



MONEY MATTERS

WELCOME TO FINANCIAL BOOM!

Session 3 - Debt Management

Proverbs 22:7 (NKJV) *The rich rules over the poor, and the borrower is servant to the lender.*

Nehemiah 5:3-5 (AMP) *Also some said, we are mortgaging our lands, vineyards, and houses to buy grain because of the scarcity. Others said, we have borrowed money on our fields and vineyards to pay the [Persian] king's heavy tax....We are forced to sell our children as slaves; some of our daughters have already been thus sold, and we are powerless to redeem them, for others have our lands and vineyards.*

When debt is especially dangerous:

1. When a possession's **resale value is less than what is owed**. (cars, clothes, furniture)
2. When it tempts us to **violate our convictions**.
3. When we are tempted to **rob God** to pay people.
4. When our monthly payments leave us **little freedom** to respond to the **Holy Spirit's promptings** to give generously to meet others' needs.
5. When it **restricts our freedom** to respond to the **Holy Spirit's call to move or change**.

The consequences of debt:

1. Debt **lingers**.
2. Debt causes **worry and stress**.
3. Debt causes **denial of reality**.
4. Debt **could** lead to **dishonesty**.
5. Debt **could** be **addictive**.
6. Debt is **presumptuous**.
7. Debt **deprives God** of the **chance to say no** or to **provide through a better means**.
8. Debt **ties up resources** and makes them unavailable for the kingdom of God.

What about borrowing to buy a house?

What about borrowing to buy a car?

What about credit cards?

Getting out of debt

If you are in debt, 2 questions are relevant:

- How/Why did you get into debt and
 - How can you get out?
1. Bring your **debt situation before the Lord**.
 2. Incur **no new debts**.
 3. Systematically **eliminate existing debts**.
 4. **Destroy your credit cards** if that is a temptation.
 5. **Don't compromise** on your giving to God.
 6. Learn the **difference** between **saving and spending**.
 7. Consider ways to **increase your income** in order to eliminate your debts.
 8. **Buy cash**. Exercise self-control!
 9. **Make a list** when you go to the shop.
 10. **Live within your means**.
 11. Budget.
 12. If debt seems the best or necessary choice, **go slowly and prayerfully**.

Practically:

- **Write down the debt** you have. Work out exactly how much you owe and who you owe it to.
- **Evaluate the reason** for the debt
- **Set goals**
- Write down a **plan of action e.g.** I'm going to make a **list when I go to the shop**...or I'm going to **save and buy cash**...or I'm going to **destroy my credit cards** and use a debit card or cash
- Bring it before the Lord in **prayer**