



Chapter **EIGHT**

Seven Pillars of Wisdom

When I was a kid and had fallen and grazed a knee or elbow, my old mum would stick a 'cure all' plaster on it to make it better. It still amazes me to this day how a bit of sticky stuff and a kiss seemed to sort everything out. The only problem was when it was time for the sticky plaster to come off, mum's brave little soldier wasn't that brave. My mum had a saying that I have used with my own children as they have grown up: "Would you like one big ooh or lots of little aahs?" Translated it means rip the plaster off quickly in one go or slowly remove it little by little pulling out every hair. This might just as well have been total amputation when I was a kid. Over the last chapters you may have felt the oohs and aahs but guess what – you're still alive.

The good news is we are now at the easy bit, it's very practical from here. But before we move on I want to make one thing crystal clear, issues of the heart, righteousness, motive and a desire for kingdom advancement are all well and good but each one is only a stepping stone. In Chapter One we looked at the wealth wheel to see what we were getting right or wrong plus where we put most of our energy and effort.

We have stated on numerous occasions that God takes us through process, and for a season you may need to focus on one specific area in your life such as righteousness. That is all well and good, it only becomes an issue when either we are taught or have come to our own conclusion that this is a cure all fix.

If we just push in one area, then it won't be long before we become unbalanced and prone to developing entitlement mentalities. I am right standing with God so that means He will bring everything to me, it couldn't be further from the truth. We have laboured in the early chapters to show you that truth comes in seed form and it is our responsibility to nurture and grow it.

*Therefore, my beloved, as you have always obeyed, not as in my presence only, but now much more in my absence, **work out** your own salvation with fear and trembling; for it is **God who works in you** both to will and to do for His good pleasure.*

Philippians 2: 12-13 NAS

Now that we have cleared that up, we can look at seven simple steps that if you apply them I guarantee they will help you turn your finances around.



The plans of the diligent lead to profit as surely as haste leads to poverty.

Proverbs 21: 5 NIV

Plans fail for lack of counsel, but with many advisers they succeed.

Proverbs 15:22 NIV

We desire to make plans to change our present and our futures.

A good man leaves an inheritance for his children's children, but a sinner's wealth is stored up for the righteous. Proverbs 13:22 NIV

We plan for: Holidays - Birthdays - Weddings - Christmas

- Why not plan to be debt free giving an inheritance to our children and grandchildren whilst we are still alive?
- Why not plan to increase your giving next year?
- Having a desire to change is great but unless we take desire to action it will always stay a pipe dream
- It is your responsibility to take care of your house, we can't keep relying on a social system to bail us out
- One key to remember; The bank provides you with an umbrella then takes it away when it starts to rain...
- It doesn't matter what your background is, wherever you are from, we all have certain things in common when it comes to money:

We Earn it - Spend it - Save it - Invest it - Share it - Waste it - Lose it.

Above are seven common outcomes for our money, so lets see the seven pillars of wisdom that will allow our finances to grow.



Pay yourself 10%

The place where you earn a wage is your first pillar of finance. Whether you earn £10,000 or £100,000 the same rules apply, just imagine you have 10 hens and every day each hen lays one egg. Simple maths, once I have collected them all I will have a basket of 10 eggs. If I take out only nine of the eggs each day and leave one in the basket it won't be long until the egg basket starts to overflow. You may laugh at this simple illustration but if you started to apply this principle to your own finances in a very short space of time you will start to see the benefits.

I know from my own experience that very quickly you stop missing the one in ten, and in fact as you see your savings grow, you look for other ways to keep adding to it.

We are told that you should live within your means, in truth you should build your life to live below your means. I understand that for lots of us we can't change that overnight but we can move towards it. If I am carrying too much weight and my doctor tells me I need to lose four stone it seems too big a mountain. Yet if I set a goal to lose half a stone it is manageable. With this in mind don't beat yourself up and start with baby steps. But do start...

