A FINANCIALLY PRUDENT DISCIPLE PRT 4

Three weeks ago, I started talking about financial prudence and this is still under our main theme **HIS COMMISSION, OUR MISSION PRT 30.** Today, I am doing **A FINANCIALLY PRUDENT DISCIPLE PRT 4**.

- Lets look at what we have covered so far:

1. **Develop a healthy relationship with money (wealth)**
2. **Acknowledge God as your source.**
3. **Exercise good financial Stewardship**

a) **Honestly earn your income**
b) **Pay your debts**
c) **Increase your earning capacity**
d) **Prioritize God in your finances.**

John 6:11 Then Jesus took the loaves and the fish, gave thanks, and distributed to those who were seated as much as they wanted. 12And when everyone was full, He said to His disciples, "Gather the pieces that are left over, so that nothing will be wasted." 13So they collected them and filled twelve baskets with the pieces of the five barley loaves left over by those who had eaten.

- What you do with what God gives you is very important and will determine the health of your finances over time.
- Many people are wasteful with money to the point of being irresponsible. Part of being a good steward is being wise in how you handle finances. Some things don't need to leave the shelf. It means that you must exercise discipline.
- Jesus conducted a miracle, and many people were fed, but He found this to be a teaching moment for His disciples. He asked them not to be wasteful, even though they had not worked for the bread that had been served to the people. Soon, some of you will be receiving bonuses and performance incentives – how do you plan to handle that cash injection?
- They picked 12 baskets, and I am sure that bread became handy the following day or was given to the boy who had supplied the initial seed of bread and fish that had been multiplied.
- This takes me to the next aspect of being a good steward of finances.

e) **Develop the habit of saving.**

- In the same way you give to God, He expects you to save some of the money.

- When you save money, you are on a path where money works for you. If you do not save, you will always work for your money and never break into the dimension of money working for you.
- If you cannot save, it means you are outspending your earnings and you need to do something about it – there must be a lifestyle audit that will result in a lifestyle change.
- God expects you to pay Him first, pay yourself second, and then pay your bills afterwards.
- Saving is a test of your intellectual intelligence.

Proverbs 21:20 (TLB) 20 The wise man saves for the future, but the foolish man spends whatever he gets.

- South Africa's household savings rate has been negative since the end of 2022, with the latest figure at -1.20% in the first quarter of 2025.
- This indicates that on average, households are spending more than they earn.
- Many people are drawn by impulsive buying resulting in them sinking into unnecessary debt.
- When you save, you make your money work for you – whilst you are sleeping, your money will be earning some interest for you.
- You need to have an emergency fund lying somewhere. You must have enough to sustain you for at least 3 months if no income comes your way. Many people are living on the edge whereby one month without a salary will devastate them.
- Many people are drawn to buying houses and cars as soon as there is some additional income. Now, how does the bible look at this:

Proverbs 24:27 (GNT) Don't build your house and establish a home until your fields are ready, and you are sure that you can earn a living.

- Develop your business first before you build your house.
- What this verse means is that when you make some money, reinvest the money before you go and buy the latest vehicle or shoes.
- If you spend it on yourself before you reinvest it, you keep on going deeper and deeper into debt.

- New cars are a cause of concern – you need to realise that cars do not appreciate, they depreciate. Why would you buy a brand-new car whilst a second hand or a demo model will get the job done? This is the thing – you buy a car to move from A to B and not to impress people.

f) Keep a good record of your finances.

- In the field of continuous improvement, there is a statement that says, "if you cannot measure it, you cannot manage it".
- " It simply means that unless you measure something, you don't know if it is getting better or worse.
- This is even true regarding your finances.

Proverbs 27:23-24 Living Bible (TLB) 23-24 Riches can disappear fast. And the king's crown doesn't stay in his family forever—so watch your business interests closely. Know the state of your flocks and your herds;

- In those days, there were no banks, and their wealth was tied up in livestock. The more cattle, goats, and sheep one had, the richer one was.
- What this meant is that one had to closely inspect the health of the animals in order to quickly arrest any diseases that might impact on their health.
- How does one apply this to the management of personal finances? – You do this by keeping a good record of your finances.
- It does not have to be complicated – you can either do it on an ordinary spreadsheet, or even a blank journal.
- The issue of keeping your financial records comes down to the dreaded word ***"budgeting".***
- It means you will have a line item for everything that you spend your money on: tithe, groceries, rent, school fees, savings.
- If you plan where your money should go, you will never have to worry about where it has gone.
- Have you heard people saying, I really don't know where my money goes?

