

# Biblical Principles in Managing Money

Copland Financial Ministries

[www.coplandfinancialministries.org](http://www.coplandfinancialministries.org)

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Key Biblical Principle:

**How we handle money, impacts our relationship with God, and our relationship with God impacts how we manage money.**

In **Luke 16:11**, *“Jesus said, “if you have not been trustworthy in handling worldly wealth, who will trust you with **true riches**?”*

What are God’s **“true riches”** [that are dependent upon one’s management of money]?

God's "true riches", mentioned in Luke 16:11, include the following:

**1. A close personal relationship with God.**

The apostle Paul considered a relationship with Christ to be more valuable than everything else even when he was in prison [[Philippians 3:8](#)].

**2. God's peace.**

[Romans 8:6](#)... "the mind controlled by the Spirit is life and peace".

**3. God's joy**

[Psalms 16:11](#) says "in your presence is fullness of joy" [ESV].

God's "true riches" include the following:

4. Spiritual responsibilities and an effective ministry.  
An overseer of God's church must not be a "lover of money" & must "manage his own family well" which includes management of family finances [1 Timothy 3:3–5].
5. Experiencing the joy of giving.  
Jesus said "*it is more blessed to give than to receive*" [Acts 20:35].
6. The word used in Greek for true means "genuine" and "real".  
Why? Because true, genuine and real riches count for eternity.

What was Jesus warning in Matthew 6:24?

- ▶ Jesus said “*no one can serve two masters. Either he will hate the one and love the other, or he will be devoted to the one and despise the other. You cannot serve both God and Money*” [Matthew 6:24].

What are some examples of someone serving money rather than God?

1. Spend more than you earn, accumulate debt, resulting in financial problems which become a major distraction from the more important things such as your relationship with God, your spouse and family.

Jesus said “*for where your treasure is there your heart will be also*” [Matthew 6:21].

Examples of serving money rather than God:

2. Being materialistic and consistently wanting more and more –i.e. the love of money.

**1 Timothy 6:9–10**, Paul said:

“People who want to get rich fall into temptation and a trap and into many foolish and harmful desires that plunge men into ruin and destruction. For the love of money is a root of all kinds of evil. Some people, eager for money, have wandered from the faith and pierced themselves with many griefs.”



Examples of serving money rather than God:

3. Excessive hard work [**Proverbs 23:4, 5**].
4. Little or no time with God each day [**John 10:27**].
5. Little or no involvement in ministry [**Ephesians 2:10**].
6. Giving very little to God's work [**Proverbs 3:9, 10**].

Given that how we manage money impacts our relationship with God, is the opposite true?

Does our relationship with God impact how we manage money?

**Yes, because a Christian who has a close personal relationship with God will likely experience the following:**

- 1. They will be content with God's provision [1 Timothy 6:6–8] and thus avoid the ungodly attitudes of covetousness, selfishness and greed.**

A Christian who has a close personal relationship with God will likely experience the following:

2. They will obtain God's wisdom [[James 1:5](#)] in managing money
3. They will study and meditate on God's Word [[Joshua 1:8](#)] and clearly understand God's financial principles.
4. They will follow God's financial principles [[Psalms 111:10](#)] and therefore avoid many financial problems caused by violating God's financial principles.

A Christian who has a close personal relationship with God will likely experience the following:

5. They will discern God's Will in managing money [**Psalms 32:8 & John 10:27**]
6. They will give the "first fruits" of their income and God will bless them [**Proverbs 3:9,10**].
7. They will have minimal debt [**Proverbs 22:7**] and therefore, avoid pressure from creditors
8. They will develop and implement a budget [**Luke 14:28-30**] and thus make financial decisions based upon facts rather than personal desires or gut feel

A Christian who has a close personal relationship with God will likely experience the following:

**9. They will obtain financial counsel first from God [1 Kings 22:5], God's Word [Psalms 119:24] and godly financial advisors [1 Corinthians 2:14, 15].**

**In summary, a Christian with a close personal relationship with Jesus Christ will manage money God's way and experience God's peace in the area of finances.**

# God's Promises and Our Stewardship Responsibilities

What do these verses say about the ownership of your money and material things?

***"The earth is the LORD's, and everything in it, the world, and all who live in it; for He founded it upon the seas and established it upon the waters." (Psalm 24:1, 2)***

***"Everything in the heavens and earth is yours, O Lord, and this is your kingdom"  
(1 Chronicles 29:11 TLB)***

Who owns the real estate?  
God said:

- ▶ ***"The land must not be sold permanently, because the land is mine and you are but aliens and my tenants."*** (*Leviticus 25:23*)



# Who owns the money?

- ▶ ***“The silver is mine and the gold is mine,” declares the LORD Almighty . (Haggai 2:8)***

Wait a second...

“I have worked hard and used my skills and abilities to earn what I have!”

- ▶ Who gave us our skills and abilities?
- ▶ *“You may say to yourself, “My power and the strength of my hands have produced this wealth for me.” But remember the LORD your God, **for it is He who gives you the ability to produce wealth ...**” (Deuteronomy 8:17–18)*

Is there anything that God does not own? God said to Job:

*“Who has a claim against me that I must pay? **Everything under heaven belongs to me.**” (Job 41:11 )*

# Biblical Stewardship

## Key Biblical Principle:

- We are stewards or managers of the money that God has entrusted to us. God is the owner!

