

TRUTH  
CENTERED  
TRANSFORMATION

MODULE



# MONEY MATTERS

# STUDENT GUIDE

# Devotion 1

## SMALL GROUP DISCUSSION

Read Matthew 6:19-24; 33.

- What can we learn in these verses about money?
- What does it mean to serve money?
- Does this mean that we should never think about money?
- What does it mean to store up treasure in heaven? How can we do this?
- How is Jesus' teaching different from our culture?
- What does this passage tell us we should focus on?

Read 1 Timothy 6:6-11.

- What should be our attitude toward money?
- Why is focusing on or loving money dangerous?
- What does Paul tell Timothy to focus on?

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## DISCUSS WITH A PARTNER

Money should not be our focus:

- Do I love money? Am I constantly thinking about how to have more money?
- Am I content with what I have?
- Do I store treasure in heaven or on earth?

Work is good:

- Do I always work hard?
- Am I able to help support my own family?
- Who are the needy in our community? How can we help them, both as individuals and as a group?

Pray for one another

# Devotion 2

## Reasons why we may find ourselves without sufficient money

*Read the reason title and verse(s), and then discuss and summarize the main idea:*

- **Laziness** – Proverbs 10:4, 13:4; 24:30-34

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- **Lack of Contentment/ Greed** – Proverbs 28:25

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- **Lovers of Pleasure** – Proverbs 21:17; 23:20-21

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- **Stinginess** – Proverbs 11:24

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- **Foolishness** - Proverbs 3:13-16

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- **Disobedience** – Proverbs 28:13, 2 Chronicles 24:20

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Another reason we may find ourselves without sufficient money is **injustice**. Pray for God's help. God is a friend to the oppressed and those who are facing injustice.

If it feels that you don't have enough and you wonder why God has failed to provide all that you need, then examine your life in the areas listed above. Ask God to show you how you might be guilty of these. Repent and ask Him for forgiveness and to show you how to change.

# Devotion 3

## Common mistakes made when managing money.

Mistake 1: I never think about my money

Mistake 2: If I have it, I spend it!

Mistake 3: I don't have enough

Mistake 4: I can't wait, I must borrow

### Mistake 3: I don't have enough

Read Philippians 4:11-12.

- What is contentment?
- Under what conditions did Paul say he was content?
- Are we content with what we have?
- If we are content, does that mean we shouldn't work hard to earn more? Look at Proverbs 23:4-5 and Proverbs 24:33-34.

### Mistake 4: I can't wait, I must borrow

Read Proverbs 22:7.

- What are the problems of debt?
- What are some of the things that people go into debt in order to buy?
- What is another way to get the things that we want?

# Devotion 4

## **Common mistakes made when managing money.**

- Mistake 5: I wish I had more money like others
- Mistake 6: I am too poor to give
- Mistake 7: I always worry about money
- Mistake 8: I spend and earn money in ways that do not honour God

### Mistake 6: I am too poor to give

Read 2 Corinthians 8:1-5.

- What does this verse say about giving in times of lack?
- How can we encourage everyone to give despite their circumstances?

God blesses you when you give.

Read Malachi 3:10-12.

- What does this verse say we should do?
- What will be the consequence if we do?

### Mistake 7: I always worry about money

Read Matthew 6:25-34.

- What does God say about worrying?
- Why does He say that we don't need to worry?
- What are we to think about instead?
- How can we keep ourselves from worrying?
- Is there ever a time that we should worry?

# Devotion 5

## Are we robbing God?

Read Malachi 3:8-12.

- How were the Israelites robbing God?
- What is the consequence of robbing God?
- What does God say will happen if we bring the whole tithe?
- What is the whole tithe?
- Do we also rob God?

## Abundant giving in extreme poverty

Read 2 Corinthians 8:1-4.

- Were the Macedonian church members rich or poor?
- How much did they give?
- What was their attitude in giving?
- What can we learn from this church?

# Lesson 1: Budgeting Game Planner

Normal Monthly Expenses			
Item	Number of times/month	Cost per time	Total
Food	30	\$2	60
Electricity	1	\$5	5
Household Supplies	1	\$10	10
Random Expenses	1	\$60	60
<i>Additional monthly expenses, if any.....</i>			
	Total Monthly Expenses		
	Annual Expenses = Monthly Expenses *12		

Other Yearly Expenses			
Item	Number of times/year	Cost per time	Total
School Fee February	1		
School Fee May	1		
Extra Rice	3	30	
Income Expenses	1	300	
	Total Other Yearly Expenses		

INCOME	- NORMAL MONTHLY EXPENSES	- OTHER YEARLY EXPENSES	= REMAINDER
2,500	-	-	=

# Lesson 2: Budgeting Step 1

## Calculate Your Net Income

### A: Calculate Total Income

The first step is to work out how much money we receive in a year. If you have a stable job that gives you a salary this is not too difficult. However, if you are farming or have a small business, then for now you can guess to the best of your ability. Remember that you need to include all the ways that you receive money. Try to calculate the amount you earn for each. Think about what you earned last year. Write down the total income, not just the profit, and remember to include all the CASH income you will receive in the next 12 months.

