

Adventurous Money Management

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Based on the meagre income on which you have survived during your years of full-time study ... your first paycheque probably felt like a fortune! Can you remember what you did with it? ... a nice dinner with “that special person”? ... a DVD player? ... a new outfit? ... first loan payment on a new car?

At the same time, you have now been spending most of your working days with people who have very secular views towards managing money. Office talk can often drift towards expensive overseas holidays, home improvement, buying and selling shares, investment properties and tax-effective investments. Instead of going out for dinner at McDonalds for \$5, your new friends spend \$80 at a popular new restaurant in the city ...

... and very soon, that *fortune* of a paycheque may not even be enough to keep your credit card under the maximum limit. As such, you may be well down the path of reinforcing a behavioural pattern that is unhelpful for a true citizen of heaven!

Some basic principles¹

The Bible is clear about God’s attitude towards money. We know that all money is owned by God and that it is part of His good creation given for our benefit². However, mankind perverts God’s good purpose by setting up money as an idol and greed is an ugly symptom of that idolatry³. We therefore need to be wary of money’s seductive power and not chase after it⁴. We should also be content with what God has given us⁵.

But how should we apply this to our lives in 21st century Australia? The following points are based on secular financial planning wisdom adapted to a Christian world-view.

Three chunks of income

Think about your income in terms of three “chunks”:

¹ Source: *Cash Values* published by Matthias Media.

² See Ps 24:1; Ps 50:9-12; Hag 2:8; Job 41:11; and 1 Tim 4:3-5.

³ See Rom 1:21-25 and Eph 5:5.

⁴ See Deut 8:6-18; Mat 13:18-23; and Lk 12:16-31.

⁵ See 1 Tim 6:6-10.

1. As we understand God’s great plan for the world, we should give an *adventurous* first chunk of our income to the work of the gospel;
2. As we understand God’s sovereignty and our responsibility, we should use the second chunk of our income to *responsibly* plan for the future; and
3. As we understand our heavenly riches, we should live frugal and content lives on the third chunk of our income that remains.

Chunk 1 – adventurous giving

An understanding of God’s amazing plan for the world⁶ should radically change the way we use our money. If our Heavenly Father is concerned with the glorification of Jesus through the redemption of a chosen people ... then our financial priorities should also reflect this concern!

Your first few years in full-time work are very important since they set patterns for the years to come. Dedicate an adventurous first chunk of your income for gospel work and then creatively manage the rest of your finances so that you can afford it. As a young graduate with few financial commitments, see how close you can get to dedicating 100% of your income to the work of the gospel!

Here’s a way to plan your giving:

1. plan your financial generosity once a year;
2. pray and read the Bible (eg. Ephesians 1:3-14);
3. calculate your after-tax income per month (eg. \$2,000);
4. decide on an adventurous percentage for gospel work (eg. 30%);
5. brainstorm the available options (eg. Church, MTS, CMS);
6. allocate percentages to each option (eg. MTS 50% ...);
7. calculate the dollar amount for each option (eg. MTS \$300);
8. complete the direct debit forms and pencil in the amounts;
9. work creatively with the rest of the finances in order to afford this amount;
10. pen in the direct debit amounts and post the forms;
11. pray for each ministry from your bank statement each month; and
12. set a review date in your diary for the following year.

Some tips:

- Don’t get into debt buying something big in your early working days! It will make you feel insecure and will affect your giving for the next few years.
- Be really adventurous with your percentage since you are likely single and have no mortgage. Start a positive giving pattern now before secular values creep in!

⁶ For example, see Eph 1:3-14.

- Make sure that you give to the Ministry Training Strategy (MTS). All of those MTS people who trained you over the last 3+ years do not work for free!
- Use direct debit giving as it makes life much easier for the ministries you support as they plan their finances. If used wisely, it can be more thoughtful and prayerful than cash giving.
- Use your bank statement as a reminder to pray for the ministries you support by direct debit giving. Ask your bank to send your statements monthly (usually no extra charge).
- Enter a date to review your giving in the diary. Review the past year and the amount you actually earned and the amount you gave to gospel ministry. We often receive tax refunds or unexpected bonuses. Why not give these unexpected amounts away to ministry?

Chunk 2 – responsible planning

However, God does not want us to give all of his money away without careful thought for the future. Now is the time to make some plans for the future (prayerfully) and manage your finances accordingly. This is the purpose of the second chunk of your income.

Responsible planning of our finances is completely compatible with trusting in a Sovereign God. It is clear that God is king and in control of everything in his creation⁷. However, God also holds us responsible for our decisions as responsible, moral creatures⁸. Furthermore, the Bible treats these apparently contradictory notions as “the best of friends” with striking juxtapositions⁹.

Some tips for responsible planning:

- We all need a rain-shelter for our unpaid ministry after age 65 (retirement). Aim towards having a house or unit that has been fully paid-off by age 65.
- We also need food on the table for this unpaid ministry. For most Christians, superannuation is the best way to save for retirement. It makes a huge difference if you “salary sacrifice” an extra portion of your salary into your super before the age of 30.
- Save for large anticipated expenses. Think carefully about your likely expenses over the next 5 to 10 years and start savings for them now. Do not take out a loan for anything that goes down in value (such as a car)!
- Plan for worst-case scenarios. Organise a will with a solicitor. If you die without one then it can be an administrative nightmare for your family. Marriage

invalidates any previous wills so you may need to organise another will in the future. Christians should also consider the benefits of the various types of life insurance with a professional.

Chunk 3 – living with contentment

Hopefully, we have been so adventurous with the first chunk of our income that we will really need to work creatively with what remains!

Indeed, we need to be continually reminded that our true home is in heaven and that we are to manage our expenses as strangers and aliens in the world. We should not love or put our trust in fleeting earthly riches and to live godly lives being content with what we have¹⁰.

Some tips for managing expenses:

- Create a “savings buffer” in your bank account of about \$5,000. Our financial position will vary over the year as large bills fall due. A buffer helps to manage these fluctuations without getting into debt.
- Never use credit cards for credit—have the balance paid from your bank account each month. If you can’t make a payment then cut up your card.
- Be shrewd with your purchases. Buying lunch every day at work will cost you \$2,000 a year. Get up 10 minutes earlier and make a sandwich you sluggard!
- Learn to track your expenses. Buy a small notebook and jot down everything on which you spend money for one month ... and then keep tracking expenses on an ongoing basis. Financial programs such as Quicken and Microsoft Money can help. You will find that ongoing monitoring of your expenses will reinforce positive spending behavioural patterns and discourage negative ones.
- Once you learn how to track expenses then make a budget. A budget is simply an extrapolation of past expenses while taking into account any expected changes in the future.
- Men like their “toys” and women like their “trinkets”. Money is not all “doom and gloom” and God wants you to enjoy it—without being greedy or irresponsible. Why not set a limit to your toys and trinkets by deciding on a fixed dollar amount each month (and carrying forward any unspent money).

The challenge

Don’t wait until you are an expert at managing your expenses before being adventurous with your financial generosity. Be generous and set good patterns now ... you’ll be surprised how quickly you are forced to manage your finances shrewdly!

⁷ See Gen 45:8; Gen 50:20; Ex 9:12; Pr 16:9; Pr 21:1; Mt 10:29; Acts 4:27f; and Eph 1:11.

⁸ See Mt 25; Rom 2:6-8; and Rv 20:11-13.

⁹ See Acts 2:23 and Lk 22:22

¹⁰ See Mat 6:25 and 1 Tim 6:6-10.