
MY
Moneygement®
THE ART OF MANAGING YOURSELF AND YOUR MONEY
WORKBOOK



Written and compiled by:
Pastor Danie Vorster, CA(SA)

Helping YOU shape your THINKING about MONEY

- ❖ So that YOU can MASTER YOUR MONEY
 - ❖ Become and stay FINANCIALLY FREE
 - ❖ And ENJOY TRUE QUALITY OF LIFE!
-

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PO Box 1033
FLORIDA
1710

Tel: 011-672-1692

Cell: 083 264 5615

Website: <http://www.finances.co.za>

PURPOSE of CFM

To *equip* Christians with a *workable mind-set* and *practical tools* to experience **financial freedom** by applying Scriptural truths and practical wisdom, identifying and highlighting the financial **obstacles** to **quality of life**, and giving them the necessary tools to eliminate these obstacles, so that they can become liberated and live **victorious lives in Jesus Christ**, *despite daily financial pressures and the stress of life*.

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INTRODUCTION

It is not the accumulation of wealth expressed in terms of money, possessions, qualifications, knowledge, influence or power that will determine whether you are rich or poor, fulfilled or unfulfilled, happy or unhappy, but rather *what you aim to do with it* once you have obtained or attained your goal, that is the acid test which determines in which category you fall. Your underlying *motive* for achieving wealth, whether it be for selfish gain or self-interest, or to share with others in line with the broader purpose of your life, will ultimately determine whether you have been impoverished or enriched during your lifetime.

As far as *money* (the topic of this workshop) is concerned, one needs to establish the following aspects that govern our thinking about money:

- What is the PURPOSE of money?
- What is my RELATIONSHIP with money?
- What role does my MIND play in controlling my money?
- What CAN money do for me?
- What CAN'T money do for me?
- What are the RULES that GOVERN money?
- What are the OBSTACLES to the accumulation of money wealth?
- Can I CONTROL my own financial destiny?
- HOW can I do it?

Man's constant 25-hour-a-day *pre-occupation with the search or quest for wealth and/or worth*, being driven by the desire to increase his worth in his own eyes and in the eyes of the world at large, has only been matched by his lack of knowledge as to how this can be achieved. Inherently, despite his drive to conquer the world and increase his worth, he struggles with his inability to manage himself and his money, mainly due to the fact that he does not have the correct definitions for things like wealth and worth as a result of a flawed system of values, and does not have the tools to manage himself to real wealth.

Once you have realized that your mind is the super-highway, where thoughts are the vehicles that take you to where your heart is, and that you can manage your thoughts every moment of every day by exercising your own power of choice, you can start to take charge of your life, and things like money. You will then discover that you can really ***mind your money!***

The purpose of this workshop is to make you aware that you can ***mind your money*** by using ***moneygement®***-techniques, where moneygement® is the art of managing yourself and your money, and entrust you with tools to assist you to reach your goals.

Today will mark a ***turning-point*** in your handling of your financial affairs.

George Bernard Shaw once stated: "The surest way to ruin a man who doesn't know how to handle money, is to give him some." This workshop will endeavor to show you ***how*** to handle your money.

Now, let us discover the truth about money, and your relationship with it - it will set you free. During the course of the next few hours, I will share with you insights about money and give you tools to help you master it.

As a Christian, when you came to this workshop, you probably had the following approach to money management:

- Certain perceptions about money, and what money can do for you;
- The Bible as the Word of God, forming the basis of your Christian life, but you never applied it to your financial situation, because you did not know ***how to***, other than tithing and feeling guilty about not being able to do so;
- A trial and error financial philosophy, accumulated over the years as you gained experience through mistakes and expensive lessons;
- Some kind of a budget;
- Various credit cards and credit agreements;
- A yearning for more income to make ends meet.

Let me help you by introducing you to *a new thought system*, which I call the *Moneygement Thought System (MTS)*, where your *financial health* (as opposed to financial *wealth*, which is one-dimensional) mirrors your sound financial relationship with money, brought about by the way you think, and control, your money.

YOU will, however, determine the success of this workshop, and its value to you depends on your attitude, whether you were paying attention and whether you apply the principles learnt from it.

Thank you for your time and attention. May God bless you as we work through this workbook, together.

Danie Vorster
February 2004

CRITICAL MONEY RULES:

- ❖ GOD IS THE SOLE OWNER OF EVERYTHING (PSALM 24:1)
- ❖ WE ARE THE STEWARDS/HOUSE-MANAGERS (GREEK: OIKONOMOS) OF GOD'S EARTHLY RICHES (ECONOMY), WHICH HE ENTRUSTED TO US, WITH THE PURPOSE OF FURTHERING HIS OBJECTIVES, HIS AGENDA, TO GLORIFY HIM (LUKE 16:1-10)
- ❖ GOD IS THE CONTROLLER OF EVERYTHING, EVERY EVENT AND EVERY CIRCUMSTANCE (PSALM 135:6)
- ❖ MONEY IS MERELY A **RESOURCE** – GOD IS THE SOLE SOURCE AND PROVIDER OF ALL “YOUR” RESOURCES ...
- ❖ THEREFORE: NEVER, EVER, LEAVE **GOD** OUT OF THE EQUATION WHEN YOU ARE THINKING ABOUT OR DEALING WITH MONEY– WHETHER YOU ARE MAKING IT, SPENDING IT, SAVING IT, INVESTING IT OR JUST ENJOYING IT ...
- ❖ GOD'S INSPIRED WORD (THE BIBLE) IS THE BLUE PRINT OF GOD'S PLAN FOR MAN, CLEARLY SETTING OUT GOD'S AGENDA (PURPOSE) FOR MAN DURING HIS EARTHLY LIFE, AS WELL AS GOD'S FINANCIAL MANUAL CONTAINING GOD'S FINANCIAL PRINCIPLES FOR APPLYING AND DEALING WITH HIS RESOURCES TO ACHIEVE HIS GOALS ... BY WHICH WE WILL BE HELD ACCOUNTABLE AT THE END OF OUR LIVES...
- ❖ GOD CAN PERFORM **MIRACLES** WITH THE LITTLE BIT YOU BRING TO HIM – IF YOUR ATTITUDE IS RIGHT, YOU HAVE FAITH AND PUT YOUR TRUST IN HIM, AND YOU ACCEPT THAT YOU ARE ACCOUNTABLE FOR WHAT HE HAS ENTRUSTED TO YOU, YOU WILL SEE HOW “YOUR” MONEY GROWS ...
- ❖ MONEY IS IMPORTANT, BUT NEVER MORE IMPORTANT THAN **PEOPLE** ... BECAUSE GOD LOVES PEOPLE ... AND USES MONEY ... NOT VICE VERSA ... LIKE PEOPLE OFTEN DO ...
- ❖ GOD'S ECONOMY COMPRISES UNLIMITED HEAVENLY TREASURY OF MONEY, TIME, ENERGY, TALENTS, SKILLS AND OPPORTUNITIES ...
- ❖ FROM MAN'S PERSPECTIVE: **TIME** IS THE GOLD OF LIFE; MONEY IS BUT SILVER ...
- ❖ **THE SECRET TO SUCCESSFUL MONEY MANAGEMENT OR FAITHFUL STEWARDSHIP LIES IN THE AREA OF SPENDING IT PROPERLY;**
- ❖ **SPENDING** IMPLIES CHARITABLE **GIVING**, MEETING YOUR **NEEDS** (INCLUDING THE NEEDS OF THOSE ENTRUSTED TO YOU), **PAYING OFF YOUR DEBTS** (WITH THE OBJECTIVE OF BECOMING DEBT-FREE AS SOON AS POSSIBLE), AND WISE **SAVING AND INVESTING** FOR YOUR PERSONAL NEEDS IN YOUR POST-RETIREMENT YEARS, **STAYING CLEAR OF GREED AND SELFISH WANT ...**

MONEYGEMENT®

A DIFFERENT APPROACH

Moneygement engages the HEART and MIND which determine your OUTLOOK and CONTROL the way you SPEND your RESOURCES. It has to do with CONTROLLING your SENSES and DESIRES, while MANAGING the scarce resource of MONEY in such a way that you respect THE RULES governing money.

The secret is not just to *follow* your desires, but to *direct* them, and ultimately your spending, because your spending patterns normally follow your *desire-curve* or appetite for things that can be bought with money.

Moneygement is a new, holistic way of thinking about money (requiring a paradigm-shift), where money and its management are not seen in isolation, but integrated as part of life, so that you can see the BIG PICTURE regarding money and you, where you will be challenged as to who or what really is number *one*, money or you, or to encode it differently: *M-one-Y?*

This workshop and workbook will certainly help you *shape* your thinking about money.

They presuppose that you have a job where you earn sufficient income to live on or above the breadline, where the latter is the minimum amount you need to keep your body, mind and spirit (soul) together, as well as those of your dependants.

Financial control starts in your mind - nowhere else - where umpteen evaluations and decisions are made about life and the things affecting life, every moment of every day...

Money is man-made, something earthly, subject to earthly laws and sciences. It is subject to the *physics of money*, so to speak, a science or set of rules governing it. Some of these laws are well-known, others are lesser known and even obscure to the untrained mind.

Money is nothing spiritual, therefore generally not subject to spiritual laws. At the same time it sometimes has a spiritual impact on our lives, both positive and negative.

You and I, however, are not only subject to the physical laws of nature, but also subject to psychological and spiritual laws governing life. When God performs a financial miracle, we are the beneficiaries of the miracle, and He suspends the natural laws governing money in favour of us. He applies His spiritual laws to money (object), *for our sakes*, because we are what it is all about. Whether He multiplies the bread (suspending the laws of nature for a moment in time), extends the life of clothes of the Israelites in the desert beyond their normal life span, or whether he multiplies money (suspending the laws of money momentarily), it is still a supernatural act where he transcends the normal laws of nature and sciences. It is His prerogative to do that. ***Miracles, are, however, the exception to the rule, and not the rule.***

In order to emulate God's miracles we find that man has created his own version of miracles in the form of quick-rich-schemes, jackpots, lucky draws, casinos, national lotteries and the like. As a result of our impatience with God, also ignoring the physics of money, we find ourselves partaking in these man-made "miracles", often disappointed, even devastated and conned out of our hard-earned money. Whatever the professed underlying cause (and it might often be under the pretense of helping or feeding the poor), the driving force behind all these schemes is ultimately the feeding on man's greed and the false expectation that he might strike it lucky and become rich. A ***casino-mentality*** has taken over our society, where practically everybody is a gambler, waiting and hoping that chance would smile on them.

I call the pillar on which these "miracle-working-schemes" or scams are founded, ***expectation-fraud***, where people's hopes and dreams are hijacked and they become hostages to their own desires and greed.

We should stop treating money as something mystical or foreign, over which we have no or very little control. It is subject to certain basic rules. If we break these rules, knowingly or unknowingly, we shall suffer the consequences. If we recognize and uphold them, we shall witness the "miracle-working power of compound growth", which is not something supernatural, but the result of getting the basics right.

