

Personal Finances

It is important for a Christian to be able to recognize financial bondage, but it is equally important to know how to achieve freedom. Financial freedom manifests itself in every aspect of the Christian's life—relief from worry and tension about overdue bills, a clear conscience before God and others, and the absolute assurance that God is in control of his or her finances.

That is not to say that a Christian's finances will be totally void of difficulties. Often God allows consequences of earlier actions to reinforce a lesson. But no matter what the circumstances, God promises peace.

When God manages our finances, we have nothing to worry about. He is the master of the universe. It is His wisdom that we seek. Human beings are subject to making mistakes at any moment. But as soon as we admit our errors and let God take control again, we are back under His guidance.

Once a Christian truly experiences financial freedom, he or she will never desire to move outside of God's will. Perfect peace is what is promised, and perfect peace is what God delivers.

I have never met a non-Christian who had true freedom from worry, anxiety, tension, harassment, or bitterness about money. Once an individual achieves financial freedom (meaning freedom from the bondage of debts, oppression, envy, covetousness,

greed, and resentfulness), he or she stands out like a beacon at sea.

A PRINCIPLE UNDER SCRUTINY

THE CASE FOR PLANNING

Often Christians argue about whether it is biblical to plan. Those who argue against it misunderstand what God says about finances. They argue that God expects us to rely on Him for everything instead of planning. Others create plans so inflexible that they can no longer respond to God's leading. Clearly the answer lies somewhere in between.

God is an orderly provider. The physical world is not chaotic; it is orderly and well-planned. Atoms stay together because God so ordered them. Finances are just another aspect of the Christian's life that God wants to manage. If we are stewards and God is the owner, we must seek His wisdom. Therefore we must go to God's Word for our plans.

BE DIFFERENT

God calls each of us to be disciplined and to sacrifice to accomplish the kingdom's work. Discipline and sacrifice begin with finances, although it is possible to be financially disciplined and still not be an active part of God's work. But it is impossible to be financially undisciplined and be active in God's work. *"He who is faithful in a very little thing is faithful also in much; and he who is unrighteous in a very*

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little thing is unrighteous also in much. If therefore you have not been faithful in the use of unrighteous mammon, who will entrust the true riches to you?" (Luke 16:10-11).

Lack of self-discipline affects the spiritual life and manifests itself in inconsistent Bible study and prayer. Without exception, this creates a slackening of spiritual awareness. The place to start being a self-disciplined servant of the Lord is in the area of finances.

WHY PLAN?

1. God wants us to be knowledgeable about the assets He has entrusted to us. *"Know well the condition of your flocks, and pay attention to your herds"* (Proverbs 27:23). For herds or flocks, substitute what you actually have.

2. We are to be an active part of God's plan, exercising our minds and abilities. *"Commit your works to the Lord, and your plans will be established"* (Proverbs 16:3). We are required to plan and commit.

3. Plan with the future in mind. *"Which one of you, when he wants to build a tower, does not first sit down and calculate the cost, to see if he has enough to complete it?"* (Luke 14:28). That means we should anticipate the unforeseen.

4. Christians should know God's provision for them and be content with it. *"But godliness actually is a means of great gain, when accompanied by contentment"* (1 Timothy 6:6). Accomplishing this requires

both husband and wife working and planning together, literally being of “one mind.”

WHERE TO START

For those of you who have never, or rarely, developed a financial plan for your family, here are a few basic guidelines. First, if you are married your plan must involve both husband and wife. At least one full day should be set aside to pray and plan your finances for the year. Second, don't try to do your planning at home, where there are innumerable distractions. Find a quiet place where you will not be disturbed. Third, bring all the information you'll need, including last year's bank ledger, budget book, income tax return, checkbook, and so on. Fourth, use a simple but complete family budget guide to help get you started. There are numerous workbooks that give step-by-step instructions for developing a plan to stay out of debt or to get out of debt: *The Financial Workbook*, *Money Before Marriage*, *The Family Budget Workbook*, *The Financial Guide for the Single Parent* (or if you have young people in your family there's *Money Management for College Students* and *Money Matters for Teens*).

DIVIDE DUTIES TO MATCH SKILLS

There should be only one bookkeeper in your home, and it should be the person with the best abilities in that area and the one with the most time available. Usually, the wife makes a better bookkeep-

er, simply because of her attention to detail and time available. However, any plan should be developed by both husband and wife, and they should set aside a specific time at least every other week to jointly discuss progress and problems. If the wife is the bookkeeper, it should not be because the husband refuses to accept his responsibilities to be a leader in the home.

SET GIVING GOALS

But before the budget is established, I counsel Christian couples to establish their giving goals. Why? Because giving should not be motivated by what's left over or what we can "afford" but rather by God's conviction. God's Word tells us to stretch our faith in the area of giving. Usually if a couple can reach an early agreement in this area, the rest of the planning goes easily. The book titled *Giving and Tithing* is one resource that may help you decide how and where to do your giving. Since most couples are virtual opposites, one usually wants to give too much and the other too little. The key is to reach a reasonable compromise when stepping beyond what's safe and truly trusting in God in a material way. "*For I testify that according to their ability, and beyond their ability they gave of their own accord*" (2 Corinthians 8:3).

PREPARE A PRELIMINARY BUDGET

Once you have determined how much you are to

give and the amount of taxes you must pay, you will know your “Net Spendable Income”: the amount per month that you *can* spend—but not necessarily what you *should* spend. Each couple must decide before the Lord what portion is theirs to spend each month. For those with sizable Net Spendable Incomes, this question is just as important as how much to give.

The next step in your planning process is to agree on a preliminary budget. It is preliminary because if you have never lived on a budget before you will initially overlook some areas of spending. This is particularly true of irregular expenses, such as maintenance. The best way to start is to review each budget category (Housing, Food, Auto, and so on) and establish what this year’s budget will be. A reasonably good guide is to total last year’s expenses in each category and then divide the total by twelve. In most cases you will need to add a percentage for inflation.

To establish your budget spending plan, it will be necessary to go through each category of your budget in this manner. In our budget workbook we use twelve categories: Tithe, Taxes, Housing, Food, Auto, Insurance, Debts, Entertainment/Recreation, Clothing, Savings, Medical/Dental, and Miscellaneous.

Once you have determined what you should be spending on each category every month, the next step is to monitor your monthly spending. Each budget category should have an account sheet on which the budgeted amount is shown. As the money is