

PERSONAL FINANCE MANAGEMENT

As presented at the Church Camp 2008

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I. OVERVIEW ON MONEY

- Money belongs to God.
- We are only Stewards of Money.
- Money is a God-given resource to accomplish God-given purposes in our life.
- Money has a great potential to lead to sin.
- Money has an equally great potential to build us treasures in Heaven.

II. OBJECTIVE

- Evaluate if your money is where you want your heart to be.
 - ❖ “Am I A Good Steward?”
- Committing to manage finances as a spiritual responsibility.
 - ❖ “Plan – To be a Good Steward!”

III. AM I A GOOD STEWARD?

1. Tithes and Offerings
2. Taxes
3. Living Expenses
4. Savings

1. TITHES & OFFERINGS

- **Increased Giving: Increased Income**

“Bring the whole tithes.... then I will throw open the floodgates of heaven and pour out so much blessing that you will not have room enough for it.”

Malachi 3:10

INCREASED Tithes: Several times INCREASE in total income

- **Build Treasures in Heaven**

“... and give to the poor, and you will have treasures in heaven...”

Matthew 9:21

“...command them to do good, to be rich in good deeds, and to be generous and willing to share. In this way they will lay up treasures for themselves as a firm foundation for the coming age....” 1 Tim 6:18

➤ **Guidelines**

- ❖ Evaluate your Motives.
- ❖ Seek direction from God.
- ❖ Tithe to the Church that feeds you.
- ❖ “The only safe rule is to give more than you can spare.” C. S. Lewis
- ❖ Keep accounts and measure.
- ❖ Find answers to Questions: Eg: Tithe on Gross or Nett income?

2. TAXES

➤ **Obedience to God’s Word**

“Give to Caesar what is Caesar’s and to God what is God’s. Mark 12:17

“It is necessary to submit to the authorities, not only because of possible punishment but also because of conscience. This is also why you pay taxes, for the authorities are God’s servants, who give their full time to governing. Give everyone what you owe him: If you owe taxes, pay taxes...” Rom. 13:5-7

➤ **Obedience to the Government**

- ❖ Moderate Tax rates in India.
- ❖ Clear conscience.
- ❖ No room for accusation.
- ❖ Opportunities for expansion.

➤ **Guidelines**

- ❖ Taxes on salary, house property income, business / professional income, capital gains, and other income (bank interest).
- ❖ Threshold for taxation Rs. 1,50,000 p.a.
- ❖ Make use of tax benefits.
- ❖ Maintain accounts in some form.
- ❖ Maintain separate bank accounts for each family member.
- ❖ Deposit even small sums of money.
- ❖ Take a PAN and file your return.

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3. LIVING EXPENSES

➤ God knows OUR needs

“...these should learn first of all to put their religion into practice by caring for their own family and so repaying their parents and grandparents, for this is pleasing to God ...”
1 Tim. 5:3-8

“... put your hope in God, who richly provides us with everything for our enjoyment.”
1 Tim. 6:17

“Godliness with contentment is great gain.”
Phil 4:11,12

➤ Consumptive in nature

- ❖ Money spent is gone for ever.
- ❖ Rs. 100 spent is Rs. 100 less in your surplus.
- ❖ Spending options are plenty.
- ❖ Greed, lack of self-control.
- ❖ Lack of budget.
- ❖ Meeting living expenses using loans: is mortgaging your future.
- ❖ Debt is often a symptom of the real problem!

➤ Guidelines

- ❖ More long range your perspective, the better the decision.
- ❖ Spend only using category-wise Plan.
- ❖ Avoid ALL impulsive spending decisions.
- ❖ ALWAYS spend only less than you earn.
- ❖ Pay credit card bills in total and do not use credit card debt.
- ❖ Avoid ALL expenses that don't honor God.
- ❖ When borrowing, borrow with caution.
- ❖ Have a guaranteed mode of repayment.

4. SAVING & INVESTMENT

➤ Wise to SAVE

“In the house of the wise are stores of choice of food and oil, but a foolish man devours all he has.”
Prov. 21:20

“Go to the ant, you sluggard; consider its ways and be wise! It has no commander, no overseer or ruler, yet it stores its provision in summer and gathers food at harvest.
Prov. 6:6,8

“..but he who gathers money little by little makes it grow.”
Prov. 13:11

➤ **Productive in Nature**

- ❖ To meet your long term goals.
- ❖ To provide for your retirement life.
- ❖ To supplement your future income.
- ❖ To save tax.
- ❖ To acquire any Capital Asset.
- ❖ To leave an inheritance.

➤ **Guidelines**

- ❖ Plan your savings to provide for
 - Long term goals.
 - Retirement.
 - Legacy for children.
- ❖ Give away all surplus.
- ❖ Make prudent investments.
- ❖ Have necessary insurance coverage.
- ❖ Make your financial position known to your family.
- ❖ Make a will.