Even though it still is something incredible to see an aero plane of a few thousand tons fly through the air at speeds beyond the speed of sound, it still is man-made, once perceived to be a miracle. Today we know it is the result of an understanding of aerodynamic laws, and applying them properly. If those laws are ignored or broken, the result is normally catastrophic.

Controlling your money, and ultimately your financial destiny, is within your grasp. It is your responsibility. You owe it to yourself and your dependants.

While always allowing for that supernatural miracle where God intervenes and suspends the laws governing money, we should refrain from constantly building our expectations and future cash flows on that miraculous intervention, which will bail us out in the nick of time, and save us from embarrassment, humiliation and financial disaster.

Some people confuse living by faith with recklessness, ignoring their own responsibility to recognize their part in managing their lives and their finances. Life is a miracle, the greatest miracle of all, but we *still have a duty to manage it responsibly, with discipline*. We also have a duty to manage our money responsibly, because it is a *scarce* resource.

DTV

chapter 1

THE CONSTANT QUEST FOR PERSONAL WEALTH

Man's constant 25-hour-a-day *pre-occupation with the search or quest for wealth and/or worth*, being driven by the desire to increase his worth in his own eyes and in the eyes of the world at large, has only been matched by his lack of knowledge as to how this can be achieved. Inherently, despite his drive to conquer the world and increase his worth, *he struggles with his inability to manage himself and his money*, mainly due to the fact that he does not have the correct definitions for things like wealth and worth as a result of a flawed system of values, and does not have the tools to manage himself to real wealth.

We strive and compete energetically and tirelessly to increase our perceived worth by working towards a good education, attaining qualifications, hiring ourselves out, transacting, buying and selling at a profit, positioning ourselves, vying for popularity, often at great expense and almost loss of life!

The popular misperception most people subscribe to, and that underlies their system of beliefs and drives them, is: **“I have, therefore I am!”**

Instead of following “The Great **I am**”, we are often busy with our **Image** (or is it maybe: **I'mage**) which must broadcast 24/7: “**I'm a ...** (very important person)”. This we try to establish in the minds of people by surrounding ourselves with material *things* (like expensive clothes, jewellery, cars and houses), instead of *values*, so that they can sit up and take notice of how important we are, and how far we have come.

SUPPLEMENTARY NOTES:

chapter 2

GETTING THE FORMULA RIGHT (YOUR MOST VALUABLE ASSET)

Before we can appreciate our own true worth, and the treasures of wealth we represent, we must stop valuing ourselves using the distorted value system called *the money standard*.

You can never see money in the right perspective, have the right relationship with it, and thus manage it correctly, before you have identified your eternal life purpose (which is to please God) and discovered your own true value in the light of God's Word and the substitutional Sacrifice of Jesus Christ on the Cross of Calvary. The value of an article is determined by the price paid for it. Jesus paid His Life for yours. Surely we understand the Value of this Transaction?

Money is a limited resource. God is The Ultimate Source. He is The Source of our Life, as well as of all of our resources, like money, time, energy, talents, intellect and opportunities.

Your life is your most valuable asset. *You experience its value as your **SELF-WORTH**, which includes your self-esteem, name and character. Do not exclude it when calculating your **True Personal Worth (TPW)***

❖ **THE CORRECT FORMULA FOR CALCULATING YOUR TPW IS:**

$$\mathbf{TPW = SW + NW}$$

TRUE PERSONAL WEALTH = SELF-WORTH + NET WORTH

SUPPLEMENTARY NOTES:

chapter 3

REPUTATION-CAPITAL, INTEGRITY AND YOUR TESTIMONY

Proverbs 22:1 (NIV)

“*A good name* is more desirable than great riches,
to be esteemed is better than silver or gold.”

Ecclesiastes 7:1 (NIV)

“*A good name* is better than fine perfume.”

Integrity comes from the Latin word “*integer*” which means “*whole*” or “*one piece*”. *To be a person of integrity* means to be a person *out of one piece, congruent* (consistent) in words and deeds, a person whose behaviour corresponds to what he says.

Our eternal purpose as created human beings is to please God. To please God we need to become like Jesus by testifying of God’s mercy and grace in our lives. In order to be an effective witness for Jesus Christ, *we need integrity*.

Our only earthly purchasing power as witnesses lies in our **reputation-capital**. People must know they can trust us because we are honest, credible and people with integrity – like Jesus Christ.

Integrity is often best portrayed in our financial dealings, and the way we conduct our personal financial affairs. I believe that our testimony is very closely associated with our test-i-*money*.

SUPPLEMENTARY NOTES:

chapter 4

YOUR FINANCIAL PHILOSOPHY AND YOUR RELIGIOUS BELIEFS

Our typical week, as child of God, is often characterized by two distinct tales, where the one is governed by our religious beliefs (which we traditionally feed on Sundays in particular through our religious activities), and the other by the secular world which shapes our financial philosophy – the way we think about and manage our financial affairs. We live in a real world where competition is rife and only the strongest survive, but at the same time we try to serve God, obey Him and try to exercise restraint in our financial dealings. These two worlds are often diametrically opposed to each other, and profess different sets of rules.

As a Christian you are unknowingly in search of a simple financial philosophy that works and guarantees you real freedom; one that is practical enough to apply in everyday situations, yet sufficiently complete that it can be reconciled to your underlying system of spiritual values.

Many Christians are living a life of Mr Jekyll and Mr Hyde when it comes to their financial affairs. The confusion and conflict that their incompatible financial policies (practiced philosophy) and religious beliefs create, cause them untold frustration and stress; they find themselves thinking and acting like schizophrenics.

It is time to reconcile your policies (practiced financial philosophy) and your religious beliefs. If you don't, you will continue to be the victim of your own making.

SUPPLEMENTARY NOTES:

chapter 5

FEAR, GREED AND COMPETITION

This three-some have the ability to make otherwise normal people act very strangely. They are the DRIVERS and the MOTIVATORS of many financial transactions. They stay in the same affluent suburb as the Joneses, often financed by large debts. They are often the instigators of an *obsession to win*.

Individually, and working together, they have stolen and destroyed many lives. They are all working for the same master and are sent out daily to haunt and tempt people who have not come to grips with their devastating goals.

Fear is the originating cause underlying most of man's thoughts, emotions and actions. Fear strikes at the very heart of life, and joy, and freedom. Fear has its origin in insecurity and uncertainty about the future.

Money is a willing servant of fear, greed and competition. We should take charge and deal with these oppressors and tempters, daily, in the Name of Jesus.

Jesus Christ is the Master of all of these drivers. But here, again, He needs *your cooperation* to bind them and cast them out in the darkness.

ADVERSARY	OPPONENT
❖ Fear	❖ Faith
❖ Greed	❖ Gratitude
❖ Competition	❖ Contentedness

SUPPLEMENTARY NOTES:

chapter `6

MONEY, RELATIONSHIPS AND YOU

Our lives are governed by relationships. We have relationships with God, people and things, including ourselves and money. One of the golden rules I have learnt in life, is that people are always more important than things. Our priorities should reflect this; not only when we deal with family, but *always*.

Money is a most powerful force, second only to the power of love.

As *facilitator*, it claims and boasts remarkable achievements, such as creating friendships, bringing people together, even finding suitable life-partners. Some of these claims are, however, doubtful as to authenticity and must be tested as to their permanence.

As *destroyer*, it has broken up more relationships and homes than any love-triangle. It is well-documented that it has destroyed more lives and dreams than it claims to have fulfilled.

In our personal lives, *money should never be the glue* that holds our relationships together because it is corruptible and has no sustaining power. *Love and affection should be the glue* that binds us together. Money should also not be allowed to come between ourselves and people. We should always be aware that money can destroy relationships if we are not *vigilant*. Always be on the lookout and aware of the *money-triangle* and manage yourself and your relationships accordingly.

SUPPLEMENTARY NOTES:

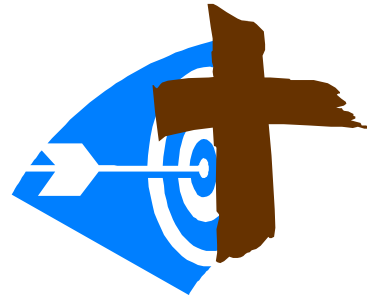
chapter 7

MANAGING YOUR OUTLOOK

TRUTH: "FREEDOM is in the MIND of the BEHOLDER"



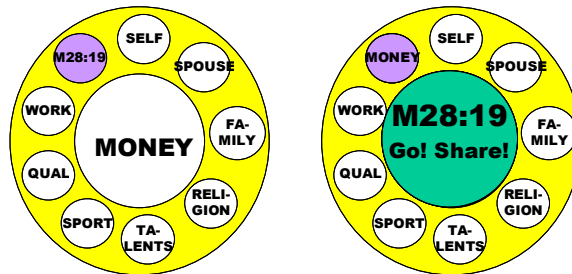
Managing
your
Outlook



THE LENS THROUGH WHICH YOU LOOK, DETERMINES WHAT YOU SEE, WHETHER YOU SEE THE GOAL CLEARLY OR NOT, AND WHETHER YOU WILL HIT THE TARGET OR NOT

THROUGH WHICH
LENS
ARE YOU VIEWING
THE WORLD

AND
THE PURPOSE
OF YOUR LIFE?



chapter 8

REAL FINANCIAL FREEDOM

- ❖ **FREEDOM** is what we are all yearning for – to be free to go your own way and do your own thing, no strings attached.
- ❖ **REAL FREEDOM** is different from superficial freedom, just like you get PEACE and peace, and can only be achieved through the mediation of the miracle-working JESUS CHRIST; but you also have a part to play ...
- ❖ **FINANCIAL FREEDOM** has to do with **YOUR FINANCES and YOU**.

Despite spiritual, legal and political freedom, unless and until someone experiences financial freedom, he *will not perceive himself to be really free*. Financial bondage has taken many people hostage, enslaving them against their wishes, dictating its demands to them, manipulating them by triggering fear in them by way of thoughts of uncertainty and uncontrollable events.

Financial freedom, like bondage, starts in the *heart and mind*, where many battles are fought, and won or lost. *Your outlook is pivotal in this battle*.

Financial freedom has nothing to do with the size of your estate. It has to do with the degree to which you have been set free. He whom the Son has set free, will be free indeed! *First and foremost*, financial freedom has to do with *you*, not money, because it is you who need to be liberated, not your money. Once you have been liberated, you can live and breathe, and set your money free to work for you as a resource (not an asset, nor a master), applying basic money skills in line with the money rules (the physics of money). You are responsible for managing your money, and thus your personal freedom.