# Definition of Biblical Stewardship:

1. Using all assets (money & material things) in accordance with God's principles and God's will.
2. Acknowledging, in mind and heart, that God owns absolutely everything – your money, your home, your skills & even your life  
(1 Corinthians 6:20)

# Secular Person Versus Biblical Steward

*Do you think there is a difference between a secular perspective and a biblical perspective on managing money and material things?*

**There is a tremendous difference between a secular perspective and a biblical perspective on money and material things.**

*Do you think Christians ever fall into the “secular mindset”?*

**Unfortunately, sometimes even committed Christians inadvertently fall into the secular mindset.**

# Key Biblical Principle:

**There are 12 comparisons of the typical actions and attitudes of a “secular person” versus a “biblical steward”.**



## Secular Person

1. Believes that we own our material resources.

*1 Timothy 6:7:  
For we brought nothing  
into the world, and we can  
take nothing out of it.*

## Biblical Stewart

1. Acknowledges that God owns everything and that we are managers of God's resources.

*Psalms 24:1, 2:  
The earth is the LORD's, and  
everything in it; for he  
founded it upon the seas  
and established it upon the  
waters.*

## Secular Person

2. Looks to self and the wisdom of the world for direction

*Psalm 1:1:  
Blessed is the man who does not walk in the counsel of the wicked or stand in the way of sinners or sit in the seat of mockers.*

## Biblical Stewart

2. Looks to God and his Word for direction in using financial resources

*James 1:5:  
If any of you lacks wisdom, he should ask God, who gives generously to all without finding fault, and it will be given to him.*

## Secular Person

3. Gives God and his work the “leftovers,” which are usually small

*2 Corinthians 9:6, 7:  
Remember this: Whoever sows sparingly, will also reap sparingly, and whoever sows generously will also reap generously. Each man should give what he has decided in his heart to give, not reluctantly or under compulsion, for God loves a cheerful giver.*

## Biblical Stewart

3. Gives the first-fruits to God’s work

*“Proverbs 3:9, 10:  
Honour the LORD with your wealth, with the first-fruits of all your crops; then your barns will be filled to overflowing, and your vats will brim over with new wine.*

## Secular Person

4. Is generally discontent with present level of income—wants more

*Hebrews 13:5:*  
“Keep your lives free from the love of money and be content with what you have.”

*Luke 3:14...be content with your pay.”*

## Biblical Stewart

4. Is content with God’s provision.

*Timothy 6:6–8:*  
*But godliness with contentment is great gain. For we brought nothing into the world, and we can take nothing out of it. But if we have food and clothing, we will be content with that.*

## Secular Person

5. Struggles with fear of the future or fear of losing assets.

*Proverbs 3:5, 6:  
Trust in the LORD with all your heart and lean not on your own understanding; in all your ways acknowledge him, and he will make your paths straight.”*

## Biblical Stewart

5. Puts God first and trusts God to provide for needs.

*Matthew 6:31–33:  
So do not worry, saying “What shall we eat?” or “What shall we drink?” or “What shall we wear?” For the pagans run after all these things, and your heavenly Father knows that you need them. But seek first his kingdom and his righteousness, and all these things will be given to you as well.*

## Secular Person

6. Believes we are accountable to no one—we can do with our money as we wish.

*Matthew 25:28, 29:*

*Take the talent from him and give it to the one who has the ten talents. For everyone who has will be given more, and he will have an abundance. Whoever does not have, even what he has will be taken from him.*

## Biblical Stewart

6. Believes we are accountable to God for how we use the money that God has entrusted to us.

*Romans 14:12:*

*So then, each of us will give an account of himself to God.*

## Secular Person

7. Uses money to buy things that are temporary. Is short sighted as their investments are “treasures on earth”.

*Matthew 6:19-21 Jesus said: "Do not store up for yourselves treasures on earth, where moth and rust destroy, and where thieves break in and steal. But store up for yourselves treasures in heaven, where moth and rust do not destroy, and where thieves do not break in and steal."*

## Biblical Stewart

7. Uses the money and material things that God has provided for eternal purposes.

*1 Timothy 6:17-19: Command those who are rich in this present world not to be arrogant nor to put their hope in wealth, which is so uncertain, but to put their hope in God.... 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 treasure for themselves as a firm foundation for the coming age, so that they may take hold of the life that is truly life.*

## Secular Person

8. Believes that financial success arises as a result of ones own hard work— i.e., “We/ I made it happen”.

*Deuteronomy 8:17, 18:*

*You may say to yourself, “My power and the strength of my hands have produced this wealth for me.” But remember the LORD your God, for it is he who gives you the ability to produce wealth.*

## Biblical Stewart

8. Thanks God for the talents and abilities that God has given, which may include the ability to earn above average income.

