question is this: God will always give you enough to do His will. He always pays for what He orders! "And God is able to make all grace abound to you, so that having all sufficiency in all things at all times, you may abound in every good work.." [2 Corinthians 9:8]

God's grace is given to us so that we have sufficient for our lives... enough for all we need to live a godly life, a joyful life, and to have enough to do good things and be generous!

I recently read a short article from a young professional lady, Renate Rijsberg. She says, "In recent weeks I discussed the issue of finances with people around me. During a dinner with family, at work, and in a relaxed evening with friends, I asked a few questions, kept my ears open and noticed what people had to say. First of all, I was amazed at the taboo hanging around the topic of money. It is always a bit vague. Telling your salary is 'not-done', the state of your bank account is very private. We only tell others when we have made a bargain buy or bought a mega-expensive product."

"...and truth be known, I feel the same. The more I earn, the more I need to make ends meet. You constantly strive to earn more, to give your family more, taking a

vacation at least twice a year, live in a beautiful house with a large garden, ride a nice car, have enough savings in the bank and, if possible share with everyone".

Money is playing such a huge role in our society, that it seems like you don't count any more if you don't have 'enough' money. And even if you do have all the things I just mentioned, then the question remains if all this satisfies you."

The answer to the question of 'how much is enough?' can be found in prayer with God and with your partner. The answer will depend on factors such as family circumstances and responsibilities, work responsibilities and Gods specific calling on your life. The key in getting started is to learn to be content with what God is giving me right now - no matter what the circumstances are in which I am living.

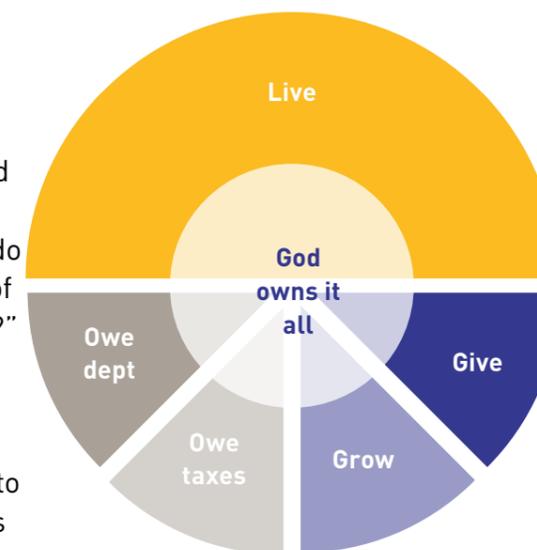
The most general answer to our question of "How much is enough?" is ... more! We never seem to have enough. However, we should believe the words of Hebrews 13:5 "Keep your life free from love of money, and be content with what you have, for He has said, "I will never leave you nor forsake you." God has placed us in the position in which we are right now ... and we can learn to be content in the economic position in which we are placed.

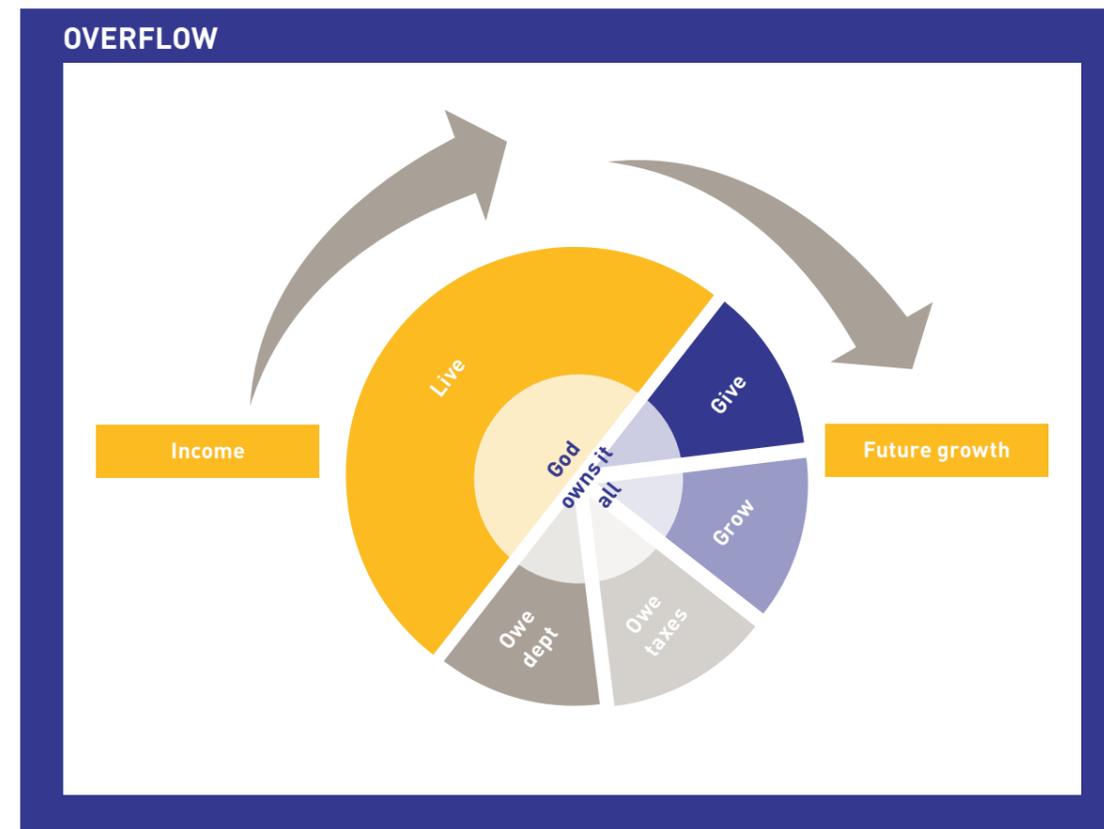
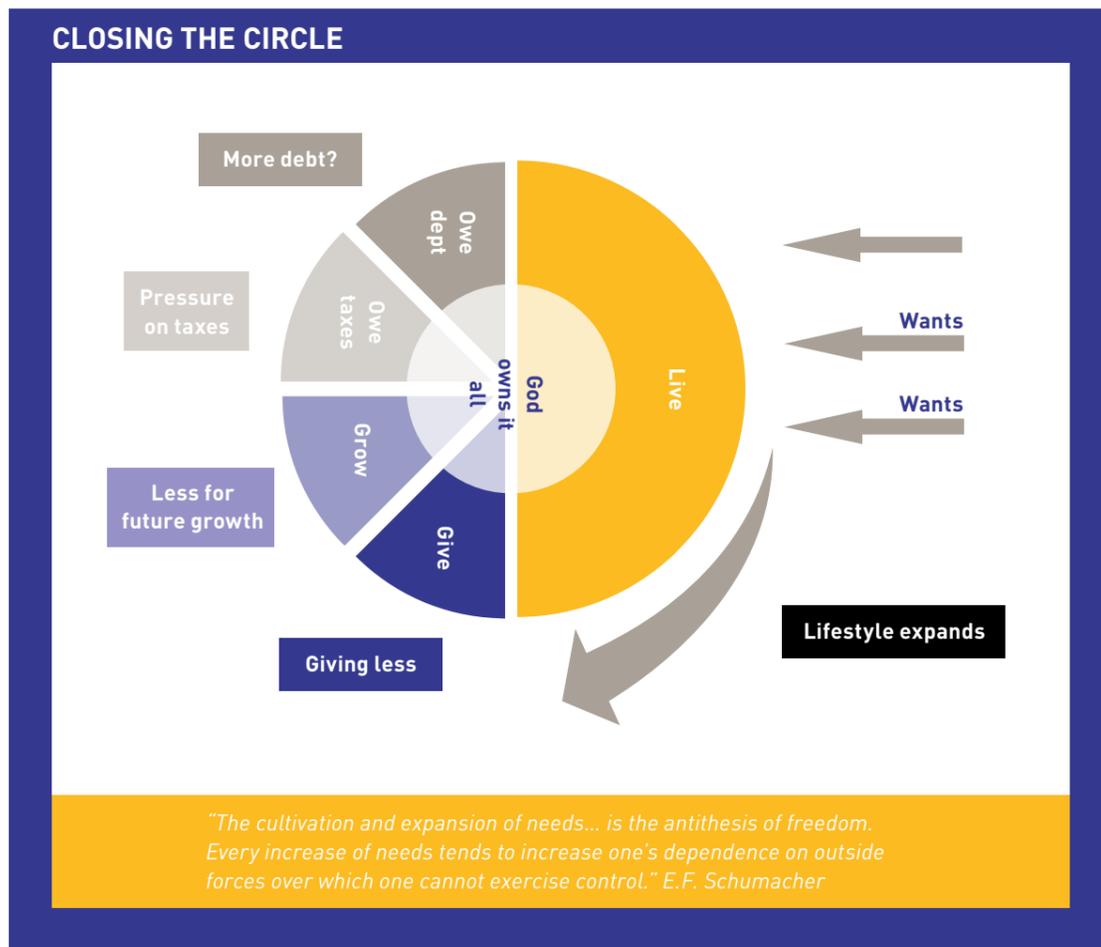
CLOSING THE CIRCLE