Where do we place most value? Is it in things that bring instant gratification like a great wardrobe, the latest phone, that car, exotic holidays, things that are quickly gone and forgotten? Or do you look for more substantial things, a house, a business or even land? If you don't leave anything in the pot, then it's the first option. If you're saving, then it's only a matter of time before you have the latter. In learning to pay yourself 10% that is not a get out from paying your tithe of honour. You should never look to short change the Lord, bring your life into order so that you can make this a priority. We have mentioned earlier that God is not Pharaoh. He doesn't expect you to make bricks without straw or to get into debt to bring Him honour, start from where you are, even if it's a widow's mite. Just remember that the widow's mite was the best she could bring, remember our keys to give sparingly is to keep the best for yourself. As your situation changes look to increase your giving and bring it into alignment.

Why pay yourself 10%?

Firstly it is manageable, secondly following our principle of honouring God with your wealth we see the example of Joseph from scripture.

*“And now let Pharaoh look for a discerning and wise man and put him in charge of the land of Egypt. Let Pharaoh appoint commissioners over the land to take a fifth of the harvest of Egypt during the seven years of abundance. **Genesis 41: 33-34 NIV***



Whilst they had the ability to save/earn they saved a fifth 20%, you may be thinking 'great but I have more month than money without losing 20% from it. where do I start?'

Reduce your expenditure

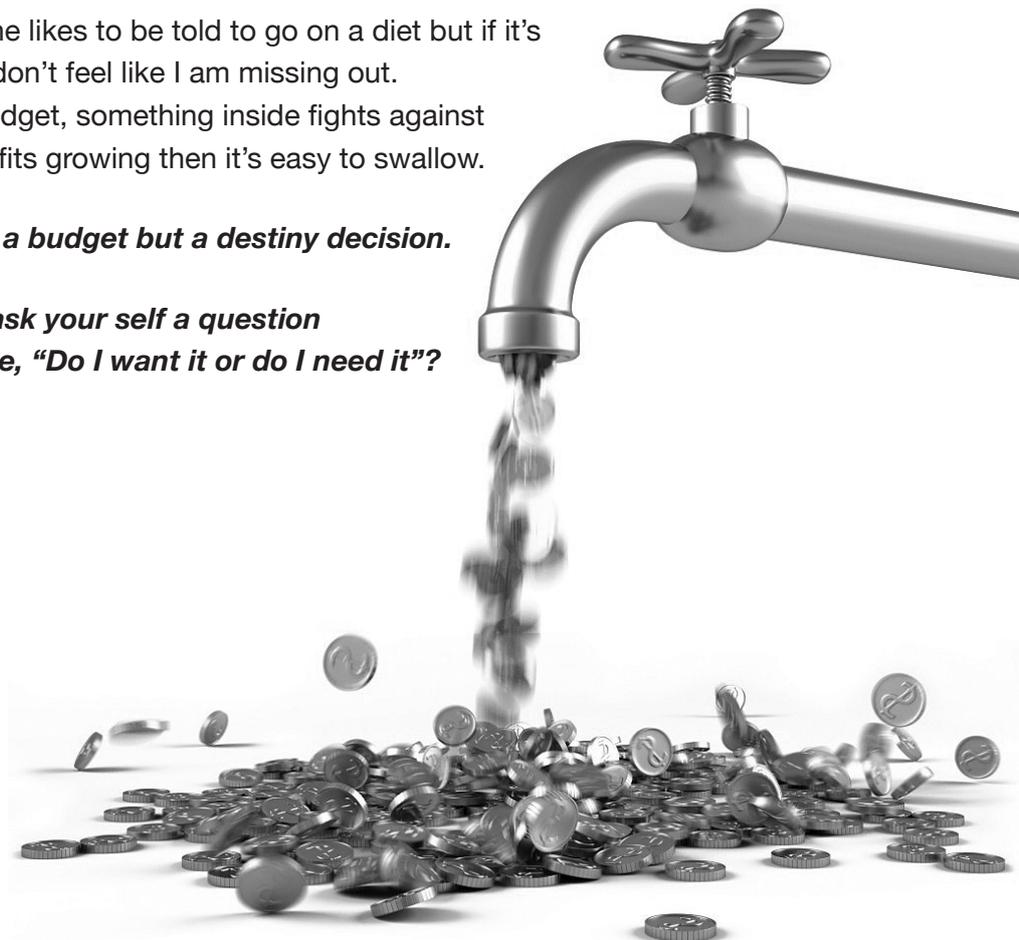
I feel the biggest reason we get into financial trouble is because we don't know where the money goes. On average each person fritters away at least 13% of what they have. If someone was to ask you where your money went you would be scratching your head. One couple I helped some time ago asked if I could help them bring their finances into order. They wanted to have a child but thought they could never afford it if his wife had to reduce her working hours.

