

## GOD WANTS US TO BE GOOD STEWARDS OF OUR MONEY

South Africa has one of the highest ratios of household debt in the world.

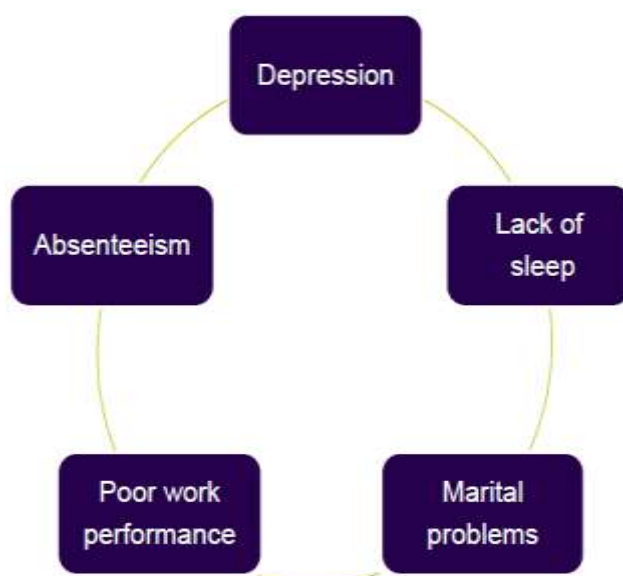
Credit standing of consumers:  
September 2016



Why is that the case? Are we simply living above our means?

Of the 24.25 million credit-active consumers only 11.543 million (47.6%) are up to date with their payments. There are 12.707 million consumers whose accounts are in arrears (52.4%). The pie-chart is taken from the NCR's Credit Bureau Monitor Report. These stats exclude debt owed to municipalities, schools, cell phone service providers and other service providers.

As the day to day cost of living increases, we have to become more financially astute. Every Rand spent has to be monitored properly. Before obtaining credit we should be praying and asking God for wisdom. Often borrowing on credit is a very short-term solution, which becomes a yoke around the neck of the borrower, placing an onerous burden on future income. Hardly ever are the associated cost implications carefully thought through? The focus is often only on solving an immediate need without properly assessing the impact of this decision on future needs, resulting in very serious negative consequences.



Failure to act positively results in a cycle of symptoms which get progressively worse, as seen in this illustration. Creating a monthly living expenses budget takes discipline, but is very empowering as it ensures that we gain control over our financial situation. Where a credit provider's agents are already calling, then this is a sign that one's debt has reached critical point and we need to hear this warning bell ringing and act decisively to get out of this situation. Develop a plan of action to address all of debt. Live frugally, cut out

all unnecessary spending. Improving quality of life, reducing debt stress down to zero.

The National Credit Act offers relief for over-indebted consumers through formal debt restructuring, conducted by a debt counsellor, who is accredited by the NCR. Of the 12.707 million people in financial stress, just over 800 000 people have applied for debt review.

All credit bureaus provide a free credit bureau report, once a year. Some debt counsellors offer a free financial assessment. This includes an individualised monthly living expenses budget.

Everyone should have a financial health check-up, at least every second year. Once a comprehensive financial assessment has been done, then the right course of action to improve this situation becomes crystal clear.

Being a slave to debt is crazy, however many people allow themselves to fall into a debt trap. We pray to God to help us, to set us free, yet we do not seek His guidance before getting ourselves into a financial mess. Consider life where everyone is completely debt free? Does it sound impossible? It is not as difficult as it may seem at first. Imagine how different life would be where no one experienced any debt burden. Well it is possible to be totally debt free. All it takes is a decision to work towards achieving this goal. Life is about choices. By making good financial choices, the seemingly impossible will be possible.



A real need exists in our local communities' for better stewardship of our financial resources. Financial education has become a focus area of Alpha International, who have produced a course that addresses this need. THE MONEY COURSE is now available for free to anyone who wishes to

benefit from this programme. Should you wish to know more, go to the following link <http://www.themoneycourse.org/>. You could download all the material and run this course yourself for the benefit of your local community. Should you need assistance contact Gerald Rodrigues on 083 659 3392 or email him at [ggrassist@gmail.com](mailto:ggrassist@gmail.com).