Practically speaking this means to 'close the circle'. On the basis that God owns it all... I have to ask tough questions. "Lord, what do you want me to do with your money?" "Lord, how much of your money should I spend on myself?"

Once I have made my spending plan and my income has been apportioned into the various categories according to my priorities, closing the circle means to stop spending any more in all those categories.

We will be tempted, to expand our lifestyle and spend more on living! Outside pressure such as advertising and peer pressure and inside pressure such as greed of emotional insecurity will tempt us to spend more on our lifestyle which is ever expanding and needs ever increasing financing! With a fixed income stream, the first area of our spending plan to be reduced or stopped will be giving. Then, there will be automatically less for future growth. There will be pressure to borrow to finance the expanding lifestyle and even great temptation to cheat on our taxes in order to gain more money to spend.





OVERFLOW

Really, financial success is so simple. Spend less than you earn over a long period of time and you will be financially successful! Sounds simple, but not so easy to put into practice! When my circle is closed, then I can start asking the Lord for overflow! Overflow can be achieved in two ways. First of all, by earning more. Secondly, by reducing my spending. Earning more is generally much more difficult to achieve than spending less! If my circle is closed, then any income which I do not need for the five areas flows over and can be utilised for my long-term goals.

4 DEVELOPING KEY FINANCIAL COMPETENCIES



KEY COMPETENCE 1: THE TREASURE COMPETENCE

Begin with the end in mind is one of The 7 Habits of Highly Effective People in the famous Stephen Covey 's bestseller. In its most basic form, it refers to always having the image of the end of your life as your frame of reference to evaluate everything else. It's about starting things with a clear idea of your destination, so that the steps you take are always in the right direction. If you have to be busy, at least you should be doing what's important to you.

With this "end" in mind we are able to better understand where we are now, and what steps are taking us in the right direction, and which ones are not. We thus obtain a frame of reference by which we can stay connected to what really matters to us.

Covey says that people from all walks of life often find themselves struggling to achieve "a higher income, more recognition or a certain degree of professional competence, only to find that their drive to achieve their goal has blinded them to the things that really mattered most and are now gone". Even though we may be very busy, and very efficient, we'll only be truly effective when we consider the end.

The great reformer Martin Luther said, *"There are only two days on my calendar. Today and that day!"* Of course, he was referring to the great day of Christ's return. He constantly taught people to look at what they do today in the light of that day! We should learn to take every decision today in the light of eternity! What effect will my decision today have on eternity?

Randy Alcorn says that all of life is a treasure hunt. A treasure hunt for a perfect person and a perfect place. The perfect person, is of course, Jesus Himself and the perfect place is heaven. The first competence to be developed is the treasure competence – the ability put these words of Jesus into practice. *"Do not lay up for yourselves treasures on earth, where moth and rust destroy and where thieves break in and steal, but lay up for yourselves treasures in heaven, where neither moth nor rust destroys and where thieves do not break in and steal. For where your treasure is, there your heart will be also."* (Matthew 6:19-21) Notice that Jesus said, *"lay up for yourselves..."*. Managing our money God's way will enable us to keep our hearts where they belong... with Jesus... and our focus on where it should be... on heaven.

