



BlueTrust

Cash Flow

A Biblical Perspective

The world generally defines success in terms of income and lifestyle, but in God's eyes, these things are unimportant. How we spend our money speaks volumes about our priorities and belief system. If we believe that God truly owns it all, every spending decision is, in reality, a spiritual decision. There is nothing more or less spiritual about giving a tithe than spending money on vacation. If it is all God's to begin with, then whenever we make a spending decision, we are saying that this is what God would have done with His resources. This perspective frees us to use God's resources for the accomplishment of the goals and desires that God places in our hearts with no feelings of guilt.

While the Bible offers no clear-cut direction regarding spending levels or lifestyle choices, our spending habits can enhance (or limit) our ability to avoid debt, give generously, and follow God's leading in countless other areas of our financial lives.

"But godliness actually is a means of great gain, when accompanied by contentment. For we have brought nothing into the world, so we cannot take anything out of it either."

1 Timothy 6:6-7

“

Too many people spend money they haven't earned to buy things they don't need to impress people they don't like.

Will Rogers

American vaudeville performer & actor

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01

Cash Flow Responsibility



According to scripture, it is our responsibility to allocate resources to the following areas:

Giving	<i>1 Corinthians 16:2, 2 Corinthians 9:7</i>
Taxes	<i>Luke 20:25, Romans 13:7</i>
Debt Repayment	<i>Psalm 37:21</i>
Living Expenses	<i>1 Timothy 5:8</i>
Savings	<i>Proverbs 6:6-8, Proverbs 21:20</i>

Questions to Consider

Read: Deuteronomy 8:18

Do you truly believe God is providing your income or wealth?

Read: Proverbs 16:3

Have you identified your God-given goals?

Read: Proverbs 16:9

Are your goals based on faith or on your own ability to accomplish them?

Read: 1 Timothy 6:17-18

Why do you believe God has given you the cash flow margin you have?

Read: Luke 3:11

Would you consider establishing a lifestyle or investment finish line and giving away the money you earn above and beyond that amount?

Picture yourself before God giving an account of your use of the funds He has entrusted to you. Would He say, “Well done, good and faithful servant!”? (**Matthew 25:23**).



02

Achieving Long-Term Goals Through Controlling Cash Flow

Traditionally, the best way to accomplish long-term goals is to generate a positive cash flow margin. Margin only comes when you spend less than you earn—which means controlling your cash flow.

The basic objectives of establishing and maintaining a cash flow control system are to:

- Assess your current spending habits and patterns.
- Ensure that your actual spending aligns with your predetermined priorities.
- Build liquidity so you will be prepared for emergencies.
- Take advantage of financial opportunities.

Cash Flow Control Systems

The key to effectively controlling cash flow is to select a system that works for you and stick with it. Before you implement a cash flow control system, identify your specific spending categories, establish monthly spending limits within each category, and commit to exercising discipline in the review process.

Envelope System

Set up an envelope for each category of your spending, such as groceries, entertainment, and other areas. Decide how much you want to spend in each category for a specific time period and allocate that cash amount to each envelope. When the cash is gone from an envelope, your spending in that category stops. See additional details in Russ Crosson's book, *Your Money Made Simple*.

Record Keeping System

Rather than keeping the actual cash in an envelope, record the predetermined (budgeted) amount and then subtract the actual expenses whether paid by cash, check, debit card, credit card, or electronic funds transfer.

To help track your spending, use one of the following:

- A spreadsheet
- An app on your phone or tablet
- Your bank's website or app that allows you to code transactions according to your chart of accounts and then summarizes the totals for you each month

Another key element to maintaining a cash flow control system is tracking expenditures at an appropriate and realistic level of detail. For some people, broad categories are sufficient (giving, living expenses, debt repayment, taxes, major expenses, and savings). For others, subdividing these categories allows them to better monitor and control discretionary expenses. Only you know how much detail you need.

Remember, cash flow monitoring is the only way to ensure that your spending habits match your spending priorities.