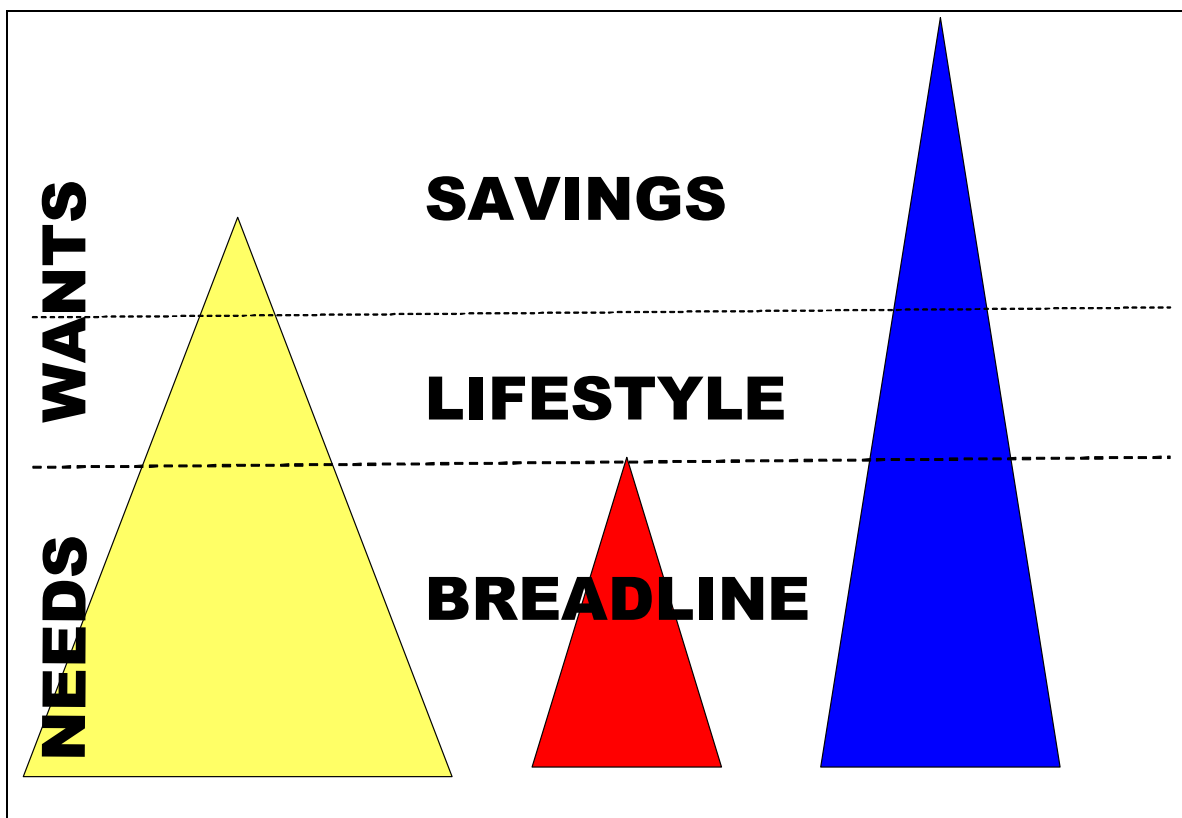
Real financial freedom is: No longer to be dictated to by the demands of money and greed, intimidated by fear, no longer looking at what other people have or don't have, but to know that your Father in Heaven will supply all your needs according to His riches in glory. This freedom comes from *absolute faith* in God and His Word, *practical, day-to-day bread-and-butter faith*, where you know where your next meal is coming from, *because you are fully dependent on Him. He loves you, and He will feed you, like you feed your children*.

No longer are you being held hostage by money and fear, where your mind is played havoc with, and your emotions are manipulated by what you own or what you owe, but you are free to breathe and enjoy and live. You are set free indeed! *This is one of the most wonderful fringe benefits of salvation*.

chapter 9

DISTINGUISHING BETWEEN YOUR NEEDS AND YOUR WANTS

TRUTH: Needs are *essentials* and have to do with LIFE. **Wants** are *optionals* and have to do with STYLE. Once you have reached the BREADLINE, you will be BULLIED regularly by OPPORTUNITIES and DEMANDS from inside and outside to give in and spend or save (invest) your money in a certain way, often influenced by advertising and the mass media. *The secret is not to succumb to these external (and internal) pressures, but to be true to your own simple financial philosophy and outlook.*



chapter 10

SIMPLIFYING YOUR LIFE

*If variety is the spice of life, **simplicity** is the key to quality of life. The purpose of simplifying your life is to enjoy LIFE, not only the THINGS that life gives you access to. Then life becomes an event in itself, not just made up of a series of events.*

We should cultivate an *inquiring mind* that asks questions about why we do things, and why we do them the way we do, so that we can confront, challenge and change those things that handicap us and make us less efficient and effective. This would often bring us back to reality and challenge the way we think and live with a view to improving the quality of our lives.

A few years ago I wrote the following poem and stuck it to my office wall, as a visible reminder of what it is all about:

THE SECRET TO REAL FINANCIAL FREEDOM

*The secret is not earning more, but spending less
The secret to spending less, is wanting less
The secret to wanting less, is want-control
The secret to want-control, is contentedness
The secret to contentedness, is possessing less
The secret to possessing less, is SIMPLICITY.*

HOW CAN YOU SIMPLIFY YOUR LIFE?

HOW?	WHEN?
❖	❖
❖	❖
❖	❖
❖	❖
❖	❖

chapter 11

THE MONEY THIEVES – CHALLENGING AND DEALING WITH THEM

Over the years I have identified some common thieves of people's hard-earned money. Some of them are notorious and well-known; others are hidden and seem so innocent that people fall for them every day.

These common thieves are:

- Doubtful investment or get-rich-quick-schemes (such as pyramid-schemes) offering ridiculous returns (Remember: If it sounds too good to be true, it probably is ...)
- Debt (all forms of interest-bearing credit)
- Lotteries (in all its forms). All these “opportunities” generally start with: “You can win a Million Rand by ...”
- Unethical (unscrupulous) insurance brokers earning commission on their products (short-term, long-term, as well as medical insurance)

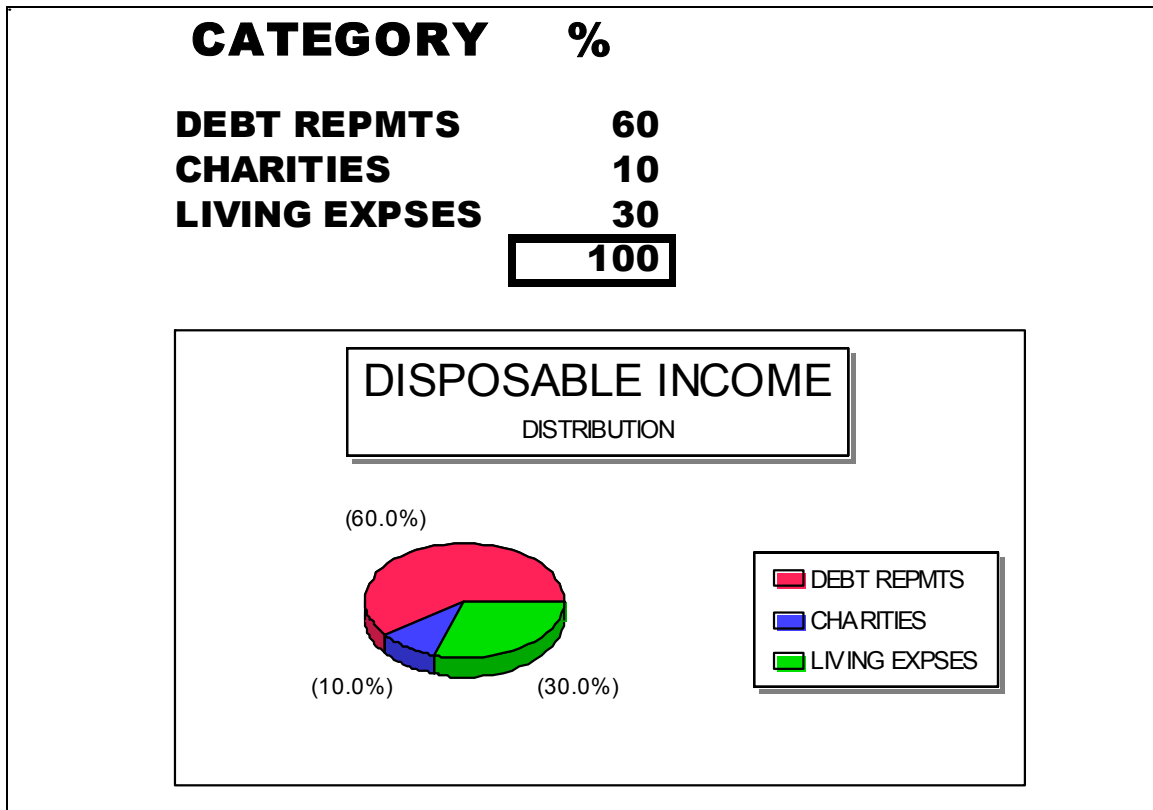
These thieves prey on innocent victims and manipulate them, using the following inherent characteristic flaws in people to bully them into signing agreements and/or hand over their money, stealing away not only the fruits of their labour, but also their dreams and expectations. In other words, ***they steal away people's money, hopes, health, energy, time, futures – often including their retirement.*** These characteristic flaws are:

- Uncontrolled desires
- Covetousness
- Fear
- Greed
- Excessive Competition/Ambition
- Ignorance
- A Gambling (Casino) mentality (excessive risk-taking)
- Opportunism (“You cannot afford to miss this golden, once-in-a-lifetime opportunity!”)

chapter 12

DEBT: THE TRUTH

**IT IS THE NO. 1 OBSTACLE IN ACCUMULATING WEALTH,
AND THE THIEF OF YOUR JOY AND QUALITY OF LIFE**



THINGS ABOUT CREDIT YOUR FATHER NEVER TOLD YOU

Are you trying to earn more money so that you can pay off your debts caused by past pleasures or over-indulgence? Maybe this is the right time to give you some facts about credit and debt which nobody, including your father and your bank manager, has ever told you:

- *Debt is the number one obstacle to the accumulation of wealth, because money is wasted on interest*
- *Interest is the cost of impatience, the thief of your hard-earned money*

- ***Debt means borrowing from your future*** resources, encumbering your time, energy and money, allowing it to steal away your future
- Credit/debt is a ***legalized method of living beyond your means***, cosmetically balancing your budget in the short term, but postponing and exacerbating the agony of spending more than you earn
- ***Debt causes bondage***, steals away your freedom, makes you dependent on the creditor, causes you to be manipulated
- ***Excessive credit is harmful and can be addictive; it might cost you much more than just money*** - even quality of life (merely existing), your health (stress-related diseases) and life (contemplating suicide)
- Credit may seem to be painless, but it is the ***rapid road to ruin***
- If you borrow money to buy a house, and pay it off over 25 years, you will pay more than ***three times*** for the house over the term of the bond, at an average of 12% interest per annum (currently (2004) prime = 11,5%; 1998 = 25,5%), and ***four times*** if the average rate is 16,0%
- The whole world's economy is based on the credit system, and we have been ***conditioned*** to accept it, conforming to it, without asking questions about it or looking at its alternative - paying cash for goods and services
- When dealing with credit, ***affordability*** is always the key to its management, whether you buy a home, a car, food or clothes
- Excessive debt will ***preclude you from retiring at retirement age***, because the interest you pay on it will eat up your money which would otherwise be available for retirement in the form of savings; if you become debt-free before the age of 45, you can retire five years earlier because of the interest that you have saved!
- ***Credit is a crutch***; if you are always dependent on it, it means you are disabled financially, a financial invalid
- Excessive debt makes you ***vulnerable*** to changed circumstances, externally and internally
- ***Debt and fear*** go hand in hand; fear of losing their jobs or possessions incessantly stalks people who have too much debt, paralyzing and haunting them continually
- Excessive debt can trigger ***bankruptcy***, causing you to ***lose everything***, including your good standing in the community, and your self-esteem
- ***Excessive debt is often caused by uncontrolled desires - a lack of self-discipline.***

When you realize that you are *giving away your power, losing control* of your own financial destiny every time you enter into a credit-transaction, you will stop borrowing from your future.