When we broke down their general week we found out that they had three take-away nights a week with a DVD. On their calculations they were spending between £55 - £60 per week. Just by cutting this out the money they were going to lose was covered. Another interesting fact is that you are more likely to get divorced than you are to change bank. Years ago loyalty had its benefits but not anymore. Use one of the many comparison websites available and find the best deals on gas, electricity, credit card debt. Many companies offer 18 months interest free on credit card transfers, the 10% you are paying yourself should be used to reduce and clear existing debts. Always pay off the highest interest debts first. Yes but I thought you said save? At present the return you are getting from the bank in interest is nothing like the interest charges you are paying, so you are saving by getting rid of your debt.

Using our diet example no one likes to be told to go on a diet but if it's reframed as healthy eating I don't feel like I am missing out. So if someone tells you to budget, something inside fights against it but if you can see the benefits growing then it's easy to swallow.

Just tell yourself this is not a budget but a destiny decision.

One way of looking at it is ask your self a question before you make a purchase, "Do I want it or do I need it"?





Start with what is in the pot:

Money that comes in: *wages, allowances, investments*

Money that goes out: *Tithe, tax, living expenses, past living expenses (old debt or things you are still paying for)*

If you can't get the two to balance you can never get to the next stage: Savings that can purchase items with increasing value, houses, land, gold and silver. Below are a few tips to help when you are making a destiny decision.

1. Shop with a list and stick to it, don't shop when you are hungry you buy more
2. Pay off your credit card as soon as possible
3. Use your gym membership
4. Cancel unused services on your TV and phone
5. Transfer to an interest free credit card, cut up old cards
6. Make a packed lunch
7. Find the best deal on utilities, gas, electric, insurances, don't take it for granted you are on the best deal
8. When you get a rise put it straight into savings, you wont miss it, if you start to spend it you wont save it

If we stop buying on impulse it will make a huge difference at the end of each month. I never said live like a hermit by the way, still have treats just cut down the amount you have. This may seem a little strange but don't confuse generosity with stupidity, when we bail out others around us whether that is our kids or family. You can't be held responsible for them continually making bad choices, at times people have to learn consequence. If your kids feel they can run up store and credit card debt recklessly, and expect mum and dad to keep bailing them out you are being played. Puppy dog eyes and a few tears don't cut it.

Don't allow other people's bad choices to make you feel guilty,
I don't mean hang everybody out to dry, of course help
where you can, but when people have an entitlement mentality,
that it doesn't matter, they will take you down with them.





Put your savings to work for you

Yes this may be easier said than done in the present climate, but even so, with a little research you can find a good return. If you are not sure where to put your money ask an independent expert, if someone promises you a quick return get out.

A couple of rules before investing:

1. Do your due diligence
2. Invest in things that at least guarantee you your initial stake back, the return may not be great but you won't get your fingers burnt
3. Don't send a mechanic to buy diamonds, deal with people in their right field of expertise
4. Don't deal with companies that only have an internet address
5. Invest in things that increase in value
6. Remember that if you put your money into stocks and shares that your portfolio will reflect you it must be balanced, investments come in three areas of risk, low - moderate and high. The promise of a high return may be enticing but the risk of losing everything is high.
7. Guard your treasure from lust

This is very similar to the last point but comes as a safety check. Belt and braces. In the TV sitcom *Only Fools and Horses*, one of the characters, Del Boy, is famous for making one statement: ***"This time next year we'll be millionaires"***

The truth is when someone is selling you a service it's for their benefit not yours, plus when something comes into the arena of 'Joe Public' the smart money has already gotten out. Just incase you didn't know, the man in the pub is not the best man to give your life savings to! All that glitters is not gold, so don't be taken in by fancy colour brochures or an all singing and dancing website. Too many people have invested in property and holiday complexes only to find that nothing actually exists.

