

Discerning from God How to Closing Your Circle

Book: Wealth, Riches & Money by Earl Pitts & Craig Hill

Step 1:

- ***Get yourself a “little black book,” in which you will keep track of all your expenditures for a minimum of three months.*** Or you can record this daily on a computer.
- You may spend whatever you like, but it must be recorded by category in the black book. There must be no leakage; all spending must be accounted for and recorded. This includes all minor cash expenditures. You may need to ask for a sales receipt, but they are available. *In so doing, you are developing faithfulness in the “little.”*
- This involves projecting what you are going to spend a month (accounting for all money that comes in) in advance and tracking the spending in accordance to that budget.
- Some of the major categories of the budget sheet can include:
 - Tithes & Offerings (giving);
 - 2) Saving & Investments (for specific wants. Kingdom purposes, life insurance etc);
 - 3) Food (groceries; dining out);
 - 4) Household Items (toiletries, cleaning produces; non-food items);
 - 5) Housing (rent, mortgage, utilities, home insurance etc);
 - 6) Clothing (all you wear, dry cleaning);
 - 7) Transportation (car payments, gas & oil, repairs, car insurance, tolls, parking etc);
 - 8) Education (tuition, books, tapes, lessons, supplies etc);
 - 9) Medical & Dental (insurance, prescription, supplies, personal costs);
 - 10) Recreation (subscription, hobbies, vacation, books);
 - 11) Allowances (personal pocket monies or blow money);
 - 12) Gifts (Birthday, anniversary, Christmas, other gifts);
 - 13) Misc (stationary supplies, stamps, haircuts, bank changes);
 - 14) Taxes (deductions from paycheck);
 - 15) Blank column for unique uses such as debt repayment;
 - 16) Blank column for use as in 15;
 - 17) Totals

Step 2: When all the totals are completed, then a grand total is entered. ***The end of the month totals are then entered on a summary page***, showing the totals by column and the grand total. At the end of the third month, we will have enough data to close the circle and create a budget.

Step 3: Capture all sources of income and record the date, source and the amount. The gross amount of all salary pay-checks should be entered, and the deductions taken from the amount, entered in the expense column under ‘taxes.’ There is a separate page to keep track of your income on a monthly basis, for a 12-month period. It is important that you keep track of all sources of income, so that your tithing can be correctly calculated from your gross income.

Step 4: Determine what are the material wants in your life. I suggest that you make a list of all the material things which you, your spouse and family members’ desire. You may also include gifts with which you may wish to bless others. Put a dollar figure on each item and then prioritize the list. Have it ready for step number six.

Step 5: Determine which columns in your particular situation fall into the categories of Obligations, Necessities and Wants. Each column may fall entirely into one category or may consist of more than one category of expenditures. Each person or family may have different items, which are Obligations for him or her.

Step 6:

- Prepare to close the circle.
- After three months of keeping track of your expenditures, you will have on the summary page, three numbers in each column. These numbers can be averaged for the three months.
- Now having a record of our past spending patterns, we can ask Him about the actual numbers which we should use in each monthly column. ***Simply ask the Lord, “Is this number too high, too low, or correct?”***
- Helpful Recommendations:
 - If you are married, it is important that husband and wife seek the Lord together and come into agreement over the amount for each column.
 - If you are single, we would encourage you to have a trusted friend with you, as together you ask the Lord for His direction for the right amount for each column.
 - You may also wish to go through this process together with a small group, in which there is accountability to each other.
 - Put on Whole Amour of God: Inevitably, there will be some spiritual warfare, which will take place when you first attempt to do this. Some conflict may simply arise out of selfishness in each marriage partner. Since through this process you are tearing down a major stronghold established by Mammon in your life, you can expect this spirit to powerfully resist you in closing the circle.
- When you have an agreed-upon amount for each column which has the Lord’s approval, you can now obtain a grand total of all the columns.
- ***You now have a closed circle and have answered the question “How much is enough?”***

Step 7: compare your total income to the total closed circle expenses. There are three scenarios that may come from this comparison:

1. Income is less than expenditures. ($I < E$)
 2. Income is equal to expenditures. ($I = E$)
 3. Income is greater than expenditures. ($I > E$)
- In the first case ($I < E$), it may be that there is no money for wants and only some necessities. Don’t despair, this is a time to be excited, as God is in agreement with your expense side, and now faith can arise in your heart to believe God for an increase on the income side! God has creative ways to get more finances into your hands, when you have closed the circle and He is in agreement with your proposed usage of money.

Monthly Income and Expense Worksheet Template

Monthly Income/Expenses			
Month:			
	<i>Budget</i>	<i>Actual</i>	<i>Difference</i>
Income			
PaySalary (Gross)			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
Total Income	\$0.00	\$0.00	\$0.00
Obligations			
Tithe			\$0.00
Mortgage/Rent			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
Total Obligations	\$0.00	\$0.00	\$0.00
Necessities			
Food			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
Total Necessities	\$0.00	\$0.00	\$0.00
Wants			
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
Total Wants	\$0.00	\$0.00	\$0.00
Total Expenses	\$0.00	\$0.00	
Surplus/Deficit	\$0.00	\$0.00	