IV. YOU ARE A GOOD STEWARD!!

IF YOU

Plan	EXPENSES	Thoughtfully
Pay	TAXES	Honestly
Plan	SAVINGS	Regularly
Make	INVESTMENTS	Prudently
Give	TITHES & OFFERINGS	Generously

RICK WARREN Author of “Purpose Driven Life” in an interview-

“This past year, all of a sudden, when the book sold 15 million copies, it made me instantly very wealthy. It also brought a lot of notoriety that I had never had to deal with before.

I don't think God gives you money or notoriety for your own ego or for you to live a life of ease.

So I began to ask God what He wanted me to do with this money, notoriety and influence. He gave me two different passages that helped me decide, 2 Cor 9 & Ps 72.

- *First, in spite of all the money coming in, we would not change our lifestyle one bit. We made no major purchases.*
- *Second, about midway through last year, I stopped taking a salary from the Church.*
- *Third, we set up foundations to fund an initiative we call The Peace Plan to plant Churches, equip leaders, assist the poor, care for the sick, and educate the next generation.*
- *Fourth, I added up all that the Church had paid me in the 24 years since I started the Church, and I gave it all back. It was liberating to be able to serve God for free.*

*We need to ask ourselves: **Am I going to live for possessions? Popularity? Am I going to be driven by pressures? Guilt? Bitterness? Materialism? Or Am I going to be driven by God's purposes (for my life)?***"

V. PLAN - TO BE A GOOD STEWARD

1. Summarize your present financial position.
 - Where am I?
2. Establish your financial goals.
 - Where do I want to go?
3. Increase your surplus and control cash outflow.
 - How do I get to where I want to go?

1. WHERE AM I?

- Net Worth Statement
 - ❖ All that you own Minus (-) All that you owe
- Cash Flow Statement
 - ❖ All cash received in a year Minus (-) All cash paid out in a year

2. WHERE DO I WANT TO GO?

- Set Faith Finance Goals.
 - ❖ Statement of God's will for you.
 - ❖ Spend time with God.
 - ❖ Make measurable Goals on: Giving, Debt, Lifestyle, Children and Savings.
 - ❖ Set Long terms goals and align short term goals to long term ones.
 - ❖ Help children set their goals.
 - ❖ Act in faith.

CASE STUDY RAVI & SHOBHA – FINANCE GOALS

GIVING

- *We will give 10% of every income toward tithes starting immediately.*
- *Increase tithes up to 20% in the next 5 years.*

TAXES

- *We will educate ourselves on all income tax benefits available to us.*
- *We will claim all tax benefits and make all possible tax-saving investments.*

DEBT

- *We will work toward paying off all three loans in the next 8 years.*
- *We will not take any further loans.*

LIVING EXPENSE

- *We will retain the Sonata car until the condition of the car warrants change.*
- *We will replace the Maruti 800 in 2 years.*

CHILDREN

- *We will leave 1 house each for each child.*
- *All children's lifestyle expenses will be out of fixed allowances (guided by rules).*

SAVINGS

- *We will create savings of Rs. 20 lakhs in 10 years' time with sufficient liquidity.*
- *50% of all surplus will go into savings and the balance into giving.*

3. HOW DO I GET THERE?

- **Make a Spending Plan.**
 - ❖ “No Compromise Amounts” & “Spendable Amounts.”
 - ❖ Plan to pay off debt as soon as possible.
 - ❖ Set aside some for emergency.
 - ❖ **SPEND LESS THAN YOU EARN!!**
- **Control expenses with the Plan.**
 - ❖ Maintain consistent discipline.
 - ❖ Assign accountability.
 - ❖ Limit credit card use.
 - ❖ Be flexible.
 - ❖ Keep aside for other than monthly expenses.
- **Record what actually happens.**
- **Evaluate and revise.**

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USEFUL RESOURCES



Watch our online Sunday Church service live stream every Sunday at 10:30am (Indian Time, GMT+5:30). Spirit filled, anointed worship, Word and ministry for healing, miracles, and deliverance.

YOUTUBE: <https://youtube.com/allpeopleschurchbangalore>

WEBSITE: <https://apcwo.org/live>

Our other websites and free resources:

CHURCH: <https://apcwo.org>

FREE SERMONS: <https://apcwo.org/resources/sermons>

FREE BOOKS: <https://apcwo.org/books/english>

DAILY DEVOTIONALS: <https://apcwo.org/resources/daily-devotional>

JESUS CHRIST: <https://examiningjesus.com>

BIBLE COLLEGE: <https://apcbiblecollege.org>

E-LEARNING: <https://apcbiblecollege.org/elearn>

WEEKEND SCHOOLS: <https://apcwo.org/ministries/weekend-schools>

COUNSELING: <https://chrysalislife.org>

MUSIC: <https://apcmusic.org>

MINISTERS FELLOWSHIP: <https://pamfi.org>

CHURCH APP: <https://apcwo.org/app>

CHURCHES: <https://apcwo.org/ministries/churches>

WORLD MISSIONS: <https://apcworldmissions.org>