The key to taking control of your own financial destiny, is to realize that you are compromising your own future and freedom by financing your lifestyle with borrowed money, and deciding to *do* something about it.

The most effective form of personal debt management, is to resolve not to incur any new debts for the foreseeable future (that is: debt *avoidance*), and to *set yourself a realistic time to pay off your existing debts*. Next time you take up new credit, think of the *consequences* before you leap into that contract or sign that credit card slip.

Excuses can be found for everything under the sun - even maintaining your current debt-levels and arguing why you can never become debt-free. We need a paradigm-shift regarding debt, realizing that we can and must live without it. If we cannot afford to buy something for cash, we just go without it. Delaying gratification, but reaping the benefits of financial freedom is the ultimate financial satisfaction. Try it, it works.

EXAMPLE ILLUSTRATING THE COST OF BORROWED MONEY IN TERMS OF INTEREST PAID

ASSUMPTIONS: 20 YEAR HOME LOAN

Annual Interest Rate	15.00%
Principal Amount	R 100,000
Term in months	300
Monthly Payment (payable in arrears)	R 1,280.83

End of Month	Beginning		Remaining		PAYMENTS
	Principal Balance	Interest Paid	Principal Paid	Principal Balance	
	R	R	R	R	R
1	100000.00	1250.00	30.83	99969.17	1280.83

2	99969.17	1249.61	31.22	99937.95	1280.83
3	99937.95	1249.22	31.61	99906.35	1280.83
4	99906.35	1248.83	32.00	99874.35	1280.83
5	99874.35	1248.43	32.40	99841.94	1280.83
6	99841.94	1248.02	32.81	99809.14	1280.83
7	99809.14	1247.61	33.22	99775.92	1280.83
8	99775.92	1247.20	33.63	99742.29	1280.83
9	99742.29	1246.78	34.05	99708.24	1280.83
10	99708.24	1246.35	34.48	99673.76	1280.83
11	99673.76	1245.92	34.91	99638.85	1280.83
12	99638.85	1245.49	35.34	99603.51	1280.83
13	99603.51	1245.04	35.79	99567.72	1280.83
14	99567.72	1244.60	36.23	99531.49	1280.83
15	99531.49	1244.14	36.69	99494.80	1280.83
16	99494.80	1243.68	37.15	99457.65	1280.83
17	99457.65	1243.22	37.61	99420.04	1280.83
18	99420.04	1242.75	38.08	99381.96	1280.83
19	99381.96	1242.27	38.56	99343.41	1280.83
20	99343.41	1241.79	39.04	99304.37	1280.83
21	99304.37	1241.30	39.53	99264.84	1280.83
22	99264.84	1240.81	40.02	99224.82	1280.83
23	99224.82	1240.31	40.52	99184.30	1280.83
24	99184.30	1239.80	41.03	99143.28	1280.83
25	99143.28	1239.29	41.54	99101.74	1280.83
26	99101.74	1238.77	42.06	99059.68	1280.83
27	99059.68	1238.25	42.58	99017.09	1280.83
28	99017.09	1237.71	43.12	98973.98	1280.83
29	98973.98	1237.17	43.66	98930.32	1280.83
30	98930.32	1236.63	44.20	98886.12	1280.83
31	98886.12	1236.08	44.75	98841.36	1280.83
32	98841.36	1235.52	45.31	98796.05	1280.83
33	98796.05	1234.95	45.88	98750.17	1280.83
34	98750.17	1234.38	46.45	98703.72	1280.83

End of Month	Beginning		Remaining		PAYMENTS
	Principal Balance	Interest Paid	Principal Paid	Principal Balance	
35	98703.72	1233.80	47.03	98656.68	1280.83
36	98656.68	1233.21	47.62	98609.06	1280.83
37	98609.06	1232.61	48.22	98560.84	1280.83
38	98560.84	1232.01	48.82	98512.02	1280.83
39	98512.02	1231.40	49.43	98462.59	1280.83
40	98462.59	1230.78	50.05	98412.55	1280.83
41	98412.55	1230.16	50.67	98361.87	1280.83
42	98361.87	1229.52	51.31	98310.56	1280.83
43	98310.56	1228.88	51.95	98258.62	1280.83
44	98258.62	1228.23	52.60	98206.02	1280.83
45	98206.02	1227.58	53.26	98152.76	1280.83
46	98152.76	1226.91	53.92	98098.84	1280.83
47	98098.84	1226.24	54.60	98044.25	1280.83
48	98044.25	1225.55	55.28	97988.97	1280.83
49	97988.97	1224.86	55.97	97933.00	1280.83
50	97933.00	1224.16	56.67	97876.33	1280.83
51	97876.33	1223.45	57.38	97818.96	1280.83
52	97818.96	1222.74	58.09	97760.86	1280.83
53	97760.86	1222.01	58.82	97702.04	1280.83
54	97702.04	1221.28	59.56	97642.49	1280.83
55	97642.49	1220.53	60.30	97582.19	1280.83
56	97582.19	1219.78	61.05	97521.13	1280.83
57	97521.13	1219.01	61.82	97459.32	1280.83
58	97459.32	1218.24	62.59	97396.73	1280.83
59	97396.73	1217.46	63.37	97333.36	1280.83
60	97333.36	1216.67	64.16	97269.19	1280.83
AFTER 5 YEARS		R74119.03	R2730.81	R97269.19	R76849.84
FULL TERM (25 YEARS)		R284249.18	R100000.00	0.00	R384249.18

chapter 13

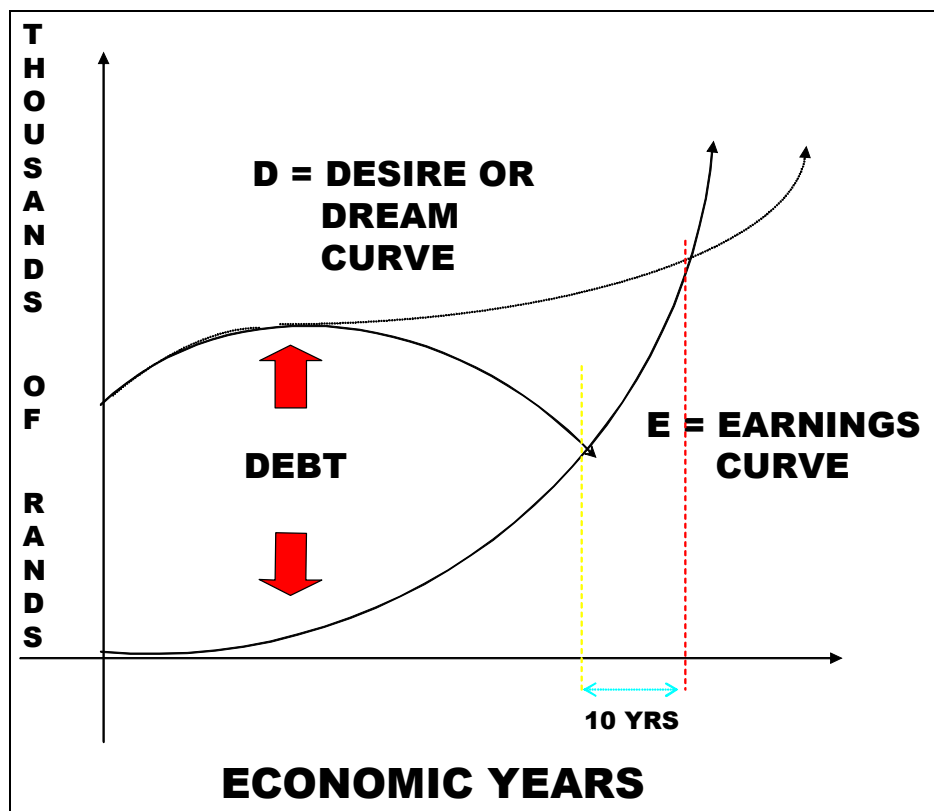
LIVING WITH DEBT: MANAGING YOUR DEBT

We all live with debt for some part of our lives. The secret is to get off this crutch as soon as we realize what it is doing to us, and as soon as we can.

Before we realize it (nowadays as early as age 25), we have clocked up a few hundred thousand Rands' worth of debt because of ignorance, bad advice, uncontrolled desires and peer pressure. We should make it our aim to become debt-free the moment we realize that we are giving away our tomorrows by living in debt.

In the mean time, we must learn to live with this impediment or condition of owing. To successfully manage our debts, we need A COMMITMENT, HONESTY, SELF-DISCIPLINE, SELF-CONTROL AND A GOOD BUDGET.

THE **TURNING POINT** COMES, HOWEVER, WHEN YOU NO LONGER ACCEPT DEBT AS SOMETHING YOU NEED TO LIVE WITH (AS A NORM), BUT **WHEN YOU DECIDE TO DO SOMETHING ABOUT IT** – TO ELIMINATE IT ...



chapter 14

HOW TO GET OUT OF DEBT

You don't need to be a rocket scientist to get out of debt. You need a **STRATEGY** and **COMMITMENT**.

You need to **HONESTLY** establish for yourself whether you are going to **LIVE WITH DEBT** (to finance your lifestyle) or whether you are going **TO ELIMINATE IT**. It's as simple as that.

Your strategy consists of **A CLEARLY DEFINED GOAL, A COMMITMENT, A FINANCIAL PLAN (CALLED A BUDGET, where the debt-reduction is budgeted for), A TIME-LINE, AND MONITORING MECHANISMS** to assess your progress. You need to be **ACCOUNTABLE** to yourself for making progress and reaching your goal.

The **START** to becoming debt-free lies in the following **SIMPLE FORMULA**:

- ❖ **STOP** making any new debts
- ❖ Give yourself a realistic time-frame to **SETTLE YOUR OLD DEBTS**

SOME TIPS FOR GETTING OUT OF DEBT:

- ❖
- ❖
- ❖
- ❖
- ❖

Chapter 15

DEBT-FREE LIVING

(Oh! What a feeling!)