*1 Chronicles 29:12, 13:*

*Wealth and honor come from you; you are the ruler of all things. In your hands are strength and power to exalt and give strength to all. Now, our God, we give you thanks, and praise your glorious name.*



## Secular Person

9. Looks for opportunities to make a lot of money quickly—wants to “get rich quick”.

*Proverbs 23:4, 5: “Do not wear yourself out to get rich; have the wisdom to show restraint. Cast but a glance at riches, and they are gone, for they will surely sprout wings and fly off to the sky like an eagle.”*

## Biblical Stewart

9. Does not try to get rich quick but works faithfully wherever God has directed.

*Proverbs 28:19, 20: “He who works his land will have abundant food, but the one who chases fantasies will have his fill of poverty. A faithful man will be richly blessed, but one eager to get rich will not go unpunished.”*

## Secular Person

10. Wants to “keep up with the Joneses”

*Exodus 20:17:*  
*You shall not covet your neighbor's house. ...your neighbor's wife, or his male and female servant, his ox or donkey, or anything that belongs to your neighbor.*

## Biblical Stewart

10. Is content with God's provision .

*Philippians 4:11-13:*  
*...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 ... I can do everything through him who gives me strength.”*

## Secular Person

11. Generally either spoils (i.e., provides unnecessary wants and desires) or neglects family.

*Ecclesiastes 5:10, 11:*

*“Whoever loves money never has enough; whoever loves wealth is never satisfied with their income. This too is meaningless. As goods increase, so do those who consume them...”*

## Biblical Stewart

11. Provides for the needs of family

*1 Timothy 5:8:*

*“Anyone who does not provide for their relatives, and especially for their own household, has denied the faith and is worse than an unbeliever.”*

## Secular Person

### 12. Character traits:

**Prideful**  
**Greedy**  
**Fearful**  
**Dishonest**  
**Selfish**  
**Covetous**  
**Trust in self**  
**Loves money**  
**Unrighteous**  
**Frustrated**

## Biblical Stewart

### 12. Character traits:

**Humble**  
**Generous**  
**Faithful**  
**Honest**  
**Content**  
**Loves the Lord**  
**Righteous**  
**Peaceful**  
**Trusts God**

# Can money in and of itself, be corrupt or evil?

- ▶ **No – Because money is neither moral nor immoral.**
- ▶ **Money is neither spiritual nor unspiritual.**
- ▶ **Money can be used to further God's kingdom, or it can be used for purposes that are clearly contrary to God's Word.**
- ▶ **Money is neutral, as there is nothing inherently good or bad about money in and of itself.**

- ▶ Further, it is God who created money.

*“The earth is the LORD's, and everything in it, the world, and all who live in it;”*

(Psalms 24:1–2 NIV)

- ▶ And it is God who owns the money.

*“The silver is mine and the gold is mine,” declares the LORD Almighty. (Haggai 2:8 NIV)*

- ▶ Therefore, money in and of itself cannot be considered corrupt or evil.

# Is it wrong for a Christian to have a lot of money?

It is **not wrong** for a Christian to have a lot of money and material things. Abraham, David, Solomon and Job are examples of godly men to whom God entrusted significant amounts of wealth.

So, the most important thing is **not** the amount of money we have, but **our attitudes** toward it—and it is these attitudes or motives, that will determine how we use the money and resources that God entrusts to us.

*Proverbs 16:2 states: “All a man's ways seem innocent to him, but **motives are weighed by the LORD.**”*

# GIVING



# KEY BIBLICAL PRINCIPLES


- ▶ God wants us to focus on eternal values, not temporal things.
- ▶ Giving to God's work allows you to convert the temporal asset of money into something that has eternal benefits (1 Timothy 6:17-19).

## What instruction does God give us in the following Scripture?

- ▶ “Honor the LORD with your wealth, with the first-fruits of all your crops; then your barns will be filled to overflowing, and your vats will brim over with new wine.” ([Proverbs 3:9, 10](#))

# WHAT GOD SAYS ON GIVING

## 1. Give God the first-fruits of your income

- ▶ **God wants us to make giving to his work a priority.**
  - ▶ **If you do not give God the “first-fruits” then God gets the “the leftovers”—which are usually small.**
  - ▶ **When you give God “the leftovers”, you will not experience the joy and blessings from giving.**
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## 2. Give to God's work regularly and systematically

- ▶ The apostle Paul, instructed the Corinthians to give regularly:

“Now about the collection for God's people: Do what I told the Galatian churches to do. **On the first day of every week**, each one of you should set aside a sum of money in keeping with his income, saving it up, so that when I come no collections will have to be made.” (1 **Corinthians 16:1, 2**)

### 3. Give generously

- ▶ Jesus said, “Give, and it will be given to you. A good measure, pressed down, shaken together and running over, will be poured into your lap. For with the measure you use, it will be measured to you” (Luke 6:38).
- ▶ The more you give to God’s work, with the right heart (2 Corinthians 9:6, 7), then the more God will entrust to you. It’s true – “**You cannot out give God.**”
- ▶ In the parables of the hidden treasure and the fine pearls (Matt 13:44–46), the emphasis is that “**the kingdom of heaven**” is of such great value that you should be prepared, if need be, to give up absolutely everything that you own to attain it.

- ▶ **God wants us to be generous givers**, and the exact amount or percentage will vary for each Christian, according to God's will and considering the income that God has entrusted to them.
- ▶ When we enter into the presence of the Lord in heaven, that will be a day of accountability to God:
  - “So then, **each of us will give an account of himself to God**” (Romans 14:12).

# Financial Deceptions

# Financial Deceptions :

In this world, we are bombarded with all kinds of false concepts regarding finances. We'll call these "financial deceptions".

**Financial deceptions are beliefs that appear to be correct but are contrary to God's principles and often tempt people to get into debt.**





Is “living paycheck to paycheck” common?