It is an important principle in making financial decisions that where you put your money, your heart will follow. I know that when you are investing in stocks and shares, your attention, your interest, your time is directed to following the progress of your investments. I found myself watching the market rates with unhealthy regularity!

Also, if you want to have a heart for evangelism or missions – start investing in evangelism and mission work! Your heart follows your money! Conversely, if your financial decisions are directed towards consumer goods, then you will develop a consumer mind-set!

Jesus met up with a rich, young ruler. Probably a member of the Sanhedrin. He wanted to know how he could inherit eternal life. Jesus told him to keep the commandments. And he said, “All these I have kept from my youth.” When Jesus heard this, He said to him, “One thing you still lack. Sell all that you have and distribute to the poor, and you will have treasure in heaven; and come, follow me.” But when he heard these things, he became very sad, for he was extremely rich and left ... His possessions and wealth were keeping him from Jesus. He did not understand the treasure principle.

Rembrandt painted a wonderful picture of The Rich Fool in 1627.



It is a painting representing Jesus' parable in Luke 12. “The land of a rich man produced abundantly. And he thought to himself, “What should I do, for I have no place to store my crops?” Then he said, “I will do this: I will pull down my barns and build larger ones, and there I will store all my grain and my goods. And I

will say to my soul, Soul, you have ample goods laid up for many years; relax, eat, drink, be merry.” But God said to him, “You fool! This very night your life is being demanded of you. And the things you have prepared, whose will they be? So is the one who lays up treasure for himself and is not rich toward God.”

Note how the words attributed to the rich man focus entirely on himself. He utters a monologue that repeatedly uses the first person singular in just three verses—“I” six times and “my” five times, in addition to speaking to his “soul.” The man’s deliberations demonstrate his (fatal) error. He takes no account of others, and, most importantly, takes no account of God. He decides to build new storage facilities, not just for the bumper crop, but for all his “goods” as well. These possessions, he thinks, will ensure his well-being for “many years.” That decision earns him the title “fool” from God (12:20; cf. Psalm 14:1)—in the only instance of God being a (direct) character in a parable of Jesus.

Rich towards God means: “As for the rich in this present age, charge them not to be arrogant, nor to set their hopes on the uncertainty of riches, but on God, who richly provides us with everything to enjoy. They are to do good, to be rich in good works, to be generous and ready to share, thus storing up treasure for themselves as a good foundation for the future, so that they may take hold of that which is truly life” (1 Timothy 6:17-19).

So, beginning with the end in mind means to walk with God in financial discipleship, using the resources He has entrusted me with.

1. FOR HIS WORK = TO RECONCILE ALL THINGS TO HIMSELF”

“For in him all the fullness of God was pleased to dwell, and through him to reconcile to himself all things, whether on earth or in heaven, making peace by the blood of his cross” (Col 1:19,20).

2. IN HIS WAY = TO BE OBEDIENT TO THE WORD

“All Scripture is breathed out by God and profitable for teaching, for reproof, for correction, and for training in righteousness, that the man of God may be complete, equipped for every good work” (2 Tim 3:16).

3. FOR HIS OUTCOME = CHRIST-LIKENESS

Him we proclaim, warning everyone and teaching everyone with all wisdom, that we may present everyone mature in Christ” (Colossians 1:28).

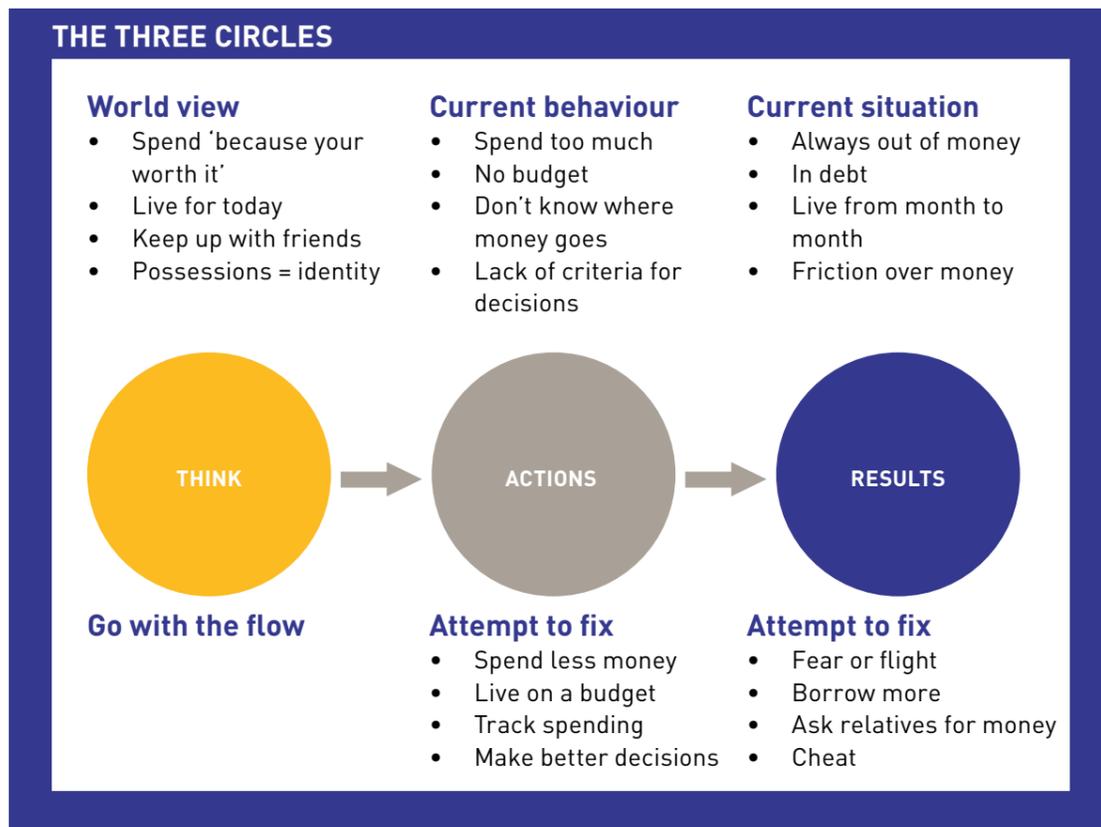
The Treasure Competence means to decide – “I am to be a pipeline of God’s grace, financially, relationally, spiritually, etc..” Treasure that is transferred to the Kingdom has the power to accomplish Kingdom work, to change the heart of the giver, and provide us with eternal rewards.