THE CHALLENGE:

Change your philosophy and lifestyle: Become and live debt-free!

Feelings

Feelings form an integral part of our being, and in most cases are the driving force that trigger us to go and buy those things (on credit) that we really can't afford, but **must have to make** us feel good. Feeling is the chief instigator and major culprit for **compulsive** and **impulsive** buying.

Advertisers and retailers have realized the importance of this important link between **feeling** and **having**, and have zoomed in on this ostensibly obscure, but very real factor in the chain of the buying process. Our **emotions and senses** are targeted to convince us that we really need to buy that dress or car or any other consumer item you can think of.

Next time you want something or "you must have it now", use the **FEELINGS TEST**. Why do I want it - because it is going to make me feel better? Challenge this urge, and remind yourself how much better you will feel for saying "No!" to that temptation.

YOU REALLY CAN'T BEAT THE FEELING OF LIVING DEBT-FREE! IT JUST FEELS RIGHT ... BECAUSE IT IS RIGHT!

Benefits and spin-offs of living debt-free

To live debt-free basically means: **NO STRINGS ATTACHED! You are on your way to becoming FINANCIALLY FREE!**

It means you have opted, like I have, to live the rest of your life debt free - **learning to enjoy and be contented with what you have**, rather than always reaching, striving, pushing yourself to be a high achiever. **YOU HAVE TAKEN ALL THE PRESSURE OFF YOURSELF!**

Besides the fact that you are financially better off having settled your debts and living within your means, ***you will suddenly realize the wonderful feeling of freedom*** as you go about your daily task, not working to make somebody else richer, but accumulating wealth for yourself, your spouse and your children.

Suddenly the world will look brighter and you will feel that you can achieve things.

You are not that vulnerable to the varying fortunes of the price of gold, the Rand, interest rates, inflation and the fear that you might lose your job tomorrow. You have come of age! You can make financial decisions independent from the system out there. ***If you cannot afford it, you just don't have it ...***

You can sense the freedom of not having to report to the whole financial fraternity out there that you have received a 5% increase in your salary instead of the 15% everybody was expecting because that is "what we need to come out with our money and pay the outstanding bills this month", because you are ***living within your means.***

When you go to work, you are not spending 60% of your time (that is, 3 days out of a 5-day week) to work in someone else's garden (paying off what you owe them), but the whole week belongs to you ... Your resources - time, energy and money - are ***unencumbered***, they are not pledged to some faceless institution out there, but you can enjoy the day that the Lord has made, and be glad in it!

You are now experiencing what quality of life and true financial independence is all about. The children are grown up and out of the home, you are 50, still strong, and able to enjoy the fruits of your labour - instead of having somebody else enjoying the fruits of your labour ...

Welcome. You have now joined the ranks of those 6% of all individuals who will be self-sufficient, not a burden to their families and the State, when you finally retire at the age of 65, because you are now working for yourself and your family - not the bank.

And even your stress levels have dropped and people say you look healthier than ever ...

chapter 16

THE MONEY RULES

Money is man-made, something earthly, subject to earthly laws and sciences. It is subject to the *physics of money*, so to speak, a science or set of rules governing it. Some of these laws are well-known, others are lesser known and even obscure to the untrained mind.

Money is not a spiritual entity, therefore generally not subject to spiritual laws. At the same time it sometimes has a spiritual impact on our lives, both positive and negative.

Just like the law of gravity existed long before Sir Isaac Newton “discovered” it, there are laws that govern money which are only “discovered” by us through mistakes, hardship and negative experiences as we go through life. If we read the Word of God, and pay careful attention to the words and advice of our parents and peers, we will save ourselves a lot of heart-aches and pain, as well as expensive lessons. If we don’t, we will meet face to face with the realities that govern money.

This discussion point is merely there to make you aware of the existence of the numerous money rules, to stimulate your thinking about them, and let you formulate some of your own from lessons learnt in the past. You will be surprised how some of these laws have consequences similar to the law of gravity when falling out of a tree – bringing you back to earth with a thump when they are contravened!

SUPPLEMENTARY NOTES:

chapter 17

PLANNING IS A PROCESS

MY DEFINITION OF PLANNING:

Planning is the process by which a planner designs or formulates a strategy (and then manages that strategy) to achieve a specific goal which he has in mind, taking into account the (limited) resources at his disposal, as well as discounting **which part** of the process is *beyond his control (uncontrollable)*, and **which part** is *controllable*. He focuses on the controllable aspect of the plan, while allowing for the uncontrollable to run its course, having discounted and provided for these unforeseen contingencies, good or bad. The plan's success or failure is not dependent on the uncontrollable factors, but its achievement can be enhanced or retarded by the presence of these contingencies.

A (written) plan is an (visual) instrument or tool that helps you to intelligently and effectively manage yourself towards your self-chosen goal

A plan normally incorporates various smaller plans addressing resource-management. Although much emphasis is traditionally placed on finances, resources can be:

- 1. Money**
- 2. Time (timelines)**
- 3. Energy/power**
- 4. Intelligence (brainpower)**
- 5. Skills**
- 6. Talents**
- 7. Opportunities**

Planning has a number of important underlying components and presumptions:

- It is a **process** – an ongoing process – which is only terminated when the goal is achieved, or when the process is abandoned, for whatever reason
- **It is conceived in the mind (the mind's eye), using all the faculties of the mind to design or formulate**
- It draws on the **experience, skills, imagination and vision** of the planner(s)
- It is a **map** – a mind map – which guides/plots you to your required goal (which could be tangible or intangible; physical or meta-physical)
- It helps you to **visualize** your end-goal
- It **facilitates the measurement** of performance and progress
- It purports to take you to your goal using **the most effective route**, not necessarily the most obvious or easiest or most popular route
- It can be a **formal** (written/documented) plan, **or** it may be **informal**, but the most effective plans are usually the ones that are documented, to facilitate measurement of progress

Eye-openers:

- **No plan – no goal ...**
- What is more, **“no plan” presupposes that there is no goal to be achieved**, or it presupposes that the desired result will come automatically or by itself
- **No goal is achieved automatically** – such things are not controllable, but “good fortune” (in the language of the non-believer) or to put it differently (in the language of the believer), by the grace of God
- **You plan things that you can control - not merely wish or pray for ...**
- **The best results are achieved when planning AND praying - not the one or the other; they are not mutually exclusive.**

For it to be a good plan, it must:

- Be realistic
- Be practically feasible and viable
- Be measurable (progress and performance)
- Be flexible (not cast in iron) - the goal does not change, but the method of achieving that goal might have to change
- Be uncomplicated (simplicity is the key)
- Be set out in simple steps, from start to finish
- Address and constantly manage the resources needed – money, time, energy, skills, talents, opportunities – not only finances
- Take into account all potential obstacles that might arise
- Make provision for unforeseen contingencies, without being negative
- Have built-in contingency elements regarding the time it might take to achieve the goal (such as reserve days), as well as the money needed (by way of escalation of costs, or unbudgeted costs)
- Have *project-status* assigned to it, once the theoretical planning-phase has been completed, meaning it must be implemented and executed immediately, not tomorrow or the next day. Procrastination is not only the thief of time, but also the chief saboteur of brilliant plans, which never went further than just a good idea, or remained a mere theory, never put into practice – someone’s unborn brainchild.

In my view, the key aspects of planning can be summarized by looking at the acronym, M-A-P:

M	A	P
➤ Mind-map	➤ Architectural design	➤ Process
➤ Measurable	➤ Achievable	➤ Purpose
➤ Monitor	➤ Action	➤ Progress
➤ Manage	➤ Application	➤ Project-status
	➤ Accountability	
	➤ Acknowledging obstacles and flaws	
	➤ Adaptability	

chapter 18



❖ PURPOSE-DRIVEN:

- ❖ A PURPOSE-DRIVEN LIFE

❖ DIVINE PARTNERSHIP:

- ❖ DO NOT ATTEMPT A SOLO FLIGHT
- ❖ YOU ARE NOT ALONE

❖ MANAGEMENT:

- ❖ MANAGE YOUR MVA AND SCARCE RESOURCES CONSTANTLY
- ❖ IT IS YOUR RESPONSIBILITY - YOU HAVE THE TOOLS TO DO IT

❖ CONTROL:

- ❖ CONTROL THE CONTROLLABLE - COMMIT THE UNCONTROLLABLE TO GOD
- ❖ STOP SPENDING YOUR LIFE TRYING TO CONTROL THE UNCONTROLLABLE, LEAVING THE CONTROLLABLE TO GOD OR SOMEONE ELSE
- ❖ GOD IS IN ABSOLUTE CONTROL, AND YOU REIGN WITH HIM IN HIGH PLACES

❖ SUCCESS:

- ❖ SUCCESS IS NOT A *GOAL* BUT THE REACHING OF YOUR GOAL, THE *RESULT* OF THE RIGHT PHILOSOPHY AND DOING THE BASICS RIGHT
- ❖ WHEN YOU ABIDE BY THE ABOVE RULES, SUCCESS IS GUARANTEED

SUPPLEMENTARY NOTES:

chapter 19

THIRTEEN SURE STEPS TO CREATING YOUR OWN FINANCIAL HEAVEN OR HELL

	HELL/MISERY	HEAVEN/CONTROL
1	COMPETE WITH THE JONESES - MAINTAIN A CONSUMPTIVE LIFESTYLE	LIVE WITHIN YOUR MEANS
2	TAKE UP ALL THE CREDIT YOU CAN LAY YOUR HANDS ON	PAY OFF ALL YOUR DEBTS AS SOON AS POSSIBLE, AND BECOME AND LIVE DEBT-FREE
3	LET YOUR SENSES DETERMINE YOUR LIFESTYLE - NEVER SAY "NO" TO YOUR DESIRES AND WANTS	LET YOUR PRESENT NET DISPOSABLE INCOME DETERMINE YOUR LIFESTYLE - NOTHING ELSE
4	IGNORE SOUND FINANCIAL PRINCIPLES - DO NOT SET PERSONAL FINANCIAL GOALS, DO NOT DETERMINE PRIORITIES, DO NOT MAINTAIN A MONTHLY BUDGET, AND DO NOT MANAGE YOUR FINANCES	IMPLEMENT SOUND FINANCIAL PRINCIPLES IMMEDIATELY, AND MAINTAIN THEM AT ALL TIMES (PRIORITIZE, BUDGET, MONITOR, BUDGET)
5	IGNORE WARNING SIGNS (SUCH AS: THE NEED TO SHIFT CREDIT TO MAKE ENDS MEET, CHEQUES REFERRED TO DRAWER, BEING CHRONICALLY "MAXED OUT" ON YOUR CREDIT CARDS AND BANK OVERDRAFT)	TAKE HEED OF WARNING SIGNS - DETERMINE WHAT THE PROBLEM IS AND DO SOMETHING ABOUT IT WITHOUT DELAY (LIKE CUTTING BACK ON EXPENSES)
6	DO NOT SAVE FOR YOUR RETIREMENT, NOR FOR A RAINY DAY	INVEST MONTHLY IN YOUR RETIREMENT PLAN, AND SET ASIDE MONEY FOR UNFORESEEN CONTINGENCIES BY CREATING A PROVISION OR CONTINGENCY RESERVE
7	DO NOT TALK TO YOUR SPOUSE/LIFE PARTNER ABOUT YOUR FINANCES (KEEP IT A COMPLETE SECRET FROM HIM/HER)	COMMUNICATE IMPORTANT INFORMATION TO YOUR SPOUSE/LIFE PARTNER, AND ASK HIS/HER OPINION AND INPUT - MAKE JOINT DECISIONS WHERE POSSIBLE
8	BORROW MONEY TO BUY SPECULATIVE INVESTMENTS, TO GO ON VACATIONS, AND TO BUY FOOD AND GROCERIES	NEVER FINANCE SPECULATIVE INVESTMENTS, VACATIONS OR CONSUMABLE ITEMS WITH CREDIT
9	LIE TO, OR WITHHOLD IMPORTANT INFORMATION FROM YOUR FINANCIERS ABOUT YOUR TRUE FINANCIAL SITUATION, EARNINGS AND INDEBTEDNESS	DISCLOSE ALL REQUIRED FINANCIAL INFORMATION TO YOUR FINANCIERS TO ENSURE THAT YOU BOTH KNOW WHERE YOU STAND (DO NOT PUT PRESSURE ON YOURSELF BY GIVING