Another thing to be careful of is that once you have been scammed your details are often sold or passed on to other scammers who will try the same thing. Before you invest make sure you talk to your families, get some counsel and do your due diligence. If you ask for references follow them up, some people may be trading on references from years ago. Remember one thing it is easier to save a pound than it is to earn one.



Own your own home

Buying your own home is normally the one biggest investment people ever make. I grew up in a generation where only 20% of the population owned the house they lived in, that all changed when Margaret Thatcher made it possible for people to buy their council houses. This fueled a generation of property hungry people who for the first time were able to get on the property ladder. It gave people an alternative to just renting and in many cases the mortgage payment was less than the rental.

Things changed with the collapse of the subprime mortgage market when the bank fat cats thought they could continue to borrow cheap money without doing their own due diligence.

My parents could never see the sense in me wanting to buy a house when I got married, they felt that you were being trapped in someway. Owning your own home is not a status symbol but a statement of intent in our communities, we are putting down roots, we are here for the long game. One of the long term benefits of owning your own home is when we come to die we have a ready inheritance to pass to our children. In the climate that we find ourselves in it is getting harder and harder for our children to get on the property ladder, never has there been a greater need for financial intelligence. The giants you don't fight today, your children have to fight tomorrow.

Make provision for your old age

Tomorrow belongs to those who plan for it today. We are not so naive to think that when we get to retirement age there will still be money in the pot to provide for our needs. We need to start to take action and responsibility to future proof our old age. If my pension is not going to keep me in the lifestyle I have become accustomed to then I need to find alternatives. One thing to do is to pool your resources with family or like minded people and develop additional revenue streams. Who would ever have thought that an idea of friends sharing information with each other could be worth billions? They called it Facebook...

One idea can change a generation. We serve a creative God, why can't He give you an idea for a business that can save your entire community?

On our basic maths course here is another equation:

4 Poor people + 1 Rich person = 5 Poor people

If you can't help people change their state then they will always be in need and you will be broke trying to bail them out.

Increase your ability to earn

On point one, pay yourself 10%, we stated that everything starts from where you draw a



wage. It doesn't matter if you are a warehouse worker or you work on the checkout in Tesco, you can develop the ability to earn more. Why not ask in your company about opportunities for advancement? Warehouse manager, stock controllers, checkout supervisor through to full management areas. When you can see the pathway for advancement and the benefits it brings then ask yourself the question what am I willing to do about it? You may need to take an evening course that will give you the exams you may not have got from school. Look to develop your skill levels in communication, people management and areas where your job has changed. Ask if the company will send you on training courses that would be advantageous not only to you but the company. Have an attitude that keeps learning new things, make yourself indispensable.

Learn the power of negotiation, it is a major skill to have at your disposal. Be a good worker and an example of positivity, don't be one of the company gossips or corridor politicians. Keep expanding in all areas of your life and personal development. There is no such thing as a job for life anymore, with the continual advancement in technology the recruitment experts tell us you will have to change and retrain 3-4 times over your working life.

You may have noticed a theme running through the whole of this book, you are responsible for your life. No one is coming to fix it all for you, sorry to rain on your parade but neither is God.

One thing we may not like to hear is that to see things turned around in the short term you may have to take a second job, or your spouse may have to go back to work. You may have to leave the company you are presently with and find another job. You are not on your own but the truth of life is this - no one likes change. We are more likely to stay where we are and continue to struggle than to grasp the nettle. Yes you may have short term discomfort and elements of double guessing yourself, but when you look back firstly you will think what was all the fuss about, secondly when you are living without financial pressure you will see it was all worth it.

Many of us fell into jobs because it was a door that opened for us when we left school, working where our parents or family worked. I have always believed it is better to have a career than a job but necessity may have driven your decision making process at that time and you took whatever was going. You then found it difficult to change due to the responsibilities we have - mortgage, family, car and other debts.