KEY COMPETENCE 2: DEVELOP THE RIGHT WORLDVIEW

When I believe that God owns my resources, every spending decision becomes a spiritual decision, and my financial choices are a reflection of my spiritual beliefs. One of two viewpoints will drive my value system: "I own it" or "God owns it." If I own it, I will define my own values. If God owns it, there are biblical values that define how I use my money.

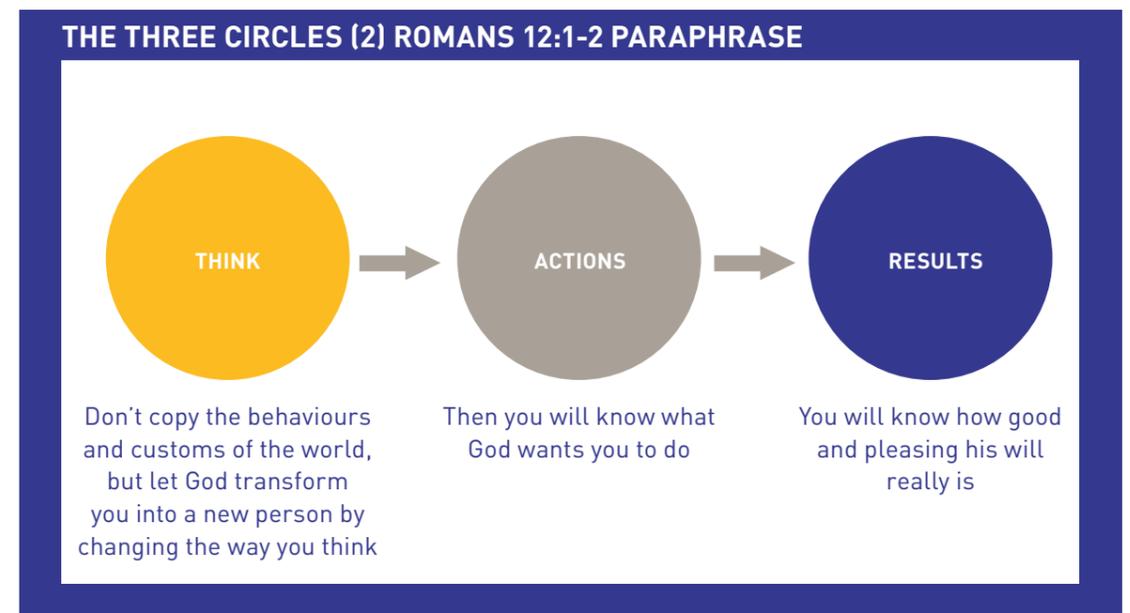
Our beliefs – the way we look at the world – our worldview, determines our behaviour and this will determine the outcome and the choices we make to fix it! If my worldview is that I spend 'because I'm worth it', I live for today, want to keep up with friends, and my identity is determined by my possessions. My thinking is that I go with the flow, do as everyone else is doing. My behaviour is that I spend too much, have no budget, don't know where money goes and have no criteria for making financial decisions.

I attempt to fix this by spending less money, trying to live on a budget, track spending and to make better decisions. However, because of my worldview and my beliefs, the results will be that in my current situation, I am always out of money, constantly in debt, live from month to month and experience friction over money with my partner. I try to fix this and the results are either to fear or flight, to borrow more, ask relatives for money or even cheat.

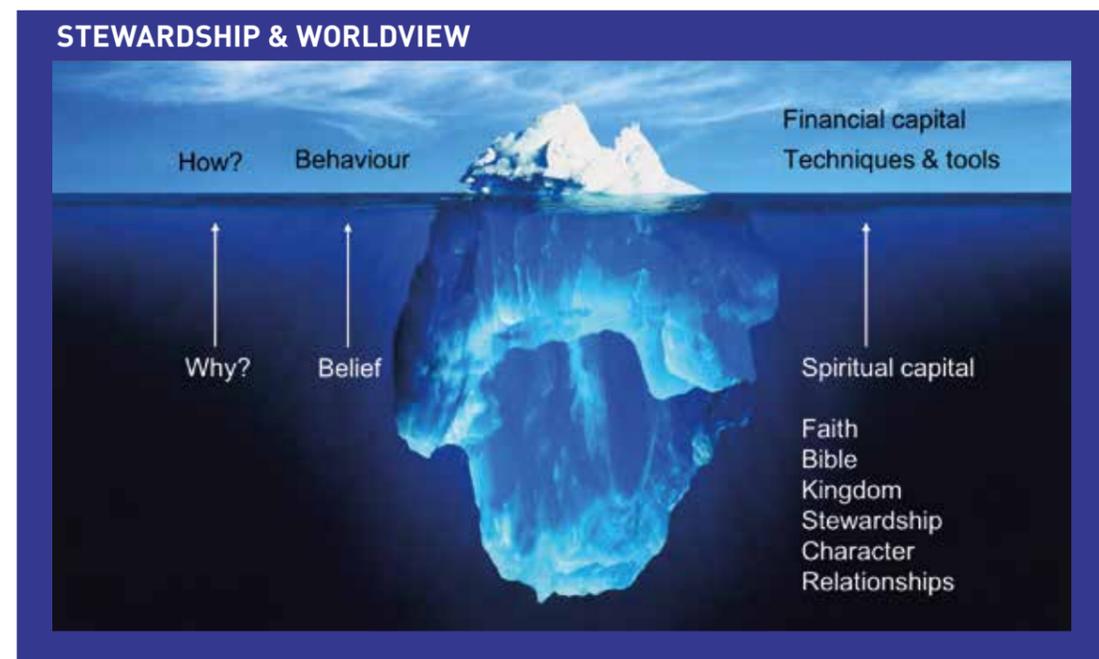


The correct way of making financial decisions is to allow our thinking to be determined, not by what everyone else does, but by allowing God to transform our thinking. Romans 12:2 says, "Don't copy the behaviours and customs of the world, but let God transform you into a new person by changing the way you think".