		“THEM HALF THE PICTURE)
10	RUN AWAY FROM (AVOID) YOUR CREDITORS - IGNORE IT WHEN YOUR TOTAL LIABILITIES EXCEED YOUR TOTAL ASSETS, FAIRLY VALUED	ALWAYS RUN TOWARDS YOUR CREDITORS, SO TO SPEAK, BY COMMUNICATING TIMEOUSLY WITH THEM WHEN YOU SUSPECT THAT YOU ARE IN FINANCIAL TROUBLE OR EXPERIENCING A NEGATIVE CASH FLOW SITUATION - GET PROFESSIONAL HELP WHEN IT SEEMS THAT YOUR LIABILITIES EXCEED YOUR (FAIRLY VALUED) ASSETS; YOU MIGHT BE INSOLVENT (BANKRUPT) AND NEVER BE ABLE TO DIG YOURSELF OUT OF THAT HOLE; IT MIGHT BE BETTER TO BE SEQUESTERED AND START OVER AGAIN
11	DO NOT INSURE AGAINST PERSONAL AND FINANCIAL RISKS AND DISASTERS (LIKE SERIOUS ILLNESS, MEDICAL EMERGENCIES, ACCIDENTS, THEFT, FIRE, ACTS OF GOD, AND THE LIKE)	INSURE YOURSELF AND ALL YOUR VALUABLE ASSETS (ESPECIALLY THOSE ALREADY PAID FOR) AGAINST KNOWN AND LIKELY RISKS - DETERMINE WHAT YOUR RISKS ARE AND SHOP AROUND FOR THE BEST DEAL
12	LET YOUR FINANCES MANAGE THEMSELVES - LET CHANCE DICTATE AND CONTROL YOUR FUTURE FINANCIAL DESTINY	KEEP A FIRM GRIP ON YOUR FINANCES, BY MANAGING YOUR FINANCIAL AFFAIRS DAILY - LEAVE NOTHING TO CHANCE - CONTROL YOUR OWN FUTURE FINANCIAL DESTINY
13	LEAVE GOD OUT OF THE EQUATION OF YOUR PERSONAL WEALTH; LEAVE EVERYTHING TO CHANCE AND SEE WHAT HAPPENS ...	KNOW GOD IN ALL YOUR DECISIONS, AND DO THE BEST YOU CAN, CONTROLLING THE CONTROLLABLE; LET GOD STRAIGHTEN YOUR WAYS AND SEE HOW HE WILL BRING YOU “GOOD LUCK”!

SUPPLEMENTARY NOTES:

chapter 20

THE DIRE CONSEQUENCES OF BREAKING THE RULES - THE SYMPTOMS OF FAILING TO MANAGE YOUR MONEY

The list of consequences or symptoms of mismanaging your financial affairs below, even though some of them might sound far-fetched to you, merely serve as a wake-up call and warning not to downplay or underestimate the importance of money management, nor the adverse influence that money can have on your whole life.

If you discard the physics of money (the rules that govern it), you might suffer from any combination of the following consequences:

You probably will:

- Live beyond your means, unable to make ends meet
- Never enjoy a thing
- Be disgruntled and discontented - a chronic complainer
- Always find fault with everything, nothing fits
- Be dissatisfied with your last increase
- Never have enough money
- Think that you will never be able to retire
- Try to make more money
- Never be able to save a cent
- Overspend 50% or more on your controllable items like groceries and clothes
- Take chances and risks to obtain more money
- Be devastated if you did not win the jackpot or national lottery this week
- Take up all the credit you can lay your hands on
- Become indebted - even over-committed in debt
- Try to borrow yourself out of trouble

- Pay more than 60% of your disposable income (earnings after tax) on debt-instalments, and probably give 50% or more away in interest, servicing your debts
- Drive a new car every two years or so
- Move into a new house or apartment every three years or so
- Have nothing other than secured assets - nothing to call your own
- Have nothing to show for the hard work you put in every month
- Be unfulfilled in your job or career
- Never be able to afford to take time off
- Never find time to play with the kids or spend with your spouse
- Always buy expensive gifts on commercial holidays, anniversaries and Christmas
- Always work overtime
- Always feel you are the only one who pays taxes
- Pay no tithes or tip the church with R100 every two months or so to soothe your conscience
- Think out get-rich-quick-schemes
- Join get-rich-quick-schemes
- Be stressed out
- Live in fear and anxiety about losing your job or the next breakdown or summons or interest rate hikes
- Fear losing your standing in the community
- Have strained relationships - always quarreling about money
- Blame your spouse for overspending on the groceries or on the kids' clothes
- Never or seldom go to church because of feelings of guilt and despair
- Be unhappy, unfulfilled and frustrated
- Need to buy something expensive or go on an expensive vacation to reward yourself for surviving to your next holiday
- See it as a national catastrophe when the geyser blows or your car needs a major service
- Try to cut back on the wrong expenses, such as medical insurance, short-term insurance, and suffer a major set-back when somebody becomes ill or you have a car accident or you have a burglary
- Be jealous of other people's possessions and achievements
- Compete with the Joneses
- Find time to play golf or watch sport for hours on end, as an escape mechanism

- Find time for visiting with the boys at the local, for the same reasons
- Hide things from your spouse, not being open with her/him about your job or your finances
- Not discuss your finances with your spouse - keep her/him in the dark
- Not have a healthy self-esteem, feeling worthless
- Be relieved when you get your pay cheque, because you can then relax for the next seven days or so
- Dread opening the mail
- Run away from your creditors
- Receive letters of demand and summonses from time to time
- Have a bad credit record
- Have three credit cards or more
- Pay off your credit card using the budget option
- Shift credit, using one form of credit to pay off another
- Try to avoid people - especially the ones you owe money to
- Take 30 years to pay off your mortgage bond, thus never being able to enjoy your house debt-free before you are 65
- Feel all the bad things are always happening to you
- Start confessing that Murphy's Laws are all applicable to you
- Feel that everybody is always against you, and don't trust you
- That you are a victim of fate
- Feel and think that God has never been interested in you, and that He forsook you
- Find that you are doing things with ulterior motives, wanting money in return for a good deed
- Lose track of your life goals, merely existing from day to day ...
- ***Feel you are always one step behind ...***

You might:

- Become a habitual drinker and/or smoker
- Start to gamble
- Start to use drugs
- Become addicted to any or all of the above
- Become dishonest
- Try to embezzle money or steal from your employer
- Start an extramarital affair

- Become insolvent
- Job-hop and have a negative CV
- Lose your life partner through separation or divorce
- Suffer from ill health
- Show symptoms or suffer from burn-out
- Suffer from depression
- Lose your job
- Lose your house or car through repossession
- Never be able to retire
- Die young or prematurely ...

SUPPLEMENTARY NOTES:

chapter 21

FORGIVENESS

**IT IS POSSIBLE TO GIVE WITHOUT LOVING.
BUT IT IS IMPOSSIBLE TO LOVE WITHOUT GIVING.
WHEN WE GIVE IN LOVE, WE ARE MOST LIKE GOD.
THE ULTIMATE FORM OF GIVING, IS *FORGIVING* ...**

Matthew 6:12 (The Amplified Bible)

*“And forgive us our debts, as we also have forgiven (left, remitted, and let go of the debts, and have given up resentment against) **our debtors.**”*

Forgiveness is in the centre of freedom – not the least *financial* freedom. It is only when you have received forgiveness or pardoning yourself from a creditor, and experienced the magnitude of this deed or action, that you can begin to comprehend the spiritual release and joy it brings. Nowhere do the principles, emotions and sense of freedom come more into play than when a financial debt is waived or forgiven. *Debt-forgiveness is true forgiveness.*

DEBT and GUILT go hand in hand. I believe that **debt** refers to the unique *obligation or relationship of indebtedness* between the debtor (Slave or Servant) and the creditor (Master), whereas **guilt** has to do with the *emotional result or bondage* that prevails between the debtor and the one he/she owes the debt to. It is only when the debt is forgiven, that the guilt disappears.

We must practice forgiveness daily. This is the essence of our religion or the good news of Jesus Christ. He has forgiven us. We must forgive others. We must also forgive ourselves – for our mistakes and stupidity for not seeing the Big Picture and clinging to things, instead of enjoying God’s grace and mercy.