It is...& that is the first Financial Deception

**God says:**

*“The wise man saves for the future, but the foolish man spends whatever he gets”*

**(Proverbs 21:20 TLB)**

# Most people fall into the foolish category, as they do not regularly save for things such as:

1. *Anticipated* non-monthly expenses. Examples:
  - a. Property taxes
  - b. Annual insurance premiums
  - c. Automobile replacement
  
2. Normal *unexpected* expenditures.
  - a. Examples: Automobile or home repairs
  
3. An emergency fund to cover unexpected significant reduction in the family's income.
  - a. Example: One spouse out of work.
  
4. Long-term needs. Examples:
  - a. Retirement
  - b. Children's education

Financial Deception #1  
Living paycheck to paycheck is Okay

Jesus recommends that you save for future needs.

*"Suppose one of you wants to build a tower. Will he not first sit down and estimate the cost to see if he has enough money to complete it? For if he lays the foundation and is not able to finish it, everyone who sees it will ridicule him, saying, 'This fellow began to build and was not able to finish.'"*

**(Luke 14:28-30)**

# Financial Deception #1

## Living paycheck to paycheck is Okay

**In summary, living paycheck to paycheck is not consistent with God's Word.**

**God's admonition is that we should plan and save for future needs.**



## Financial Deception #2

### Debt Restructuring Will Solve Your Financial Problems

**Common steps used to deal with excess debt include the following:**

- 1. Personal line of credit (PLC) to pay off credit cards.**
- 2. Second mortgage on home.**
- 3. Withdraw money from retirement plan.**

**Debt restructuring can lower interest costs but it does not deal with the underlying problem.**

**Example: Spending more than one is earning.**

Common reasons for spending more than one earns over a long period of time include:

1. Lack of knowledge. God admonishes us:  
*“By **wisdom** a house is built, and through **understanding** it is established; through **knowledge** its rooms are filled with rare and beautiful treasures (Prov 24:3,4 ).*
2. Lack of discipline (Proverbs 13:18)
3. Unwillingness to sacrifice as needed (Luke 9:23)
4. Spiritual problem such as an ungodly attitude or mindset.

# Worldly attitudes towards money:

- a. Believe money and material things will bring happiness.  
([Matthew 13:22](#))
- b. Having an unbiblical desire to get rich ([Proverbs 23:4, 5](#))
- c. Serving money rather than God  
([Matthew 6:24](#))
- d. Treasure money and material things rather than things of eternal value ([Matthew 6:19-21](#)).
- e. Greed and selfish ([Philippians 2:3, 4](#)).
- f. There is a lack of contentment in their thinking  
([1 Timothy 6:6-10](#))
- g. They are ungrateful for God's provision ([Psalm 107:8, 9](#)).

**Sometimes the root cause of a financial problem goes beyond the financial & into the spiritual. Some spiritual problems that can give rise to financial problems include:**

- **Covetousness (Exodus 20:17)**
- **Lack of contentment (Hebrews 13:5)**
- **Greed (Luke 12:15)**
- **Selfishness (Philippians 2:3, 4)**
- **Pride (James 4:6)**

**These are worldly attitudes/mindsets that represent ungodly thinking.**

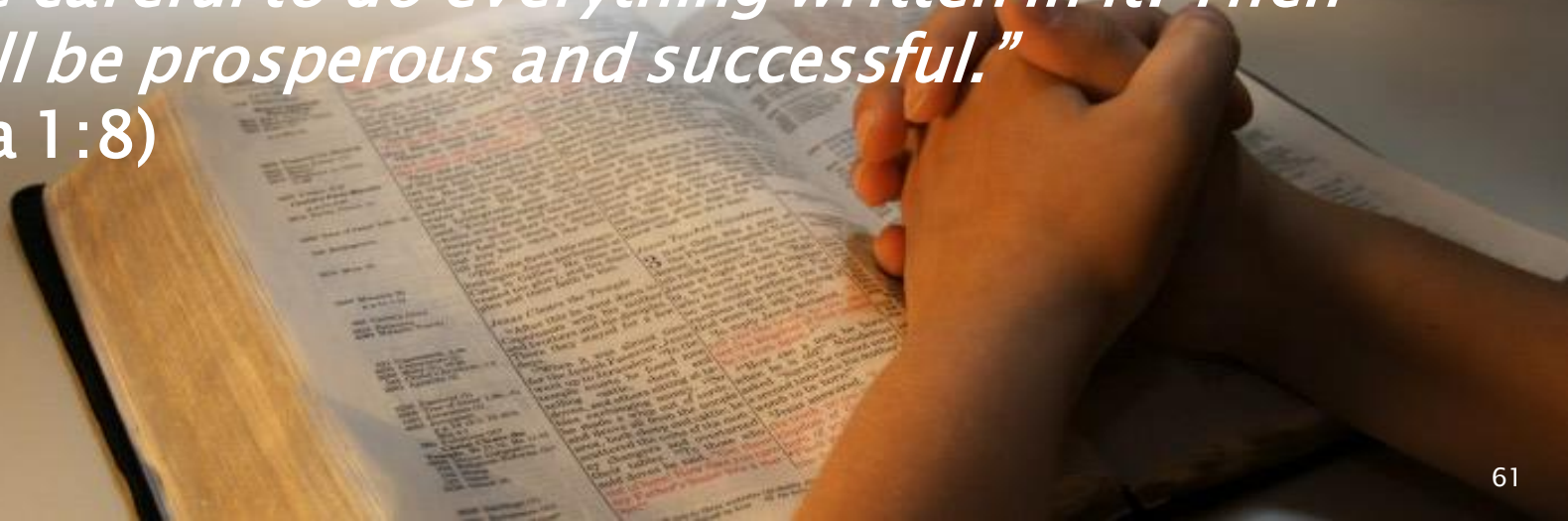


# What is required?

**“Do not conform any longer to the pattern of this world, but be transformed by the renewing of your mind.” (Romans 12:2)**