Then my decisions will be based on what God wants me to do and the results will be good and pleasing to God!



The way our worldview moulds the quality of my stewardship, can be illustrated by this iceberg. First of all we want to know how to do something because we want to know what to do... my behaviour. That makes me look to my financial capital, what I have and some techniques or tools to accomplish what I want to do. The bulk of the iceberg is under the water ... representing a Christian worldview. I need to start by asking: "why?", and not: "how?". This will lead me to think on what I believe and lead me first to look to spiritual capital before looking to use my financial capital.



KEY COMPETENCE 3: CONTENTMENT

Contentment is not the fulfilment of our desires, but the appreciation of what God has given us and the freedom to share these with others.

We live in a culture of discontent, dissatisfaction, which is maintained because it is necessary for our economy. We live in a dissatisfied culture with discontented people. And we have to admit that we are all smitten by the bug, because the spirit of our culture, the spirit of dissatisfaction affects us all.

Problems associated with a lack of contentment are uncertainty, asking ourselves 'will I (ever) have enough?' We miss satisfaction because the newness of things wears out so quickly, and the 'next best thing' appears so quickly on our radar. Our internal sinful nature of greed focuses on material things which can so easily become idols. Seeing what other people have can give rise to envy and

jealousy. Overconsumption leads to a state of continued dissatisfaction because we are always on a journey for more and better, therefore never finding rest. The problem in not being able to answer our question was tackled by Prof. Dr. Thomas Sedlacek, in his book: *Economics of Good and Evil*, "The more we have, the more we want. Why? Perhaps we thought (and this sounds truly intuitive) that the more we have, the less we will need. We thought that consumption leads to saturation of our needs. But the opposite has proven to be true. The more we have, the more additional things we need. Every new satisfied want will beget a new one and will leave us wanting. For consumption is like a drug."

If the question of enough is not answered, we will always be left wanting, according to Sedlacek, becoming victims to 'affluenza', the sickness of our times, for which the cure is the answer to our question.

Anselm Grün is a Franciscan monk, and director a very large group of enterprises, employing over 600 people in southern Germany. He leads these enterprises according to Franciscan rules and in his 2015 book "Of Greed and Desire" he agrees with Sedlacek, arguing that the attitude of never having enough leads to a very unrestful behaviour, 'a nomadic existence' and continual dissatisfaction. "When we desire possessions, we are looking for rest which we never find because we ultimately discover that the possessions are possessing us and lead us into more needs."

The pulling power of our desire for more is very strong - that very thing which we think will give us freedom ultimately leads us into captivity. This thought was captured succinctly by E.F. Schumacher in his seminal book "Small is Beautiful." He states, "The cultivation and expansion of needs is the antithesis of wisdom. It is also the antithesis of freedom and peace. Every increase of needs tends to increase one's dependence on outside forces over which one cannot have control, and therefore increases existential fear. Only by a reduction of needs can one promote a genuine reduction in those tensions which are the ultimate causes of strife and war."

Listening to Sedlacek, Grün and Schumacher, we can conclude that the answer lies in our ability to limit our needs and desires, to develop a sober lifestyle of sufficiency in which we can be content and thankful for all that God has given us to enjoy. If we do not pursue such a path, then we become subject to inward desires and outside forces which control us, resulting in loss of freedom.

Looking at the sociological and psychological consequences of our all-consuming epidemic, Tim Kasser and Robert Putman argue, "It's a particular strand of overconsumption, where we purchase things, not to fulfil our basic needs, but when we use stuff to fill some voids about our lives and make social statements about ourselves. Our obsessive relationship with material things is actually jeopardising our relationships, which have proven over and over to be the biggest determining factor in our happiness once our basic needs are met."

Tim Kasser identified a connection between an excessively materialistic outlook and increased levels of anxiety and depression, while Robert Putman argues we're paying the ultimate price for our consumeristic tendencies with the loss of friendships, neighbourly support and robust communities. Together they suggest we are witnessing nothing short of the collapse of social fabric across society.

"Beyond a minimum threshold of poverty, money doesn't buy happiness. Wealth may seem like a solution to your problems, but often it simply replaces the ones it solves. As pay checks increase, lifestyles usually match those increases. This results in the same financial worries and budgeting problems, just with more stuff. A preoccupation with owning things is a poor attempt to fill a vacuum. Occasionally stuff can fill that vacuum. Buying that new computer or fancy car might temporarily shrink the hole. But quickly you adapt to the new upgrades and the hole grows, enslaving you to earn higher and higher pay checks with no way out."

Answering the question, "How much is enough?" can be an antidote to over consumption – thinking and meditating on this question can lead us to consider what 'the good life' means for me personally.

It can put a stop to an ever-increasing spiral of consumption, which Sedlacek calls a drug and which Schumacher states leaves us in the hands of outside forces over which we have no control.

I have learned that contentment has nothing to do with money. It's a learned response. The apostle Paul taught this very clearly: *"I am not saying this because I am in need, for I have learned to be content whatever the circumstances. I know what it is to be in need, and I know what it is to have plenty. I have learned the secret of being content in any and every situation, whether well fed or hungry, whether living in plenty or in want"* (Philippians 4:11-12). How can we achieve this state of contentment which is independent of circumstances?

The answer was given by Paul in our Bible passage for today in Philippians 4:13, *"I can do all things through Christ who gives me strength."* I like what Major Ian Thomas, founder and director of the Torchbearers ministry, says: *"All you need is what you have; what you have is what He is; you cannot have more; and you do not need to have less."*

No financial principle can have a greater impact on you or free you up more than this truth: Money is not the key to contentment! Contentment has everything to do with your relationship with God and nothing to do with your money. Once you are free from the love of money and the pursuit of it, you can have a lot or a little and be content all the same. At that point you have learned the secret to contentment.

Peace of mind comes from having an eternal perspective, making decisions based on Biblical wisdom and counsel. Financial contentment has less to do with money and more to do with our attitudes, belief systems, and decisions. Financial contentment brings peace of mind.

The way to contentment is to express thankfulness for what you already have, striving to live a simple lifestyle in humility and keeping free from greed, envy and materialism. Contentment allows us to say 'no' to buying more stuff - I have enough!

