

FINANCES

CLASS

No. 2

1st November 2015,

at Umoja,

Nairobi



MONEY MATTERS

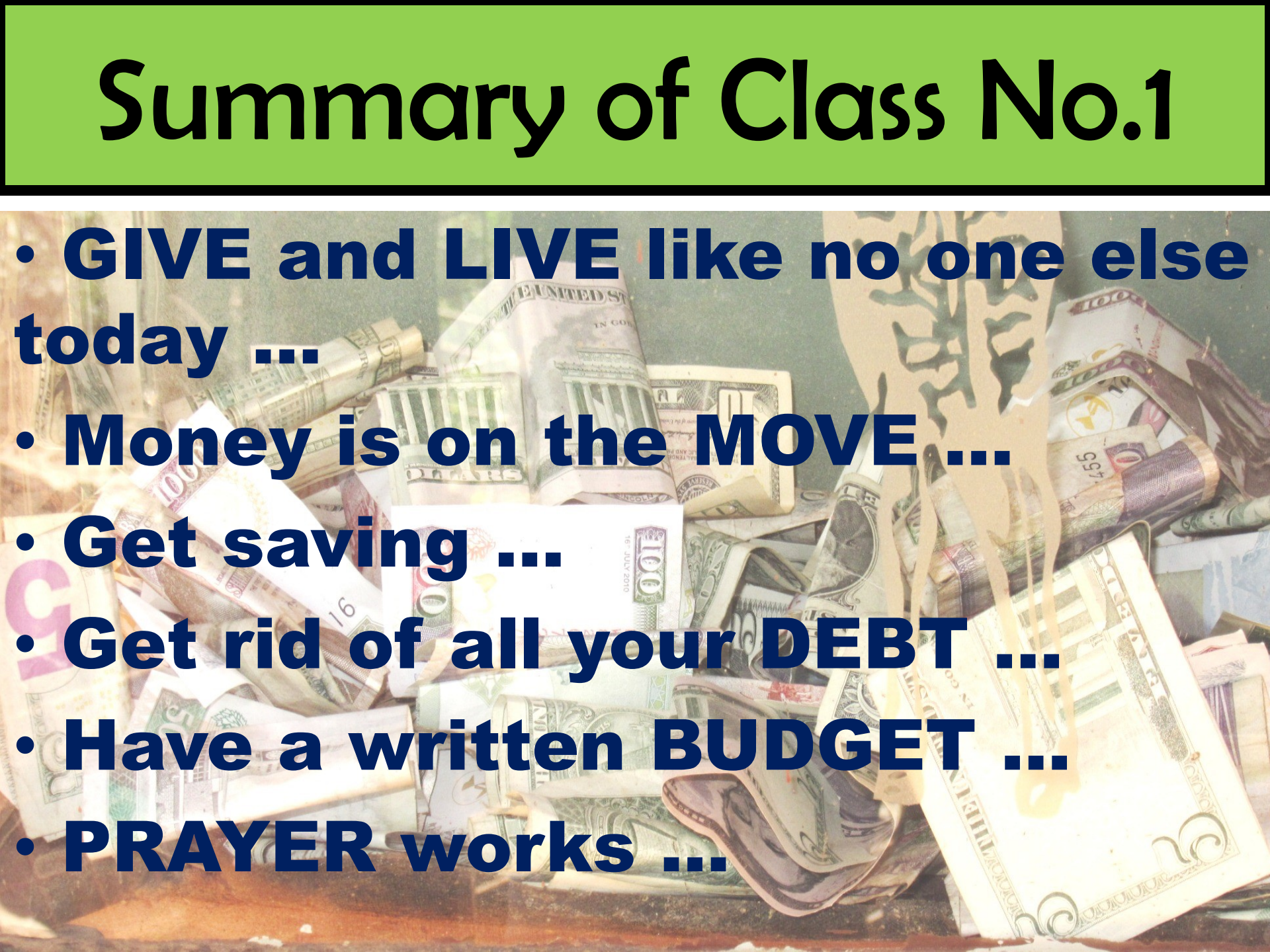
GIVE AND LIVE LIKE NO ONE ELSE
TODAY

SO THAT YOU MAY

**LIVE and GIVE like no
one else TOMORROW**



Summary of Class No.1

- 
- **GIVE and LIVE like no one else today ...**
 - **Money is on the MOVE ...**
 - **Get saving ...**
 - **Get rid of all your DEBT ...**
 - **Have a written BUDGET ...**
 - **PRAYER works ...**

Write and Stick to a Budget

- **Do a WRITTEN Cash Flow Plan**
- **BALANCE** your Accounts
- **Operate a ZERO Based Budget**
- **Don't LEAVE Things Out**
- **OWN** the Budget
- **Don't OVERCOMPLICATE** the Plan
- **LIVE** on it
(Monthly/Allocated/Irregular)

How to Write a Budget

A 6-STEP PLAN TO MAKING A BUDGET

- ✓ **Monthly Income?**
- ✓ **Allocated Income?**
- ✓ **Irregular?**

Whichever the case: DO A BUDGET

A HOUSE BUDGET – Step 1

Understand

1. Income

2. Expenditure

HOUSE BUDGET – Step 2

LIST and ADD up your INCOME

| | |
|------------------------------|---------------|
| 1. Husband's Salary | 7,000 |
| 2. Wife's Salary | 13,000 |
| 3. Other Income/Wages | 5,000 |
| TOTAL | 25,000 |