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Proverbs 21:5 (Good News Translation) Plan carefully and you will have plenty; if you act too quickly, you will never have enough.

- You need to know four things with regards to your finances:
    - What you own
    - What you earn
    - What you owe
    - Where it goes
- If you don't know any of the above, you are already in financial trouble.
- Money that you don't plan for will disappear without a trace.
- Allow me to focus a little bit on finances for a typical family. How would a budget for a family look like?
- Before getting into that detail, let me underline some biblical principles for family finances:
- **Approach finances from a perspective of covenant and not contract.**
- Covenant says each one brings 100%. You commit to bring 100% even if the other one does not bring their 100%. The contract says each one brings 50% and if the other defaults, the other one is not obligated to bring their 50%.

Mark 10:8-10 (NKV) 8 and the two shall become one flesh'; so then they are no longer two, but one flesh. 9 Therefore what God has joined together, let not man separate.

- The implication of a financial covenant is that you move from his or her money to our money, regardless of what each one brings on the table – the two shall become one (no longer my car, my house, my stove etc.)
- **Approach the budget with transparency.**
- Something is transparent when you can see through it. Similarly, when putting together a budget each party must be honest and truthful regarding their earnings, debts, and desires.
- Transparency allows for truthfulness and creates trust and accountability.

Genesis 2: 25 And the man and his wife were both naked, and they were not ashamed.

Ephesians 4:25 Therefore each of you must put off falsehood and speak truthfully to your neighbor, for we are all members of one body.

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Proverbs 12: 22 The LORD detests lying lips, but he delights in people who are trustworthy.

- It is therefore ungodly to be married and your wife does not know your earnings or the debt you have been accumulating over the years.
- **Agree beforehand on what goes where.**
- There is nothing that destroys family finances like disagreeing over spending patterns.

Amos 3:3 (NLT) Can two people walk together without agreeing on the direction?

1 Corinthians 1:10 Now I plead with you, brethren, by the name of our Lord Jesus Christ, that you all speak the same thing, and that there be no divisions among you, but that you be perfectly joined together in the same mind and in the same judgment.

- This discussion must go beyond becoming the winner, but rather the family should win at the end of the day.
- **Agree on who is better suited to keep the financial records.**
- If you bring the most, it does not necessarily give you the right to keep the records.
- It has to be someone who has a heart for this, and you will avoid unnecessary conflict.

1 Peter 4: 10 Each of you should use whatever gift you have received to serve others, as faithful stewards of God's grace in its various forms.

- **The makeup of a budget:**
- The powerful thing about putting together a budget is that it tells you where your money should go.
- In summary, your budget should have at least the following line items, depending on your spending patterns.
    - Income
    - Home expenses
    - Daily living expenses
    - Children related expense
    - Transportation
    - Health expenses
    - Insurances
    - Giving
    - Savings and obligations

- Vacation

HOME EXPENSES	Budget	Actual	Difference
Mortgage/Rent	R13 200.00	R13 200.00	R0.00
Electricity	R900.00	R1 000.00	-R100.00
Gas	R774.00	R774.00	R0.00
Municipality rates	R126.00	R126.00	R0.00
Phone	R450.00	R600.00	-R150.00
DTSV/Netflix/showmax	R1050.00	R1050.00	R0.00
Internet	R270.00	R270.00	R0.00
Furnishings/Appliances	R0.00	R0.00	R0.00
Lawn/Garden	R0.00	R0.00	R0.00
Home Supplies	R360.00	R200.00	R160.00
Maintenance	R900.00	R900.00	R0.00
Improvements	R0.00	R0.00	R0.00
Other	R0.00	R0.00	R0.00
Total HOME EXPENSES	**R17 610.00**	**R17 700.00**	**-R90.00**

g) Plan your spending.

- It is one thing to have a budget, it is quite another thing to live by it.
- Living by the budget will stop you from impulsive buying – if its not on the budget, it should not find its way into the trolley.
- How do you break the habit of impulsive buying – you have to nip it in the budget.
- Choose to live by the budget.

Proverbs 21:20 (Good News Translation) Wise people live in wealth and luxury, but stupid people spend their money as fast as they get it.

Proverbs 21:5 (Good News Translation) Plan carefully and you will have plenty; if you act too quickly, you will never have enough.