KEY COMPETENCE 4: DELAYED GRATIFICATION

This is the ability to forego spending something today, in order to build up savings for the future. In the 1960s, a Stanford professor named Walter Mischel began conducting a series of important psychological studies.

During his experiments, Mischel and his team tested hundreds of children — most of them around the ages of 4 and 5 years old — and revealed what is now believed to be one of the most important characteristics for success in health, work, and life.

The experiment began by bringing each child into a private room, sitting them down in a chair, and placing a marshmallow on the table in front of them. At this point, the researcher offered a deal to the child.

The researcher told the child that he was going to leave the room and that if the child did not eat the marshmallow while he was away, then they would be rewarded with a second marshmallow. However, if the child decided to eat the first one before the researcher came back, then they would not get a second marshmallow. So the choice was simple: one treat right now or two treats later. The researcher left the room for 15 minutes.

As you can imagine, the footage of the children waiting alone in the room was rather entertaining. Some kids jumped up and ate the first marshmallow as soon as the researcher closed the door. Others wiggled and bounced and scooted in their chairs as they tried to restrain themselves, but eventually gave in to temptation a few minutes later. And finally, a few of the children did manage to wait the entire time.

The children who were willing to delay gratification and waited to receive the second marshmallow ended up having higher SAT scores, lower levels of substance abuse, lower likelihood of obesity, better responses to stress, better social skills as reported by their parents, and generally better scores in a range of other life measures. The researchers followed each child for more than 40 years and over and over again, the group who waited patiently for the second marshmallow succeed in whatever capacity they were measuring. In other words, this series of experiments proved that the ability to delay gratification was critical for success in life.

The video [“The Marshmallow Test” can be seen in a TED talk:](#)

In an article in Christianity Today back in 1996, titled “Why Not Now?”, renowned Christian author Phillip Yancey writes about the virtue of “deferred gratification”. He begins by referring to Dostoevsky and “The Gambler”:

Dostoevsky believed the Russian national character contained a flaw that would keep his country from ever blending successfully with Europe, a flaw that came out most prominently at the gambling tables. “Roulette is simply made for Russians,” one of Dostoevsky’s characters declares in The Gambler, explaining that Russians are suckers for schemes “allowing one to get rich suddenly in two hours, and without work.” The same character proclaims, nevertheless, “I would much rather spend my whole life in a Kirghiz nomad’s tent . . . than worship the German idol,” that is, “the German method of saving money by honest work.”

This passage from The Gambler has become a textbook example used to illustrate a principle of economics: the shorter the “time horizon” of a society, the more likely that society will fail to progress economically. The Dutch, Swiss, Germans, and the Japanese have succeeded spectacularly by setting aside savings, thus creating a pool of capital that can be used for future generations. Short-sighted societies spend all their capital at once, leaving nothing for the future. When I read Dostoevsky’s The Gambler not long ago, I kept thinking of Europeans, not just Americans or Russians.

Nowadays the urge for instant gratification is not a feature of the Russian or American societies only, it is a worldwide phenomenon. We want everything right here and right now. We live in the midst of a fast-moving culture, where everybody is used to instant messaging, mobile communications and being flexible in the face of rapidly changing circumstances. Long-term planning, patience and perseverance may seem like virtues from a long forgotten past.

Therefore, even for Christians it may not be so obvious that this live-for-the-moment mentality stands in great contrast to the Gospel worldview, which thrives on perseverance, hope and looking forward to getting one’s rest and rewards in the future complete establishment of the Kingdom of Christ. Delayed gratification is an essential competence for saving and growing character.

KEY COMPETENCE 5: GROW IN GENEROSITY

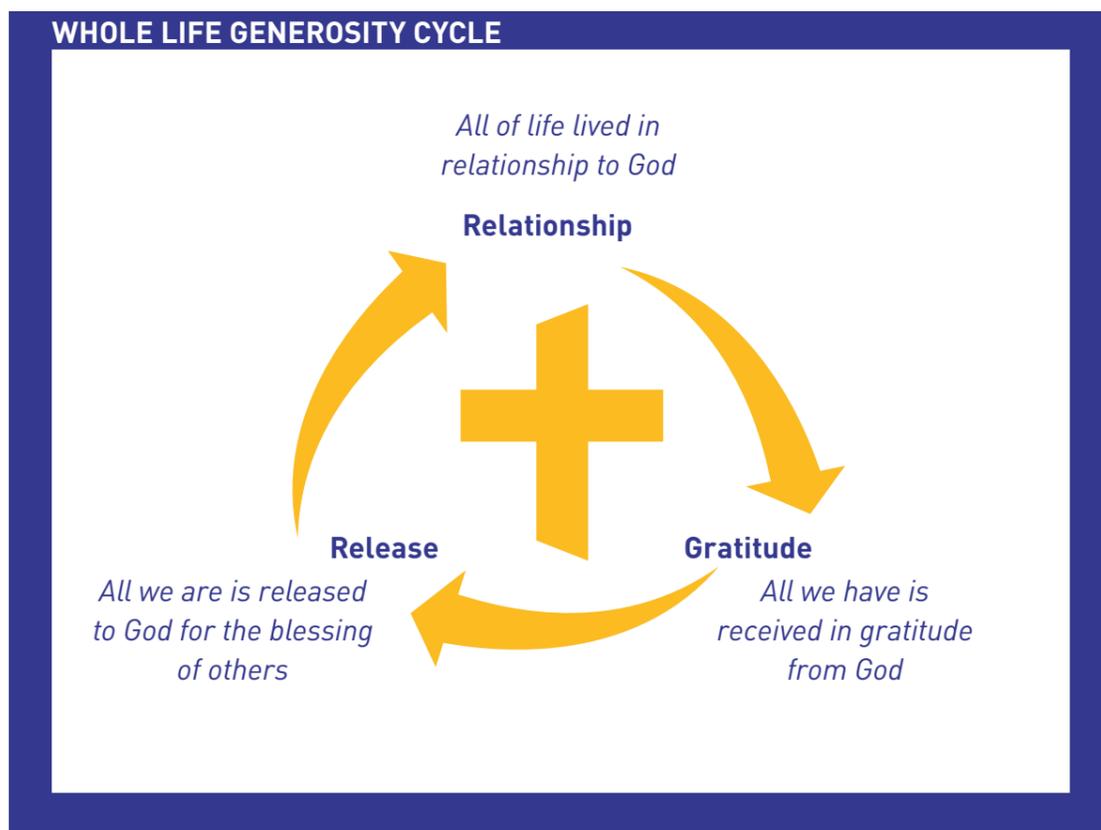
Generosity is the acid test of discipleship. It is said that you are never more like Christ than when you are giving. Generosity is powered by understanding the Lordship of Christ over every area of my life, including money and possessions. If all belongs to God, then He will be generous with His property and money because it is His nature.