HOUSE BUDGET – Step 3

LIST ALL OF YOUR EXPENSES

| | | | |
|------------|-------|------------|--------|
| 1. Giving | 2,500 | 6. Fare | 3,000 |
| 2. Rent | 7,000 | 7. Fun | 1,000 |
| 3. Food | 5,000 | 8. Clothes | 500 |
| 4. Fees | 4,500 | 9. Lunches | 3500 |
| 5. Savings | 3,000 | TOTAL | 30,000 |

HOUSE BUDGET – Step 4

CHECK THE BALANCE

| | |
|-----------------|--------|
| 1. INCOME | 25,000 |
| 2. EXPENSES | 30,000 |
| SURPLUS/DEFICIT | 5,000 |

HOUSE BUDGET – Step 5

ADJUSTMENTS - Redo if necessary

| | |
|------------|-------|
| 1. Giving | 2,500 |
| 2. Rent | 7,000 |
| 3. Food | 5,000 |
| 4. Fees | 4,500 |
| 5. Savings | 3,000 |

| | |
|-----------------------|------------------|
| 6. Fare | 3,000 |
| 7. Fun | 1,000 |
| 8. Clothes | 500 |
| 9. Lunches | 3500 |
| TOTAL | 28,500 |

HOUSE BUDGET – Step 6

ADJUST TILL BALANCED

| | | | |
|------------|----------------------------------|-----------------------|---------------------------------|
| 1. Giving | 2,500 | 6. Fare | 3,000 |
| 2. Rent | 7,000 | 7. Fun | 1,000 |
| 3. Food | 5,000 ⁴⁰⁰⁰ | 8. Clothes | 500 |
| 4. Fees | 4,500 | 9. Lunches | 3500 ²⁵⁰⁰ |
| 5. Savings | 3,000 ¹⁵⁰⁰ | TOTAL | 25,000 |

HOUSE BUDGET

Possible list of items to include

| | | | BUDGET | ACTUAL |
|----------|----------|-----------------------|---------|---------|
| | | | Monthly | JANUARY |
| | | ITEM | Kshs | Kshs |
| | | GIVING TO GOD | | |
| A | 1 | Weekly Giving | | |
| | 2 | Church Development | | |
| | 3 | Special Contribution | | |
| | 4 | Poor Contribution | | |
| | 5 | Extended Family needs | | |
| | 6 | Needs in Church | | |

HOUSE BUDGET

Possible list of items to include

| | | HOUSE UTILITIES | | |
|----------|----------|------------------|--|--|
| B | 1 | Landline phone | | |
| | 2 | Cell phone 1 | | |
| | 3 | Cell phone 2 | | |
| | 4 | Electricity | | |
| | 5 | Water | | |
| | 6 | Garbage | | |
| | 7 | Security - Court | | |
| | 8 | - Gate | | |
| | 9 | Gas & Paraffin | | |

HOUSE BUDGET

Possible list of items to include

| | | PERSONAL EFFECTS | | |
|---|----|------------------|--|--|
| C | 1 | Wife | | |
| | 2 | Husband | | |
| | 3 | Child 1 | | |
| | 4 | Child 2 | | |
| | 5 | Child 3 | | |
| | 6 | Child 4 | | |
| | 7 | Extra Classes | | |
| | 8 | Special Classes | | |
| | 9 | Family Day | | |
| | 10 | Family Outing | | |
| | 11 | Sunday Lunches | | |

HOUSE BUDGET

Possible list of items to include

| | | | | |
|----------|--|------------------------------------|--|--|
| | | HOUSE RUNNING | | |
| D | | 1 Foodstuff | | |
| | | 2 Shopping | | |
| | | 3 House Technical Assistant | | |
| | | 4 Car Fuel | | |
| | | 5 Broadband/Internet | | |
| | | 6 Zuku | | |
| | | 7 Dstv | | |
| | | 8 Miscellaneous | | |
| | | | | |
| | | Adjustment | | |
| E | | Grand Total | | |

What is Insurance?

R
I
S
K



Purpose of Insurance

- **Main Purpose: To transfer RISK**
- **It is NOT there to make you money!**
- **To provide Soft landing**

R
I
S
K



Insurance Levels

Proverbs 27:12 ... The prudent
***see danger* and *take refuge*, but**
the *simple* keep going and
***suffer* for it.**

2 Levels of Risk:-

- i. Small – flu, flat tyre**
- ii. Big – huge medical bill, car write-off**

Insurance Types

- **Education Insurance**
- **Car Insurance**
- **Medical Insurance**
- **Disability Insurance**
- **Home Insurance**
- **Life Insurance**
- **Etc...**

Investments

- **Where thieves can't break in**
 - **Matthew 6:19-21**
- **With 1000% Returns**
 - **Matthew 19:27-29**
- **Land, Real Estate,**
- **Shares, Stocks,**
- **Saccos, Chamas,**
- **Diversify**
 - **Ecclesiastes 11:1-2**

Retirement

- On becoming a disciple
- When started working – Scheme? NSSF only?
- 60 years: retirement age in Kenya
- How do you want to be THEN?
- What are you putting down now?
 - NSSF – 400 monthly; in 30yrs? 144,000/-
 - Top up – 900 monthly; ... 324,000/-

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