**How do you change the way you think?**

*“Do not let this Book of the Law depart from your mouth; meditate on it day and night, so that you may be careful to do everything written in it. Then you will be prosperous and successful.”*  
(Joshua 1:8)



# Financial Deception #3

## Smart People Use Other People's Money

This is a lie. The only way that is true is **if you can predict the future**—that is, know the direction of markets and the economy.

The absolute truth is that only God knows the future (**Isaiah 46:10, James 4:13–15**). Humans can make our best guess about the future, but often we are wrong.

*“Do not boast about tomorrow, for you do not know what a day may bring forth”* (**Proverbs 27:1**).

**In other words, there are no “sure deals.”**

## Financial Deception #3—Smart People Use Other People's Money

Using minimal debt, or better, no debt is supported by Scripture:

- ▶ In Deuteronomy 28, God promised His people that if they fully obeyed Him, they would be lenders, not borrowers.
- ▶ In the Bible, debt is considered to be a curse, not a blessing. **Even today, debt is usually a curse or burden not a blessing.**
- ▶ It is not a sin to borrow, it is a sin to borrow and not repay (**Psalm 37:21**).
- ▶ However, God warns of the dangers of debt (**Proverbs 22:7**) and God instructs us to put Him first and trust Him, not the bank, to meet our needs (**Proverbs 3:5, 6, Phil 4:19**).

## Financial Deception #3—Smart People Use Other People's Money

During difficult times, those who use debt suffer the most and those with cash can find some great opportunities / bargains.

*Key Point:*

*From God's perspective, smart people do not use other people's money, **but rather, smart people borrow as little as possible and pay it off as soon as possible.***

How does the world define financial freedom?

And how does God define financial freedom?

## Financial Deception #4

### Financial Freedom Is Attained by Having Lots of Money

Many wealthy people have *no peace* in the area of finances. They are not “financially free.” They are stressed out by money. Related problems:

- a. Stressed over where they should invest the money
- b. What if I lose my money?

True financial freedom comes only from having God’s peace in the area of finances. In [John 14:27](#), Jesus said: “Peace I leave with you; my peace I give you. I do not give to you as the world gives. Do not let your hearts be troubled and do not be afraid.”

# Suggestions to obtain God's peace and joy with respect to finances:

1. Believe that God and His Truth in His Word, will set you free from the deceptions of this world.

*“To the Jews who had believed Him, Jesus said, ‘If you hold to my teaching, you are really my disciples. Then you will know the truth, and the truth will set you free.’” (John 8:31, 32)*

2. Learn to be content with God's provision:

*“for I have learned to be content whatever the circumstances. .... I have learned the secret of being content in any and every situation...I can do everything through Him who gives me strength.” (Philippians 4:11-13)*

Suggestions to obtain God's peace and joy with respect to finances:

3. Acknowledge that the accumulation of money and material things is temporary and not of any eternal value ([Matthew 6:19-21](#)).
4. Experience the joy of giving. Jesus said, **"It is more blessed to give than to receive"** ([Acts 20:35](#)).
5. Recognize that you are a steward, not an owner ([1 Chronicles 29:11, 12](#)). Your responsibility is to apply God's financial principles and do God's will. God's promise is that if we put Him first, He will meet our needs. ([Matthew 6:31-33](#))



**In summary, one of the deceptions of this world is that financial freedom comes from having lots of money and material things. True financial freedom comes only from having God's peace, joy, and contentment in the area of finances.**



# Financial Deception #5

## It Makes Sense to Buy Now and Pay Later

Today lots of things can be purchased with little or no down payment. Advertisements enticing you with “no payments and no interest” for 1 to 2 years are very common.

“Easy credit” creates a big temptation to “buy now and pay later.”



# Financial Deception #5

## It Makes Sense to Buy Now and Pay Later

God's directive is for us to wait for His provision and His timing.

**Psalm 37:7** states, "*Rest in the Lord and wait patiently for Him*" (NASB).

**Lamentations 3:24** states, "*The Lord is my portion; therefore I will wait for Him.*"

If you have a need, and if you pray and wait upon the Lord, God can provide in many ways—such as an unexpected income, a better deal, or perhaps another alternative.

Unfortunately, many Christians do not pray and do not wait for God's provision. In a sense, they don't even give God a chance to provide.

## Financial Deception #5 It Makes Sense to Buy Now and Pay Later

God has also instructed us to be content with what He has provided:

*“Keep your lives free from the love of money and be content with what you have, because God has said, ‘Never will I leave you; never will I forsake you.’” (Hebrews 13:5)*

## Financial Deception #6

### Bankruptcy Will Solve My Financial Problems

The Bible is clear that it is not God's will for anyone to go bankrupt.

***"The wicked borrow and do not repay, but the righteous give generously."*** (Psalm 37:21)

**Bankruptcy is a bad testimony.** God instructs us– ***"In the same way, let your light shine before men, that they may see your good deeds and praise your Father in heaven"*** (Matthew 5:16).

