

## Financial Management God's Way

### Session 6: Budgeting MORE INTERACTIVE

Presentation by: Thomas R. Copland, CA

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### Objective of this session:

- ▶ To learn how to develop and implement a budget.



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### Key Biblical Principle:

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



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### The Purpose of Budgeting



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.

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## What do these scriptures say to you?

*"By **wisdom** a house is built and through **understanding** it is established; through **knowledge** its rooms are filled with rare and beautiful treasures."* [Proverbs 24:3,4]

God instructed his people: *"Be sure you know the condition of your flocks, give careful attention to your herds."* (Proverbs 27:23)

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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 you know where your money is going and develop and implement a budget to ensure that you are spending less than you earn 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

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- ▶ In the parable of the tower (Luke 14:28–30), Jesus admonished us to plan ahead.

- ▶ *"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 NIV)

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**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.



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## Recommended Memory Verses for this session:

"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)

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## First Assignment This Week

The first and most important assignment this week is for you and your spouse if you are married, to prepare your budget.

To download free copy of the Excel-based Copland Budgeting System, go to [www.biblefinance.org](http://www.biblefinance.org), you can download and Word data file that provides instructions or review the 30 minute instructional video on the website.

At this point, it is appropriate to present the Copland budgeting system using an example or to play the video.

If you need help, send an e-mail to:  
[thomas@Copland-ca.com](mailto:thomas@Copland-ca.com)

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In this session, Michele Follows will present the Copland Budgeting System via going over case study #3 –“Dave & Debbie”.

For further help –watch the 30 instructional minute video on our website located at [www.Biblefinance.org](http://www.Biblefinance.org).

### *Overview of Forms*

Form #1: Assets and Liabilities  
Form #2: Revenues for a Typical Month  
Form #3: Non-monthly Expense Planning  
Form #4: Saving Account Allocations  
Form #5: Estimated Monthly Budget  
Form #6: Actual Expenses and Revenues  
Form #7: Budget Analysis

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## Case Study –Dave & Debbie

Dave and Debbie are married with three daughters. When they were first married, 12 years ago, they had numerous financial problems. However, for three months they prayed and asked God for His wisdom and His direction.

As a result, about eight years ago they attended a small-group financial Bible study. They learned God's financial principles and how to develop and implement a budget, which includes recording their expenditures. Since then, they have diligently followed up with respect to their budget as well as regularly studying God's Word on finances to ensure that they are managing their money God's way and not the world's way.

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A copy of their entire budget on forms #1 to #7 is attached in the appendix to this session. As indicated, they have accounted for and are saving for all future anticipated expenses, including automobile replacement, children's education, and retirement.

As well, Dave and Debbie have accumulated savings for unexpected expenditures and unexpected emergencies. They praise God for His wisdom in this area because last year Dave was out of work for three months and they had sufficient savings to meet their needs.

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Furthermore, their only debt is the mortgage on their house, and if they continue to make additional payments, they should be totally debt free within six years. They praise God regularly for His wisdom and His direction in the financial area.

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## Questions:

1. What things have Dave and Debbie done that are consistent with God's Word? Please provide a reference scripture.

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1. What things have Dave and Debbie done that are consistent with God's Word? Please provide a reference scripture.
  1. They have learned and implemented Gods word on finances (**Joshua 1:8**).
  2. They have developed and implemented a budget (**Luke 14:28-30**).
  3. They prayed and asked God for His wisdom and His direction (**James 1: 5**).

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Questions:

1. What things have Dave and Debbie done that are consistent with God's Word? Please provide a reference scripture.
4. They praise God for His wisdom, direction, and blessings (**Psalm 150:1-6**).
5. They have diligently followed up on applying biblical principles (**Proverbs 21:5**).
6. They understand that they are stewards and are therefore managing God's money God's way. (**Haggai 2:8, Psalm 24:1,2**).

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Questions:

1. What things have Dave and Debbie done that are consistent with God's Word? Please provide a reference scripture.
7. They have savings for unexpected expenses and emergencies (**Proverbs 21:20**).
8. They have made debt reduction a priority (**Proverbs 22:7**).
9. They are saving for future needs (**Proverbs 21:20 TLB**).
10. They look to God and His Word for direction, not the world (**Psalm 119:105**).

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