If I am not generous, then this means I have not understood my position and calling as a steward of God’s resources and I have not understood the Lordship of Christ.

Jesus was very clear, “So therefore, any one of you who does not renounce all that he has cannot be my disciple.” (Luke 14:33). Renouncing all means being willing to give all, when required.



Whole life generosity begins by realising that all of my life is lived in relationship to God. It is centred around the cross of Christ who loved us and gave His life for us. The realisation that Christ gave everything for us, the realisation that He spent his life in order to set us free, gives rise to thankfulness and gratitude and we realise then that all we have received is really a gift from God. Out of a thankfulness for what God has done for us we want to release all that we have to God for the blessing of other people. So whole life generosity is an overflowing life which is released to God for the blessing of others.



The practice of generosity protects us from the deadly effects of greed. Israel's Jordan River remains a source of life as it flows into the Sea of Galilee and then travels to the Dead Sea. In all likelihood, Paul witnessed first-hand the Sea of Galilee's generous irrigation as well as abundant fishing resources. In contrast, the Dead Sea has no outlet, greedily robbing the arid region of moisture. Both man and animal refuse to drink from its acrid waters. It contains no life of any sort, except a few kinds of microbes -- sea fish placed into its waters die rapidly. Greed causes our lives to also become foul before God. But a life that flows abundantly shares all that God has given us. When we give, we truly prosper and are refreshed (Proverbs 11:24-25).

It is easy to say that life is a gift but often hard to live that way. Drawn into the day-to-day, absorbed, sometimes drowning in our own routines, we forget that God's gift to us is each breath we take. Yet when we open our eyes (and our hearts), we realize that we have been blessed so that we can be a blessing to others. Live the generous life. Give radically; share your blessings.

GIVING IS INVESTING IN GODS INVESTMENT PORTFOLIO

If our money and possessions belong to God, then the Owner will want to invest in His goals. These can be defined using the Great Commandment and the Great Commission.

The Great Commandment (Matthew 22) tells us to love God with everything we have and then others as ourselves. This gives us the first two investment funds in our portfolio. Worship and fellowship. Then the Great Commission tells us to go and make disciples in all nations, teaching and baptising.

1. TREASURY FUND, SUPPORTING WORSHIP IN CHURCH

"Bring the full tithe into the storehouse, that there may be food in my house. And thereby put me to the test, says the Lord of hosts, if I will not open the windows of heaven for you and pour down for you a blessing until there is no more need. I will rebuke the devourer for you, so that it will not destroy the fruits of your soil, and your vine in the field shall not fail to bear, says the Lord of hosts" (Malachi 3:10,11).

2. SERVICE FUND, HELPING THE POOR AND NEEDY

"Sell your possessions, and give to the needy. Provide yourselves with money bags that do not grow old, with a treasure in the heavens that does not fail, where no thief approaches and no moth destroys. For where your treasure is, there will your heart be also" (Luke 12:33,34).

3. GLOBAL FUND, FUNDING GLOBAL EVANGELISM

"The master commended the dishonest manager for his shrewdness. For the sons of this world are more shrewd in dealing with their own generation than the sons of light. And I tell you, make friends for yourselves by means of unrighteous wealth, so that when it fails they may receive you into the eternal dwellings" (Luke 16:9,10).

4. GROWTH FUND, MAKING GROWTH IN LEARNING POSSIBLE

"So Jesus said to the Jews who had believed him, "If you abide in my word, you are truly my disciples, and you will know the truth, and the truth will set you free" (John 8:32).

5. MUTUAL FUND, STIMULATING FELLOWSHIP WITH OTHER BELIEVERS IN THE BODY INTO WHICH WE ARE BAPTISED.

"Therefore encourage one another and build each other up, just as in fact you are doing" (1 Thessalonians 5:11).