03

Scriptures on Cash Flow

On the first day of every week each one of you is to put aside and save, as he may prosper, so that no collections be made when I come.

1 CORINTHIANS 16:2

And He said to them, "Then render to Caesar the things that are Caesar's, and to God the things that are God's."

LUKE 20:25

The wicked borrows and does not pay back, but the righteous is gracious and gives.

PSALM 37:21

But if anyone does not provide for his own, and especially for those of his household, he has denied the faith and is worse than an unbeliever.

1 TIMOTHY 5:8

Go to the ant, O sluggard, observe her ways and be wise, which, having no chief, officer, or ruler, prepares her food in the summer and gathers her provision in the harvest

PROVERBS 6:6-8

There is precious treasure and oil in the dwelling of the wise, but a foolish man swallows it up.

PROVERBS 21:20

But you shall remember the Lord your God, for it is He who is giving you power to make wealth, that He may confirm His covenant which He swore to your fathers, as it is this day.

DEUTERONOMY 8:18



Commit your works to the Lord and your plans will be established.

PROVERBS 16:3

The mind of man plans his way, but the Lord directs his steps.

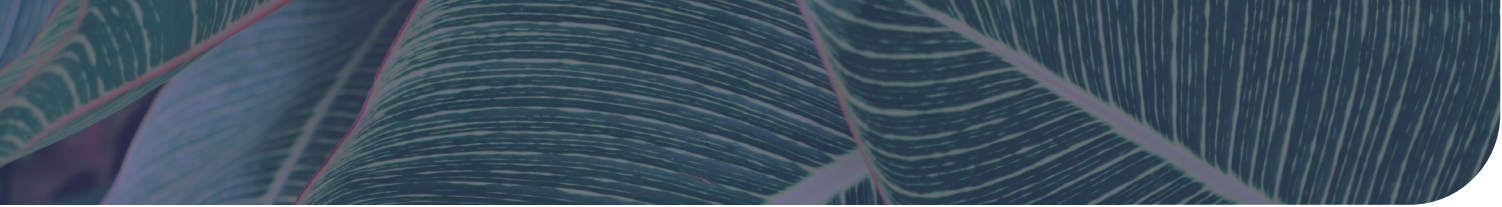
PROVERBS 16:9

Instruct those who are rich in this present world not to be conceited or to fix their hope on the uncertainty of riches, but on God, who richly supplies us with all things to enjoy. Instruct them to do good, to be rich in good works, to be generous and ready to share.

1TIMOTHY 6:17-18

Know well the condition of your flocks, and pay attention to your herds.

PROVERBS 27:23



But godliness actually is a means of great gain when accompanied by contentment. For we have brought nothing into the world, so we cannot take anything out of it either. If we have food and covering, with these we shall be content. But those who want to get rich fall into temptation and a snare and many foolish and harmful desires which plunge men into ruin and destruction. For the love of money is a root of all sorts of evil, and some by longing for it have wandered away from the faith and pierced themselves with many griefs. But flee from these things, you man of God, and pursue righteousness, godliness, faith, love, perseverance and gentleness. Fight the good fight of faith; take hold of the eternal life to which you were called, and you made the good confession in the presence of many witnesses.

1 TIMOTHY 6:6-12

Do not love the world nor the things in the world. If anyone loves the world, the love of the Father is not in him. For all that is in the world, the lust of the flesh and the lust of the eyes and the boastful pride of life, is not from the Father, but is from the world. The world is passing away, and also its lusts; but the one who does the will of God lives forever.

1 JOHN 2:15-17

Trust in the Lord with all your heart and do not lean on your own understanding. In all your ways acknowledge Him, and He will make your paths straight.

PROVERBS 3:5-6

And do not be conformed to this world, but be transformed by the renewing of your mind, so that you may prove what the will of God is, that which is good and acceptable and perfect.

ROMANS 12:2

And my God will supply all your needs according to His riches in glory in Christ Jesus.

PHILIPPIANS 4:19

And he would answer and say to them, "The man who has two tunics is to share with him who has none; and he who has food is to do likewise."

LUKE 3:11

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