# Financial Deception #6

## Bankruptcy Will Solve My Financial Problems

**Bankruptcy just treats the symptom.**

***The real problem is generally the violation of God's financial principles, which usually continues even if current debts are eliminated by bankruptcy.***

If you have declared bankruptcy already, be encourage in several ways:

1. God loves you ([John 3:16](#), & [16:27](#)) and God will forgive the act of bankruptcy if you confess that sin to Him:

*“If we confess our sins, he is faithful and just and will forgive us our sins and purify us from all unrighteousness.”* ([1 John 1:9](#))

2. In prayer ask God to reveal to you the real cause(s) of your bankruptcy.

*“Search me, O God, and know my heart; test me and know my anxious thoughts. See if there is any offensive way in me, and lead me in the way everlasting.”* ([Psalms 139:23–24](#))

3. Develop and implement a budget to ensure that you are spending less than you are earning so that you have a surplus for non-monthly and unexpected expenditures.

# Financial Deception #6

## Bankruptcy Will Solve My Financial Problems

**In summary, the deception of this world is that bankruptcy will solve one's financial problems. Generally, the true cause of the problem is the violation of one or more biblical principles. In dependence on God, learn and apply God's financial principles.**





## Review of different types of financial deceptions

1. **Living paycheck to paycheck is okay.**
2. **Debt restructuring will solve your financial problems.**
3. **Smart people use other people's money.**
4. **Financial freedom is attained by having lots of money.**
5. **It makes sense to buy now and pay later.**
6. **Bankruptcy will solve my financial problems.**

# God's Wisdom on Debt & Saving

# Part I –God’s Wisdom on Debt

God warns of the dangers of debt and God admonishes us to save for future needs.



# Seven Key Points

1. What do these verses say about borrowing?

Psalm 37:21: *"The wicked borrow and do not repay, but the righteous give generously."*

Romans 13:8: *"let no debt remain outstanding"...*

## 2. What is God's warning in Proverbs 22:7?

*"The rich rule over the poor, and **the borrower is servant to the lender.**"*



Provide examples of becoming a servant to the lender.

3. What are the key biblical principles provided in the verses below with respect to money management and borrowing?

*Now listen, you who say, "Today or tomorrow we will go to this or that city, spend a year there, carry on business and make money." Why, you do not even know what will happen tomorrow. .... Instead, you ought to say, "If it is the Lord's will, we will live and do this or that."  
(James 4:13-15)*

## 4. What does God promise in Matthew 6:31–33?

Jesus said: *"So do not worry, saying, 'What shall we eat?' or 'What shall we drink?' or 'What shall we wear?' For the pagans run after all these things, and your heavenly Father knows that you need them. **But seek first His kingdom and His righteousness, and all these things will be given to you as well.**"*

5. What did God promise the People of Israel if They Fully Obeyed Him?

*"If you fully obey the LORD your God and carefully follow all His commands I give you today... The LORD will open the heavens, the storehouse of His bounty, to send rain on your land in season and to bless all the work of your hands. You will lend to many nations but will borrow from none."*

(Deuteronomy 28:1, 12)



And if God's people do not fully obey the Lord—what are the consequences?

*“However, **if you do not obey the LORD your God and do not carefully follow all his commands and decrees I am giving you today, all **these curses** will come upon you and overtake you... The alien who lives among you will rise above you higher and higher, but you will sink lower and lower. **He will lend to you, but you will not lend to him.**”***

**(Deut 28: 15, 43,44).**



6. Can you identify anywhere in Scripture where God directed someone to borrow money in order for God to meet a need?

*Philippians 4:19 states:*

*“And my God will meet all your needs according to his glorious riches in Christ Jesus”.*

*Matthew 6:31–33...So do not worry...*

## 7. The pattern throughout Scripture is for God to meet needs with no debt.

*Psalm 107:8, 9:*

*Let them give thanks to the Lord for his unfailing love and his wonderful deeds for mankind, for he satisfies the thirsty and fills the hungry with good things.*

7. The pattern throughout Scripture is for God to meet needs with no debt.

*“When he had finished speaking, he said to Simon, **“Put out into deep water, and let down the nets for a catch.”** Simon answered, **“Master, we've worked hard all night and haven't caught anything. But because you say so, I will let down the nets.”**”*

*“When they had done so, they caught such a large number of fish that their nets began to break....and filled both boats so full that they began to sink. When Simon Peter saw this, he fell at Jesus' knees and said, **“Go away from me, Lord; I am a sinful man!”** For he and all his companions were astonished at the catch of fish they had taken” **(Luke 5:4–9)***

In order for Simon Peter to be blessed by the Lord, what aspects of his life had to be in order?

- a. Peter had a personal relationship with the Lord Jesus Christ in order to discern God's will. (John 10:27).
- a. Peter obeyed God's instructions (Acts 5:29).
- b. Peter trusted God's wisdom rather than his own understanding (Proverbs 3:5,6).
- c. Peter took specific action as God instructed him (James 1:22 & 2:17).

We must do the same if we want to receive God's wisdom, direction and related blessings.

