

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:
March 2018

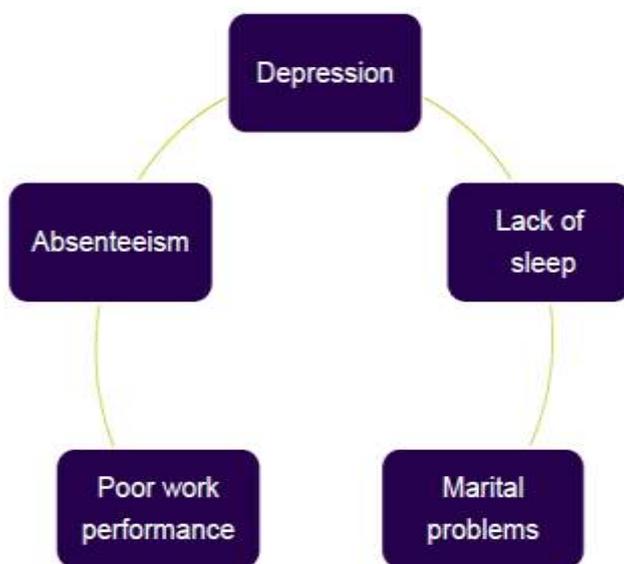


Why is that the case? Are we simply living above our means?

Of the 25.46 million credit-active consumers only 15.77 million (60.93%) are up to date with their payments. There are 9.69 million consumers whose accounts are in arrears (38.06%). The pie-chart is taken from the NCR's Credit Bureau Monitor Report. These stats exclude debt owed to municipalities (which is reported to be in excess of R120 billion), schools fees, cell phone service providers and other service

providers (Doctors, Chemist, etc).

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 nearly 10 million people in financial stress, less than 1 million 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, it becomes crystal clear what the right course of action should be taken to improve one's financial situation.

Being a slave to debt is not **"living life to the full"**. However many people allow themselves to fall into a debt trap. We may pray to God to help us, to set us free, yet do we seek His guidance before entering into a credit agreement, as this may result in creating a financial mess for ourselves. Consider life where everyone is completely debt free? No debt worries or anxieties. Does it sound impossible? It is not as difficult as it may seem at first. But it certainly is possible. All it takes is a decision to strive towards this goal and work each day at achieving it. Life is about choices. Make good financial choices, then the seemingly impossible will become 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 and can be downloaded for free by

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.

The Evangelization Group at Rosebank Catholic Church will be running The Money Course over four weeks (2 x 1 hour sessions per evening) on Monday evenings from 7pm to 9pm in the Community Centre on the 17th September, 24th September, 1st October and 8th October 2018. Should you wish to attend please register by emailing us at Evangelization@rosebankcatholicchurch.co.za