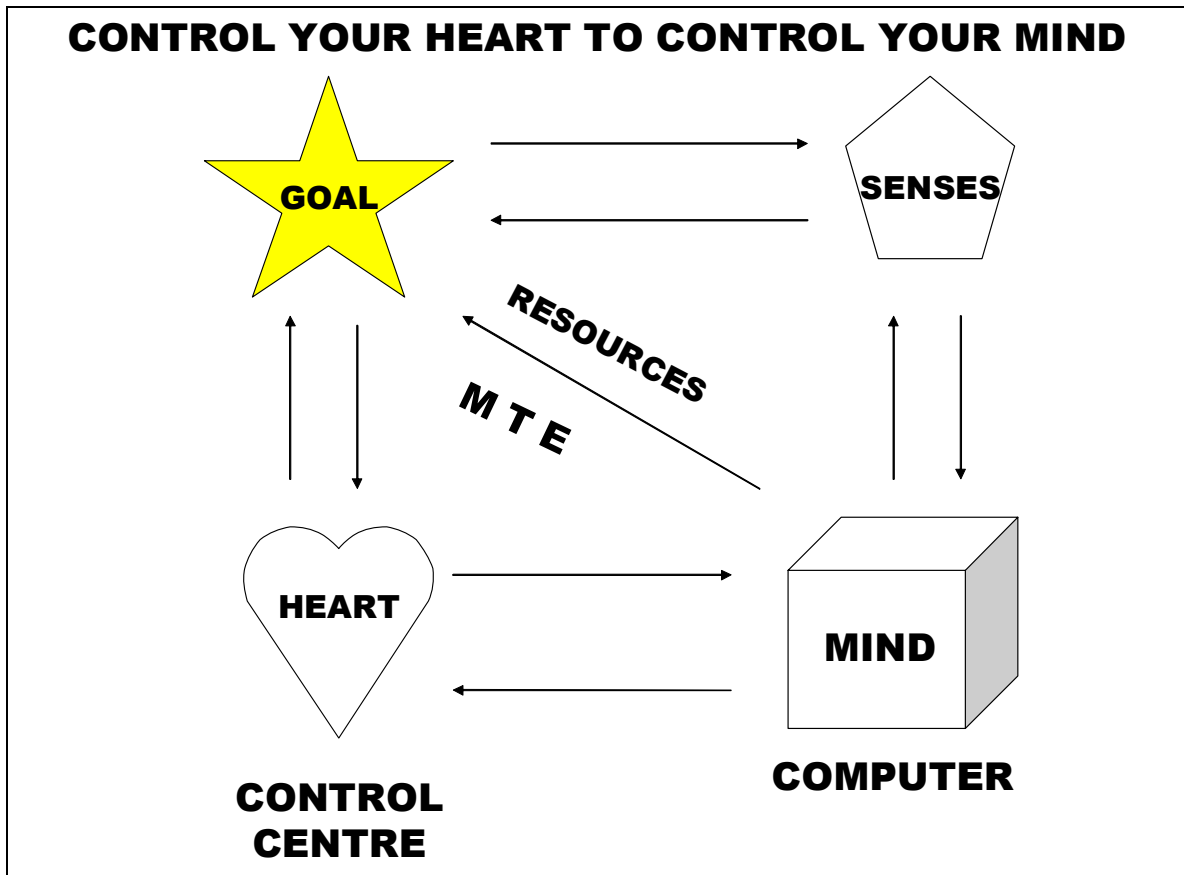
You can never be in control of your financial destiny until such time as you have forgiven those that you perceive as indebted to you – whether it be financially or non-financially. Just let it go! Then you can experience the absolute forgiveness that takes away all the guilt and regrets of the past, and the fear and uncertainty of tomorrow.

Then (and only then), can you pray and enjoy the miracle of forgiveness: “Give us today our daily bread” and stop being dependent on debt (borrowing from tomorrow’s resources) for financing your needs today.

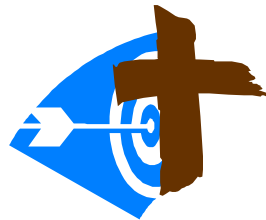
“It is more blessed to GIVE than to receive” (Acts 20:35)

chapter 22

THE BIG PICTURE (YOUR MVA AND ITS RESOURCES)



Managing
your
Outlook



THE LENS THROUGH WHICH YOU
LOOK, DETERMINES WHAT YOU SEE,
WHETHER YOU SEE THE GOAL
CLEARLY OR NOT, AND WHETHER
YOU WILL HIT THE TARGET OR NOT

chapter 23

ESCAPE ROUTE TO FINANCIAL FREEDOM

There are many professed roads to financial freedom, but they normally have two deficiencies in common: They put all the pressure on *you* to *perform* and rely too much on *factors beyond your control* to attain it.

I have, however, discovered an alternative route to this popular destination, and can testify that it works. It worked for me, as well as thousands who have followed it over the years. It draws from the sciences of human behaviour and money management. I call it *moneygement*™, the art of managing yourself and your money. Although the underlying principles are basic, even elementary, they must be seen as part of an *integrated process* or road *that gradually leads you to your destination of financial freedom*. Any new concepts introduced to you during the course of this workshop are elaborated upon in detail in the book with this title, namely: “**Escape Route to Financial Freedom**” - see how the whole plan unfolds as you progress along the road to financial freedom. Its purpose is to present you with a tried and tested *escape route*, your *recommended road to financial freedom*. It will show you how you can escape from the clutches of fear, the cruel slave-master that takes our freedom away from us and imprisons us daily, by terrorizing our deepest thoughts and emotions, using false perceptions, traps, trap-doors, greed, debt, over-ambition, competition, lies and more lies, and its willing servant, money, to prey on us, never allowing us to breathe and enjoy God's free gift of life for one moment without intimidation.

Many perceive huge amounts of money to be the master key to freedom, hence their 24/7 pre-occupation with the accumulation of financial wealth, sometimes at great emotional expense, sacrificing quality of life, and sometimes even loss of life. *No amount of money can ever be enough to liberate us from fear feeding on self-reliance or paranoia caused by a wrong mindset.*

Listed below are the thirteen steps comprising this escape route, from financial fear to financial freedom. It is a lesser-known road, less conventional and less travelled. You will recognize that many of these steps have already been touched on during the course of this workshop.

THIRTEEN STEPS TO FINANCIAL FREEDOM

- 1. Establish who your financial PROVIDER is**
- 2. Freedom originates in the MIND - reset your mind**
- 3. Deal with your FEARS**
- 4. Determine the PURPOSE of MONEY**
- 5. Determine your OWN true VALUE**
- 6. Determine the PURPOSE of your LIFE**
- 7. Become DETACHED**
- 8. SIMPLIFY your life**
- 9. Know and respect the MONEY RULES**
- 10. Control your finances by controlling your DESIRES**
- 11. Strive to become and live DEBT-FREE**
- 12. Set yourself REALISTIC financial GOALS**
- 13. Plan to DIE EMPTY**

SUPPLEMENTARY NOTES:

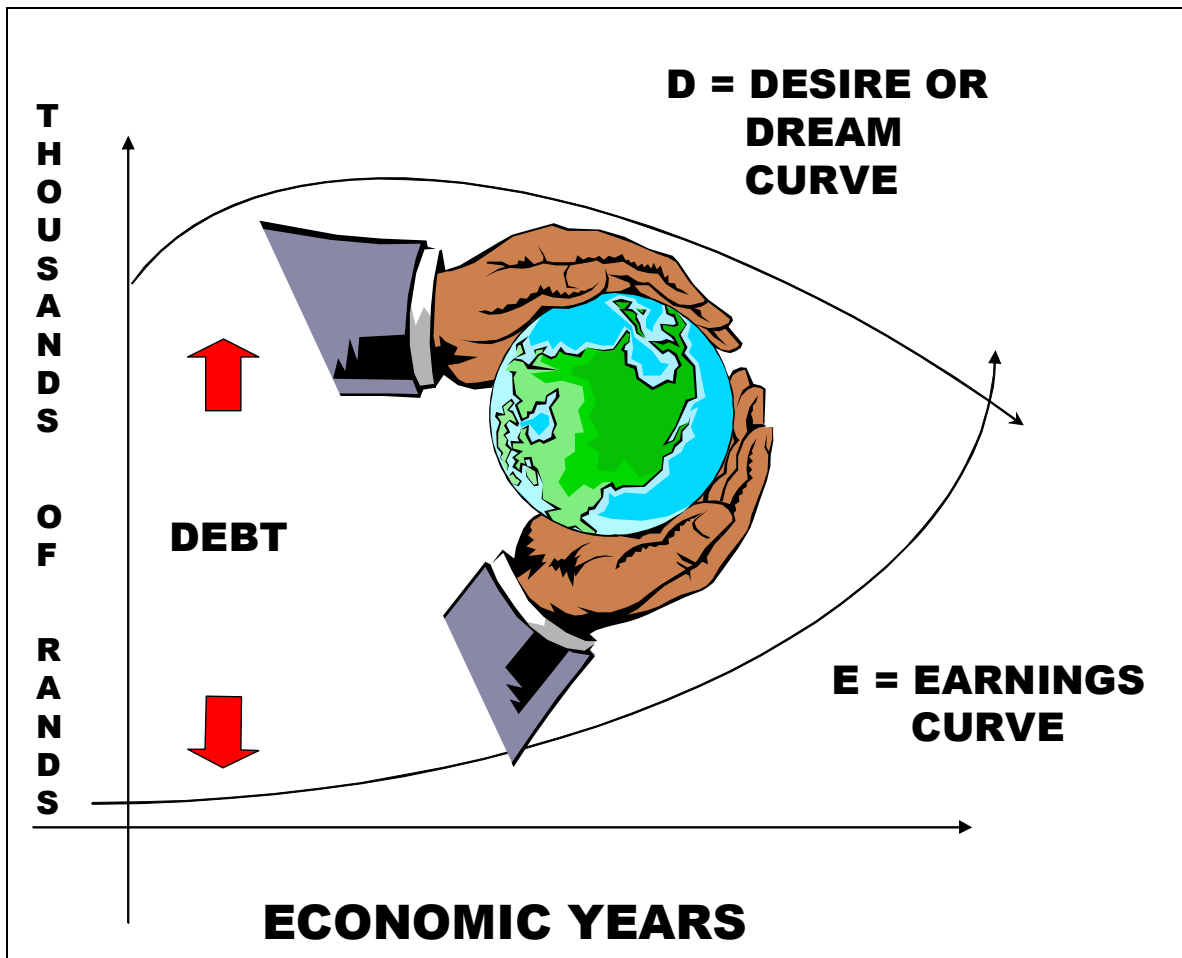
chapter 24

THE REWARDS FOR GETTING IT RIGHT

You will enjoy most of the following fringe benefits or rewards for taking the trouble to mind your money:

- You will enjoy peace of mind about your finances, and improved quality of life, because your mind will be at rest about money and things
- You will have a hands-on knowledge of your financial situation, and what you can and cannot afford
- You can evaluate almost immediately whether you should say "Yes!" or "No!" to buying something, because you have taken out all the guessing as to how this might impact your financial situation, because you *know* how it will affect your *bottom line* and whether it is in line with your financial objectives or not
- You will have eliminated most of the stress that money and possessions can bring
- You will no longer be owned by your possessions - you are a free man!
- You will have more time to dedicate to, and think about the other more important issues in life, such as relationships, education of your kids, life goals, furthering your career, enjoying life in general
- You can now provide for unforeseen contingencies
- You can now start paying off more on your mortgage bond
- You can now go on vacation and pay cash for it
- You can now think and plan for your retirement
- You can help other people, and experience the joy it brings, because your own house is in order
- You no longer feel guilty when you spoil yourself and your family with something "nice" such as eating out, or going away for the weekend
- You feel in control of your life
- You have time to do things, because you no longer work overtime
- You start experiencing the joy that comes with clean, debt-free living
- You have money left at the end of the month, and can save some
- You can handle the unexpected breakdowns better, and it is no longer a train smash when your house's roof needs to be repaired after a rain storm

- You are much more relaxed at work and at home
- Your mind will be on your job, and not on how to make more money, or how to pay the bills, or how to flee from your creditors
- Your relationship with your family members will improve, because you will enjoy their company
- You are thankful for core things like your health, your family, your job, your life
- You are more carefree, and can enjoy life more, because the pressure is off you - you have done your part, God will do the rest
- You realize that there is more to life than just making, saving and spending money
- *You sense you are one step ahead ...*



ABOUT THE PRESENTER



Danie Vorster is an Ordained Chartered Accountant.