# Practical questions to ask yourself before borrowing

1. Do you have a plan to ensure that you can afford the loan payments? [[Luke 14:28–30](#)].
  - A. Plan...
    - i. Good understanding of your expenditures
    - ii. Budget (Cash Flow)
2. Do you understand your responsibility to repay the entire loan [[Psalms 37:21](#)] and make the payments on time [[Matthew 5:16](#)]
3. Have you prayed & wait upon the Lord to provide the cash? [[Philippians 4:19](#)].
4. Have you given God a chance to provide it at a lower cost or perhaps another alternative?

## Practical questions to ask yourself before borrowing

5. Have you considered that maybe God does not want you to have it. Jesus said: *“If anyone would come after me, he must deny himself and take up his cross [Matthew 16:24].*
6. Is the item that you plan to purchase really a necessity? Can you do without it? God has promised to meet our needs but not necessarily our wants and desires [Matthew 6:31–33].
7. Have you and your spouse sincerely prayed for God’s direction [Psalms 25:12]? Do both of you [Genesis 2:24] have God’s peace that he wants you to borrow the money and purchase the related item [John 14:26–27].

## Practical questions to ask yourself before borrowing

8. Most importantly, have you spent sufficient time with the Lord in prayer seeking God's Will with respect to any important financial decision?

It is at the planning stage that God will frequently direct us if we take the time to discern His Will. Proverbs 16:3 says:

*“Commit to the LORD whatever you do, and your plans will succeed.”*



# Part II –The Importance of Saving

1. What is the key biblical principle provided in Proverbs 21:20?

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



What are the risks if you habitually spend all of your income?

# The Importance of Saving

## 2. What did Christ admonish us to do in the parable of the tower?

How does this apply to saving for future needs?

*“Suppose one of you wants to build a tower. Will he not first sit down and **estimate the cost to see if he has enough money to complete it?** For if he lays the foundation and is not able to finish it, everyone who sees it will ridicule him, saying, 'This fellow began to build and was not able to finish.'”*  
(Luke 14:28–30)



### 3. God's Perspective – Save for Future Needs As Opposed to the World's Perspective – Buy Now and Pay Later.

Since God is in control: *"The LORD has established His throne in heaven, and His sovereignty rules over all."* (Ps 103:19 NASB ).

It is **God** [not the bank or credit card company], who **has promised** to **meet our needs** as we put Him first.

God's directive is for us to *wait* for His provision and to be content with whatever He provides.

## Common Real-life Examples–

A Biblical Approach by “Mr. Wise” versus  
A Worldly Approach by “Mr. Unwise”

### “Mr. Wise”

1. Is in the habit of saving for future needs.
2. Generally, buys only what he needs.
3. Saved for education costs and completes college or university with little or no debt.
4. Drives a used car with no debt.
5. Saves a significant down payment for a home and pays down mortgage ASAP.
6. Buys furniture [sometimes used] for cash.
7. Lives within a budget.
8. Uses a credit card carefully, pays it off each month and incurs no interest charges.

## Common Real-life Examples–

A Biblical Approach by “Mr. Wise” versus  
A Worldly Approach by “Mr. Unwise”

### ▶ “Mr. Unwise”

1. Generally, never saves, just borrows and buys.
2. Makes financial decisions based upon personal desires or “gut feel”, not needs.
3. Completes post secondary with a lot of debt.
4. Finances the purchase of a new car every 3 to 4 years.
5. Buys home with very little down payment.
6. Furnishes home with debt.
7. Has no budget.
8. Generally, runs a balance on his credit cards.

# Steps to Get Out Of Debt

# Practical Steps to Get Out Of Debt

1. Pray and ask God for His wisdom and His specific direction as to what you should do to become debt free.

God instructs us, *“If any of you lacks wisdom, he should ask God, who gives generously to all without finding fault, and it will be given to him.”* (James 1:5)

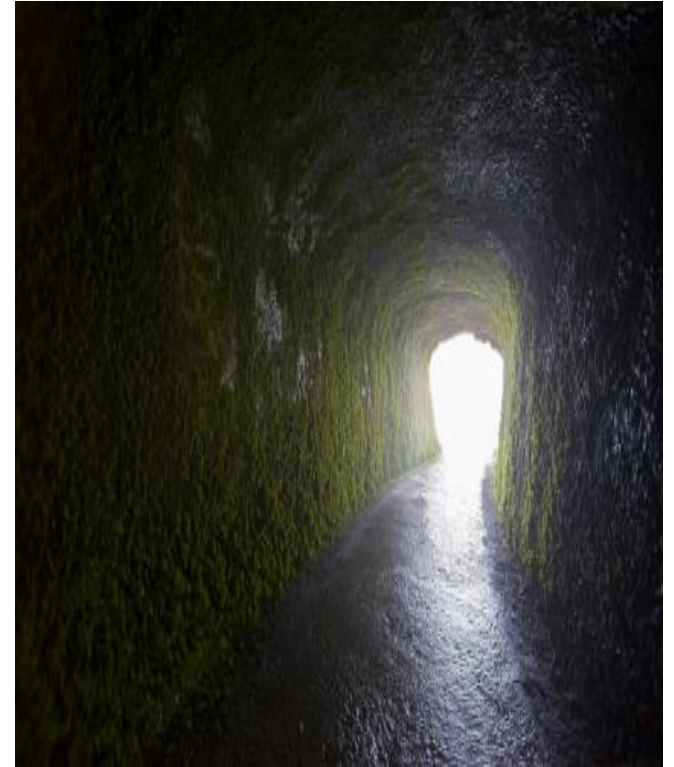
*“The LORD will guide you always; He will satisfy your needs in a sun-scorched land and will strengthen your frame. (Isaiah 58:1)*