Income	Times a year	Amount each time	Total
TOTAL			

Chart 1

### B: Calculate Income Expenses

Expenses	Times a year	Amount each time	Total
TOTAL			

Chart 2

### C: Calculate the Net Income

TOTAL INCOME	- INCOME EXPENSES	= NET INCOME
	-	=

Chart 3

# Lesson 2: Family Expense Record

# Lesson 3: Budgeting Steps 2 & 3

## Step 2: Calculate Your Needs

### A: Identify Your Monthly Needs

Normal Monthly Expenses Chart

Item	Number of times/month	Cost per time	Total
Food	30		
Electricity	1		
Water			
Tithing			
Household expenses e.g., cleaning			
Tuition/Monthly School fees			
Transport			
Sub-Total for ONE MONTH			
Calculate 20% for Miscellaneous Expenses			
TOTAL ONE MONTH			
Multiply times 12 for YEARLY TOTAL			

Chart 4

## B: Identify Other Expenses

Other Expenses Chart			
Item	Number of times/year	Cost per time	Total
School Uniform			
School Books			
Occasional School Fees			
Clothing/Shoes			
House Repairs			
Sub-Total for ONE YEAR			
Calculate 10% for Miscellaneous Expenses			
YEARLY TOTAL			

Chart 5

## Step 3 - Calculate the difference

Now calculate the difference. If you are spending more than your income, you will end up with a negative number for the TOTAL.

NET INCOME	- NORMAL EXPENSES	- OTHER EXPENSES	= TOTAL
	-	-	=

Chart 6

# Lesson 4: Rich Man, Poor Man Game Rules

## Income

Each group receives 10 money cards (or beans) each round

## Expenses

Each group decides how they want to use their money. You don't have to use all of your money cards every round.

Food	- two meals a day	5		
	- meat	7		
	- high quality	10		
Electricity		2		
Schooling for children		1 per child (you have 3 children)		
House Items				
	- latrine/toilet	5	new sofa	2
	- bicycle	2	roof repair	5
	- TV	3	stereo	1

## Sickness Cards

If you are sick you are required to pay 2 cards for lost income and medicine. If you are not able to pay immediately then you lose 3 cards from your next income (two for the medicine and one for money lender charges.)

## Investment

Every round you can choose to invest money. Each investment must be 3 money cards. For each investment of 3 money cards you receive an extra 1 money cards every round that you have the investment. At any time, you can sell your investment but will only receive 2 money cards for selling your investment.

## Schooling

For each child who completes three rounds of schooling you will receive an extra 3 money cards each round.

# Lesson 5: Budgeting Step 4

## Step 4: Use the remainder wisely

**A: Estimate how much to commit in each area**

Budget Area	Commitment
Saving	
Investing	
Giving	
Wants	
Specific Saving	
<b>Total:</b>	

*Chart 7*

**B: Add up the total**

**C: Compare the total to Chart 6 Total (Income – Expenses)**

**D: Adjust as Necessary**

Budget Area	Commitment
Saving	
Investing	
Giving	
Wants	
Specific Saving	
<b>Total:</b>	

*Chart 7 Adjusted*

# Lesson 7: Calculating Profit

In order to know whether we are making profit, we need to know 2 things:

1. INCOME – The amount you receive from selling the product
2. EXPENSES – The amount of money that we spent to grow or prepare the product

INCOME - EXPENSES = PROFIT

## **Example 1 – Anna's Vegetable Garden**

Anna has lots of experience growing vegetables as she has worked in her family's fields for many years. She has just started her own vegetable business. After her first harvest Anna took her vegetables to the market and sold them all for 25 dollars. She was very happy. It looked like she had a lot of money. Do you think that Anna has a successful business?

Unless Anna knows if she made a profit or not, she will not know if her business is successful and whether she should continue it. Now we will look at the business records to see if she was successful.

Expense - List of things needed	Cost
- Seeds	6
- Fertilizer	5
- Tools	4
- Place to sell at market	2
- Plastic bags and crates	3
- Bus tickets	1
<b>Total</b>	<b>21</b>
Income - Estimate	Amount
<b>Total</b>	<b>25</b>

INCOME TOTAL	- EXPENSES TOTAL	= PROFIT
<b>25</b>	<b>- 21</b>	<b>= 4</b>

Other factors to consider: \_\_\_\_\_

Growing Season (number of months):	4
Hours / month:	12.5
Total (Hrs. / month x No. months):	50
Profit / no. hours:	0.08

## Example 2 – Paul’s Pigs

Paul raises pigs. He has been raising pigs for many years but wants to make sure that he is really making money. For the last six months he has kept a careful record of all the expenses for his pigs. Today he sold the pigs and now he wants to calculate to see if he made a profit on his pig business.