THE CHALLENGE OF GIVING AND RECEIVING BY FAITH

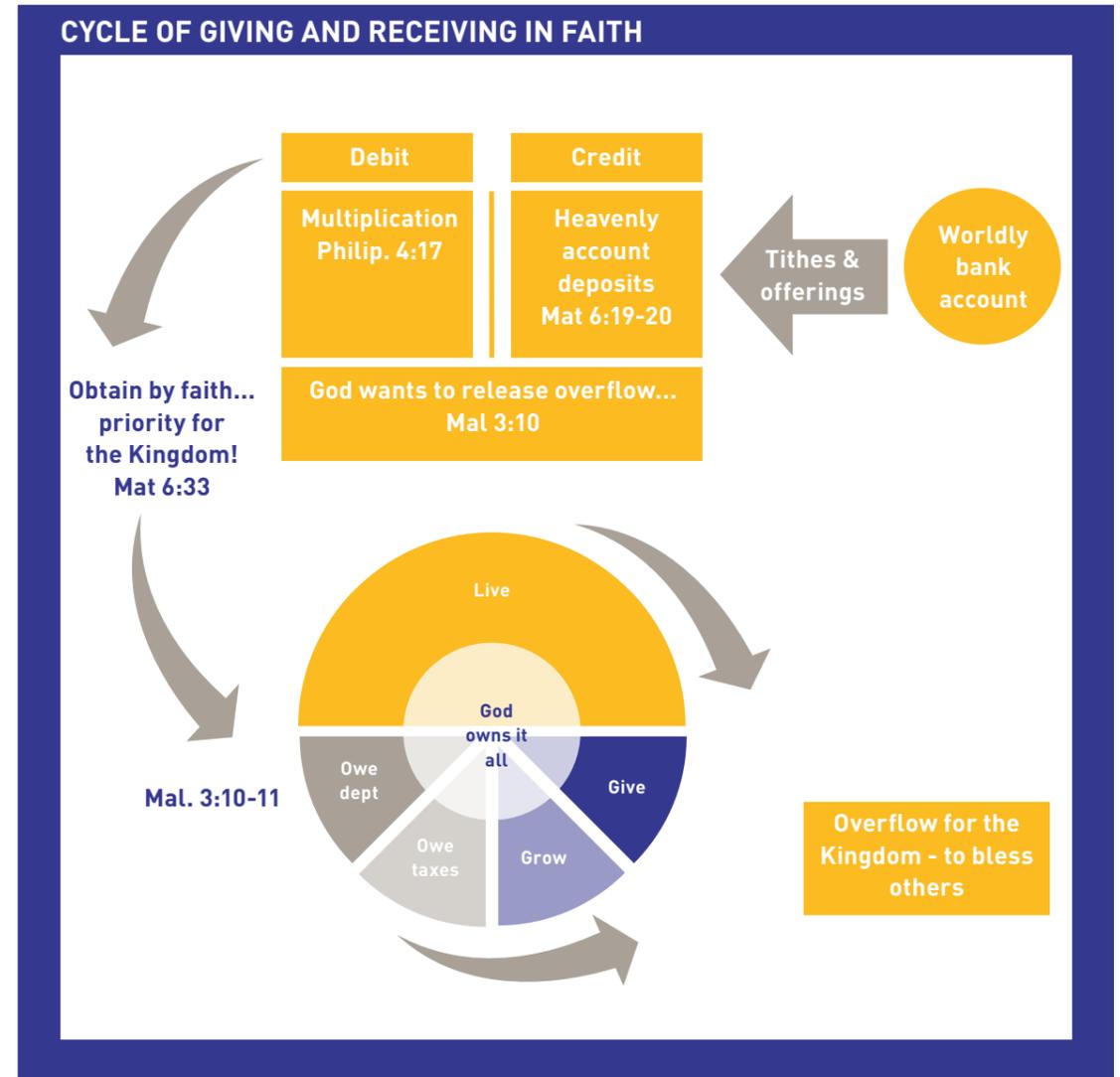
I believe that God wants to challenge us to enter into a partnership of giving and receiving with Him.

David stated that all the gifts brought to the temple, was only possible because God gave these in the first place. We are given in order to be able to give. "But who am I, and what is my people, that we should be able thus to offer willingly? For all things come from you, and of your own have we given you" (1 Chronicles 29:14).

I believe that God is inviting us to participate in the challenge of giving and receiving and that the process works in basically six stages.

1. From our bank account, we give tithes and offerings into Kingdom funds.
2. This is credited to our Heavenly account, becoming 'for ourselves, treasures in heaven'. "Do not lay up for yourselves treasures on earth, where moth and rust destroy and where thieves break in and steal, but lay up for yourselves treasures in heaven, where neither moth nor rust destroys and where thieves do not break in and steal" (Matthew 6:19,20).
3. Now, Gods resources are unlimited, and He does not work with a certain percentage age of interest like a worldly bank but instead multiplies our deposits, just like the seed which is sown in a field multiplies. This is how Gods economy works! "Not that I seek the gift, but I seek the fruit that increases to your credit" (Philippians 4:17).
4. God now wants to release an overflow so that we have all we need and can be a blessing to others! "Bring the full tithe into the storehouse, that there may be food in my house. And thereby put me to the test, says the Lord of hosts, if I will not open the windows of heaven for you and pour down for you a blessing until there is no more need" (Malachi 3:10).
5. We need to obtain this by faith, giving priority to seeking the Kingdom's interests first. "But seek first the kingdom of God and his righteousness, and all these things will be added to you" (Matthew 6:33).
6. There can only be a release of overflow if our financial circle is closed. God does not release overflow to spend on financing an ever-increasing lifestyle. Our personal, financial circle must be closed. "Keep your life free from love of money, and be content with what you have, for he has said, "I will never leave you nor forsake you" (Hebrews 13:5).

7. Overflow will then take place and we can be a blessing to others. "And God is able to make all grace abound to you, so that having all sufficiency in all things at all times, you may abound in every good work" (2 Corinthians 9:8).



EUROPARTNERS

EUROPARTNERS IS A MOVEMENT OF BUSINESS LEADERS AND (YOUNG) PROFESSIONALS WHO DESIRE TO HELP THEIR FRIENDS AND PEERS TO CONNECT TO JESUS CHRIST

OUR DREAM

It is our dream that all business leaders, -owners and (young) professionals accept Jesus Christ as their Lord and Saviour. Moreover, that they will reflect Jesus Christ and the kingdom of God in the way they behave, speak and do business, so that all people will honour and glorify God for who He is.

OUR STRATEGY

We mobilize and train Christian business leaders, -owners and (young) professionals to be an ambassador of Christ in their everyday life. We do this according to 2 Corinthians 5:20: "As Christian businesspeople we are marketplace ambassadors of Christ. God is making His appeal through us; to beg the world on behalf of Christ, to be reconciled to God."

OUR ACTIVITIES

- **Resources and training programs** to help businesspeople and (young) professionals grow spiritually and reflect the Kingdom in the way they do business.
- **An Annual Conference** where businesspeople, (young) professionals and ministry leaders can meet for friendship and encouragement. It is a place of inspiration, reflection and training.
- **The Young Professionals Academy** to equip and inspire young professionals to become a marketplace ambassador and a ministry leader in their nation. With mid-weeks or weekend meetings, trainings and a mentoring program.
- **Personal support and coaching** of business leaders and their teams on spiritual growth and achieving their goals in the best possible way.
- **CBMC training and support** to start a national CBMC ministry based on teams, prayer, leadership, evangelism and discipleship.
- **Event support** with a network of volunteers, professionals, speakers and businesspeople that can serve the various national ministries in outreach and in reaching businesspeople and (young) professionals in their nation.

TARGET GROUPS OF EUROPARTNERS

We focus on business leaders, business owners, (young) professionals and ministry leaders in business.

More information: www.europartners.org

Europartners is part of the CBMC movement





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