## 2. Regularly study and meditate on God's Word.

*"Your statutes are my delight; they are my counselors"*

(Psalm 119:24)

*"Your word is a lamp to my feet and a light for my path."* (Psalm 119:105)





# Examples of Christians violating God's principles:

1. Having no savings for unexpected expenditures (**Proverbs 21:20**)
2. Taking on too much debt (**Proverbs 22:7**)
3. Buying things they really do not need because of covetousness (**Exodus 20:17**) or a lack of contentment (**Hebrews 13:5**)
4. Giving God the "leftovers" instead of the "first fruits" (**Proverbs 3:9,10**)

# Some examples of Christians violating God's principles would include the following:

5. Co-signing a loan, **Proverbs 11:15** says: *“it's a dangerous thing to guarantee payment for someone else's debts. Don't do it!” [CEV].*
6. Getting involved in an investment that they did not understand (**Proverbs 19:2**) and that was not biblically diversified (**Ecclesiastes 11:2**)
7. Not having a budget (**Luke 14:28-30**), and as a result making financial decisions based upon "gut feel" and not the facts of their finances (**Proverbs 27:23**)

### 3. Evaluate your present financial position— assets, liabilities, revenues, and expenses.

*"Be sure you know the condition of your flocks. Give careful attention to your herds." (Proverbs 27:23)*



**You need to know your financial facts.  
Decisions based upon “gut feel” or “personal  
desires” are very dangerous.**

## 4. Develop and implement a cash flow plan/budget.

A properly implemented budget will enable you to:

1. Spend less than your income each month in order to...
2. Generate a surplus to pay down debt.

There are approximately 40 references in the Bible to planning, and generally they admonish us to plan ahead. (Luke 14:28–30, Proverbs 21:5)

*“Commit to the Lord whatever you do and your plans will succeed.”* (Proverbs 16:3)

Make prayer the foundation of your financial planning. Ask God to reveal to your heart and mind His plan as to how you can reduce your debt and manage God’s money God’s way.

## 5. Ask God to enable you to be **CONTENT** with his provision.

So often people get into financial trouble by taking on too much debt because of a lack of contentment.

- Selfishness
- Covetousness or greed

Contentment is the antidote to these worldly attitudes.

The apostle Paul said, "*For I have learned to be content whatever the circumstances. ....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. I can do everything through Him who gives me strength.*"  
(Philippians 4:11-13)



## 6. With your surplus of cash, pay off...

Strategy #1: The most expensive debt and the non-deductible debt first. (Math approach)

Strategy #2: Pay off the smallest to the largest debt. (Psychological approach)

### Debt Snowball Method:

1. List all your debts in order – except your mortgage
  2. Make the minimum payment on the 1<sup>st</sup> debt and stay current on all the other debts.
    - a. All the surplus dollar you find goes toward the 1<sup>st</sup> debt until it's paid off.
  3. Once the 1<sup>st</sup> debt is paid off, the payment from that debt, plus any extra “found” money, is added to the next debt.
  4. When debt #2 is paid off, take the \$ that you used to pay on #1 & #2, and pay it (along with any “found” money) on debt #3, and so on until all debts (except your mortgage) is paid off.
- Every time the Snowball rolls over, it picks up more snow and gets larger, and by the time you get to the last debt, you have an avalanche.

7. In dependence upon God, follow up and persevere until you are debt free.

God has promised us,  
*“Even to your old age and gray hairs I am He, ..who will sustain you. I have made you and I will carry you;*  
(Isaiah 46:4)

Even if finance is not your area of expertise, God promised that He will provide what we need. Jesus said...

*“My grace is sufficient for you, for My strength is made perfect in weakness.”*  
(2 Corinthians 12:9, NKJV).



# Summary of Practical Steps to Get Out of Debt

1. Pray and ask God for His wisdom and His specific direction as to what you should do to become debt free.
2. Regularly study and meditate on God's Word.
3. Evaluate your present financial position—assets, liabilities, revenues and expenses.
4. Develop and implement a budget.
5. Develop and implement a budget.
6. Develop and implement a budget.
7. Ask God to enable you to be content with His provision.
8. With your surplus of cash, pay off debt using the Snowball Method
9. In dependence upon God, follow up and persevere until you are debt free.





## Key Biblical Principle:

God admonishes us to plan ahead. Planning your finances can best be accomplished by using a budget.

# The Purpose of Budgeting...



**...is to ensure that you spend less than you earn so that you have a surplus to pay down debt and save for future needs.**

# What do this verse say to you?

God instructed his people: *"Be sure you know the condition of your flocks, give careful attention to your herds."*

(Proverbs 27:23)

God admonishes us to have wisdom, knowledge and understanding.

How can we accomplish this in a practical fashion?

- ▶ **We must do the essentials of budgeting**
  - Track your expenses so that know where your money is going
  - Develop and implement a budget to ensure that you are spending less than you earn, so you have a surplus to pay down debt and save for future needs.
  
- ▶ **A proper budgeting system will provide the “financial facts” needed in order to make wise decisions. Guesswork and "gut feel" decisions are very dangerous**

**Proverbs 21:5** states: "*The plans of the diligent lead to profit as surely as haste leads to poverty.*"

A budget is a tool that, if used properly, will be effective in planning your finances.



# Budgeting System Review