## Step 5.

INCOME TOTAL	- EXPENSES TOTAL	= PROFIT
	-	=

## Paul's Notebook:

2 piglets \$40

Food for 2 piglets \$50

Vaccination \$2

Selling price \$1.75 / kg

Weight 80 kg

Days of raising 100 days

## Time

Growing Season (number of days)	
Profit / no. days	

### Example 3 – John’s Clothing Stall

John wanted to make sure that his clothing stall was doing well. He also kept records for the last 6 months, but he got very confused. He wasn't entirely sure what he should write down and what he shouldn't. Follow these steps to help John to calculate his profit:

**Step 1:** Cross off anything that isn't related to the clothing stall business.

**Step 2:** Go through and identify all the expenses. Put the expenses in the expense section of the worksheet.

**Step 3:** Go through the list and identify any income that he made from the clothing stall – put it in the income section of the worksheet.

**Step 4:** Like you did for Paul, use the expenses and profit to see if John made a profit.

## John's Notebook

Buying clothes for selling	500	Selling clothes	600
School fee	300	Food for family	50
School bag	40	Selling clothes	500
Shop rent	100	Buying gifts for festival	300
Selling clothes	400		

## Step 5.

<b>INCOME TOTAL</b>	<b>LESS EXPENSES TOTAL</b>	<b>= PROFIT</b>

Time:

Length of business (months)	
Profit / no. months	
Profit / no. months / 30 days	

## Your Business

## **Step 5.**

<b>INCOME TOTAL</b>	<b>LESS EXPENSES TOTAL</b>	<b>= PROFIT</b>

Time:


# Lesson 8: Option A Comparing Debt Types (Agricultural Populations)

You need 500 to buy fertilizer and extra rice. You can choose from the three options below:

1. Sell your crop early. You sell your harvest (1200kg) for 1.5 per kg instead of 2 per kg.

Possible Profit = \_\_\_\_\_ \* \_\_\_\_\_ = \_\_\_\_\_

Amount earned = \_\_\_\_\_ \* \_\_\_\_\_ = \_\_\_\_\_

**Cost of debt** = \_\_\_\_\_ - \_\_\_\_\_ = \_\_\_\_\_

2. You borrow 500 for five months paying 10% Simple interest.

**Cost of debt** = \_\_\_\_\_ \* \_\_\_\_\_ \* \_\_\_\_\_ = \_\_\_\_\_

3. You borrow 500 and agree to repay 800 in 5 months

**Cost of debt** = \_\_\_\_\_ - \_\_\_\_\_ = \_\_\_\_\_

Which option do you choose?

# Lesson 8: Option B Comparing Debt Types (Urban Populations)

You need 500 to buy fertilizer and extra rice. You can choose from the three options below:

1. You borrow 500 for five months paying 10% Compound interest.

Total amount to pay = \_\_\_\_\_ \* \_\_\_\_\_ \* \_\_\_\_\_ \* \_\_\_\_\_ \* \_\_\_\_\_ \* \_\_\_\_\_ = \_\_\_\_\_

**Cost of debt** = total to repay – loan amount = \_\_\_\_\_ – \_\_\_\_\_ = \_\_\_\_\_

2. You borrow 500 for five months paying 10% Simple interest.

**Cost of debt** = \_\_\_\_\_ \* \_\_\_\_\_ \* \_\_\_\_\_ = \_\_\_\_\_

3. You borrow 500 and agree to repay 800 in 5 months

**Cost of debt** = \_\_\_\_\_ – \_\_\_\_\_ = \_\_\_\_\_

Which option do you choose?

# Lesson 9: How to Get Out of Debt

We can get out of debt if we:

- confess our faults and decide to change
- sacrifice desires now, so we can have freedom
- sell non-essential items
- be creative and make a plan with small changes to pay back outstanding debts
- pray for and expect God's help

Steps to calculate our debt cycle:

Step 1: Calculate what you earn (Total net income)

Step 2: Subtract debt (Loan repayment)

Step 3: Subtract the interest (Interest payment)

Step 4: Subtract all household expenses (normal monthly plus other expenses)

Step 5: Calculate the total

If what you need is bigger than what you have, then the difference between the two results is debt.

Repeat for each year.

Year: _____	
Earn (total net income)	
- Loan repayment	
- Interest payment	
- All household expenses	
= Total	

Year: _____	
Earn (total net income)	
- Loan repayment	
- Interest payment	
- All household expenses	
= Total	