He was born on 12 February 1952, and grew up in the Eastern Cape in Port Elizabeth, where he matriculated in 1969, subsequently studied part-time at UPE, and served his articles as audit clerk at a medium-sized accounting firm. After qualifying as Chartered Accountant, he enrolled at Berea Theological College at Irene, Pretoria, in 1979, where he studied fulltime and obtained his L.Th. (cum Laude, as dux

student) in 1981. Danie entered the fulltime ministry in 1981 and was ordained as a minister of the Gospel of Jesus Christ in 1983. He pastored two assemblies between 1981 and 1985.

In 1984 he was registered as a public accountant and auditor and subsequently became a BSD (Business Services Division) partner at Price Waterhouse, specializing in small to medium-sized clients.

Ever since 1973, when he was called into the Ministry, Danie realized that God had a special task for him, which involved ministering to people about money. However, it was only in 1994 that he would start to understand what this special task entailed when he commenced writing his first book, entitled “Debt-trap or Debt-Free”, which was released in 1996, and became a national best-seller. This book touched and changed many thousands of peoples’ lives across South Africa and twice became the centre of the main article in the Money-section of Business Times, Sunday Times – in 1996 and 1998 – prophetically warning people about the perils and pitfalls of debt in South Africa. The book was the precursor to rising interest rates which eventually reached a peak prime overdraft rate of 25,5% per annum in May 1998. God had ordained that Danie would be equipped through his talents and experiences, writing and teaching about debt management and financial freedom, God’s way in the modern era – in the new South Africa – where the masses have not yet been educated about debt and how to handle their money.

Today Danie is a well-recognized, published and accomplished author, public speaker, presenter of financial seminars and workshops, as well as a practising public accountant and auditor with his own Accounting Firm in Gauteng (since 1992), with many years’ experience in the field of finances. His well-spread client base (varying from manufacturing, to trading, to service companies and close corporations) includes the Head Office of The Full Gospel Church of God in Southern Africa, through which he shares and applies his combined financial experience and pastoral background to help steer the Church in very economically difficult and taxing times. Based in Roodepoort, where he lives with his wife, Leonie, and three children, he ministers locally and country-wide in many churches.

In 1997 Danie founded and became the Chief Executive Officer of Christian Financial Ministries (CFM), whose mission it is to equip people with a workable mind-set and practical tools to experience financial freedom, despite daily financial pressures and the stress of life, by applying Scriptural truths and practical wisdom, identifying, highlighting and eliminating the financial obstacles to quality of life. During the latter part of 2004 Danie and CFM joined forces with Crown Financial Ministries (Crown), and recently they became accredited strategic alliance partners, with a common vision, mission and purpose of teaching people God's financial principles so that they can be free to serve Jesus Christ and help spread His Gospel.

Danie Vorster has appeared as studio guest on various talk shows presented by most of the well-known Radio stations across the country, and is a writer for both religious and secular magazines and newspapers. As public speaker his seminars and symposiums on financial matters and personal debt management have proved to be very popular.

Books authored by Danie to date are as follows:

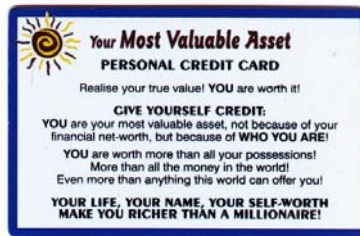
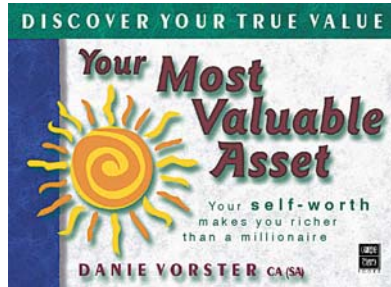
- Debt-Trap or Debt-Free (1996)
- Finansies, die Vrou en haar Drome (1998)
- Geldgeheime vir ChristenTieners (1999)
- Your Most Valuable Asset (1999)
- Money Rules (2000)
- Escape Route to Financial Freedom (2002)
- My Moneygement Workbook (2004)

For more information about Danie, his seminars and his books, visit his website on the internet, at: www.finances.co.za or contact him directly at: RETSROV & COMPANY (CHARTERED ACCOUNTANTS), PO BOX 1033, FLORIDA, 1710, or TELEPHONE/FAX NUMBER: (011) 672 1692 or CELLPHONE NUMBER: 083 264 5615

April 2005

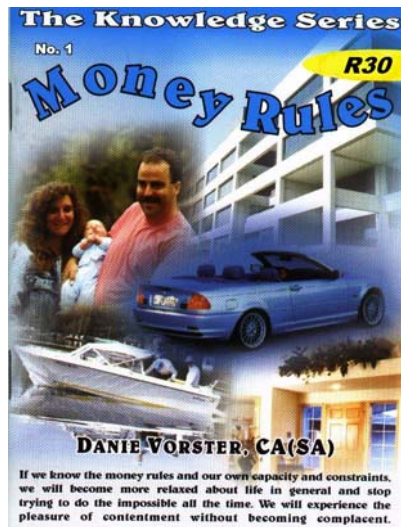
OTHER BOOKS AUTHORED BY THE PRESENTER TO DATE

- **YOUR MOST VALUABLE ASSET**, Carpe Diem Books, PO Box 5801, Vanderbijl Park, 1900, South Africa, (1999)



Your Most Valuable Asset is aimed at helping you discover your own true worth, not expressed in financial terms only, but to show you that your life is more important than money, and that your self-worth far exceeds your net-worth. The MVA Personal Credit Card that comes with it, will constantly remind you that YOU are your Most Valuable Asset.

- **MONEY-RULES**, Retsrov & Company, PO Box 1033, Florida, 1710, South Africa, (2000)



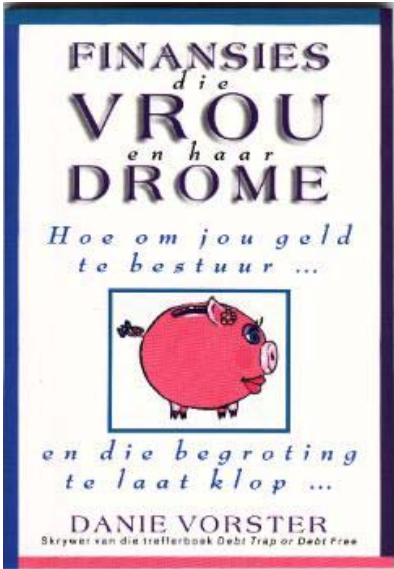
Money will rule over you until you are liberated from its rule by becoming aware of, and respecting, the *money rules*.

If we know the money rules and our own capacity and constraints, we will become more relaxed about life in general and stop trying to do the impossible all the time. We will experience the pleasure of contentment without becoming complacent.

Only once you know and understand that money, like everything else on this earth, is subject to certain governing rules (something I have termed the physics of money), and you learn to respect and apply these rules for your own benefit, or in achieving your God-centred life-goals, you will really become the ruler of your money.

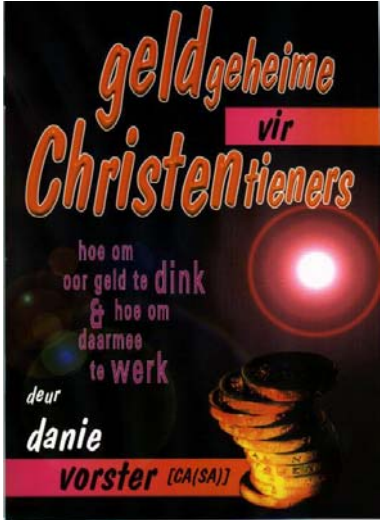
- **FINANSIES, DIE VROU EN HAAR DROME**, Carpe Diem Books, PO Box 5801, Vanderbijl Park, 1900, South Africa, (1998)

Finansies, die Vrou en haar Drome was written to empower women to fulfil their financial role in their family lives



- **GELDGHEIME VIR CHRISTENTIENERS**, Carpe Diem Books, PO Box 5801, Vanderbijl Park, 1900, South Africa, (1999)

Geldgeime vir ChristenTieners is aimed at the teenager who will soon step out into the unknown adult world of finances. It shares with them some powerful secrets to help them cope, even in managing their pocket money and seeing it in the right perspective



- **ESCAPE ROUTE TO FINANCIAL FREEDOM**, Retsrov & Company, PO Box 1033, Florida, 1710, South Africa, (2002)

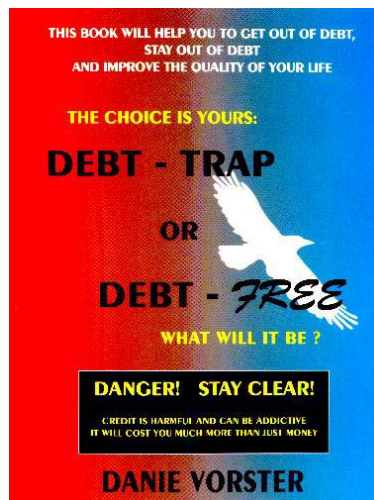


Everybody has a basic need to be free. *Escape Route to Financial Freedom* will guide you to financial freedom, irrespective of the size of your estate. It will help you to become financially independent and free. First and foremost, financial freedom has to do with *you*, not money, because it is you who need to be liberated, not your money. After having had a good look at yourself and your relationship with money, it will show you how to handle yourself and your money.

Your *Escape Route to Financial Freedom* is mapped out step by step, in a practical and simple way, yet challenging your own financial philosophy and thinking about life in general, from grass roots level and goals of accumulation of wealth, to the higher echelons of self-fulfillment and the ultimate purpose of life.

Come with me, along the Escape Route to financial freedom. If you follow the steps carefully, you will reach your destination - guaranteed

- **DEBT-TRAP OR DEBT-FREE**, Retsrov & Company, PO Box 1033, Florida, 1710, South Africa, (1996)



Debt-Trap or Debt-Free is a financial treasure-trove that proves beyond all doubt that debt is the No. 1 obstacle to the accumulation of wealth and often the cause of unhappiness and stress. It helps you to take control of your financial indebtedness to ultimately control your financial destiny. As personal debt manual it has received wide-spread acclaim. If the love of money is the root of all evil, debt is the substance that feeds the roots

These books are all available at leading bookstores or directly from:

**RETSROV & COMPANY, PO BOX 1033, FLORIDA, 1710
 TellFax: (011) 672-1692 Cell : 083-264-5615**