



Small Group Member Lesson

God's Plan for Your Financial Wealth – From the Bottom

Session 6: Debt, Payday Traps, and Deliverance from Financial Bondage

"Breaking the Cycle of Borrowing"

Purpose of This Lesson

This lesson will help me understand how debt can become financial bondage, especially when I am living from payday to payday. It will also help me identify debt traps, face what I owe honestly, and begin a practical plan toward freedom.

Debt is not always the result of sin or foolishness. Sometimes people borrow because of emergencies, low income, family pressure, job loss, sickness, or real hardship. However, debt becomes dangerous when it controls my future income, weakens my household, and keeps me trapped in the same cycle.

Main Thought

Debt may give temporary relief, but careless debt can create long-term bondage. With God's help, honesty, discipline, and a clear plan, I can begin moving toward financial freedom.

Key Scriptures

Proverbs 22:7

("The rich ruleth over the poor, and the borrower is servant to the lender.")

Romans 13:8

("Owe no man any thing, but to love one another: for he that loveth another hath fulfilled the law.")

Proverbs 14:15

("The simple believeth every word: but the prudent man looketh well to his going.")

Psalms 37:21

("The wicked borroweth, and payeth not again: but the righteous sheweth mercy, and giveth.")

Luke 16:10

("He that is faithful in that which is least is faithful also in much: and he that is unjust in the least is unjust also in much.")

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Opening Reflection

I will begin by asking myself honestly:

- Do I often borrow before payday?
- Do I use one loan to pay another loan?
- Do I avoid people I owe?
- Do I make promises to pay without a real plan?
- Do I borrow for things that are not necessary?
- Do I feel relief when I borrow, but pressure when payday comes?
- Do I know exactly how much I owe?
- Do I understand the full cost of what I borrowed?
- Do I feel controlled by debt?

Debt can quietly take over a person's life. It can affect sleep, worship, family peace, mental focus, and spiritual confidence. A person may still be working, but every payday is already spent before it arrives.

The goal of this lesson is not shame. The goal is truth, wisdom, and deliverance.

1. Debt Can Become Servitude

Proverbs 22:7 says:

("The rich ruleth over the poor, and the borrower is servant to the lender.")

The Bible does not say every borrower is wicked. But it does warn that borrowing changes the relationship between the borrower and the lender.

When I owe, part of my future belongs to someone else.

Before I can buy food, pay rent, save, give, or build, the debt begins to speak.

Debt says:

- "Pay me first."
- "Your next payday belongs to me."
- "You cannot move freely."
- "You cannot plan freely."
- "You cannot build yet."
- "You must answer to the lender."

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This is why debt must be handled carefully. A small loan may feel like relief today, but it can become pressure tomorrow.

Debt is not only a financial issue. It can become an emotional and spiritual burden.

2. Not All Debt Is the Same

Some debt may be connected to real need or productive purpose. Other debt is destructive.

Possible necessary or productive debt may include:

- A carefully considered education loan.
- A business loan with a realistic repayment plan.
- A mortgage that fits the household income.
- Emergency medical borrowing when no other option exists.
- A tool or equipment purchase that helps produce income.

Dangerous debt may include:

- Borrowing for fashion.
- Borrowing for parties.
- Borrowing to impress people.
- Borrowing for a phone upgrade.
- Borrowing for entertainment.
- Borrowing for non-essential travel.
- Borrowing because of poor planning.
- Borrowing from one person to pay another without solving the real issue.

The question is not only, “Can I get the loan?”

The better questions are:

- Why am I borrowing?
- What is the total cost?
- How will I repay it?
- Will this debt produce value or only pressure?
- What will I have to sacrifice later?

Am I borrowing because of need, pride, fear, pressure, or lack of planning?



3. Payday Traps Keep People at the Bottom

A payday trap happens when income comes in, but most of it is already committed to debts, advances, loans, or promises made before payday.

The person receives money, but does not really have control over it.

Common payday traps include:

- Salary advances.
- Borrowing from friends or family every week.
- Loans with high interest.
- Furniture or appliance hire purchase without calculating the total cost.
- Informal lenders.
- Partner plans used without discipline.
- Buying now and hoping to manage later.
- Taking small debts repeatedly.
- Using overdraft or credit for daily living.
- Borrowing because last payday was poorly managed.

A payday trap can feel like this:

- Before payday, I borrow because I am short.
- On payday, I repay what I borrowed.
- After repayment, I am short again.
- Because I am short again, I borrow again.
- Then the cycle continues.
- This is bondage.
- The first step toward deliverance is admitting the cycle exists.

4. The Borrowing Cycle Must Be Broken, Not Managed Forever

Some people do not have a debt plan. They only have debt movement.

- They move debt from one person to another.
- They take a new loan to pay an old loan.
- They delay one lender to satisfy another.
- They hide from calls.
- They make promises without dates.
- They hope someone will rescue them.

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This does not break the cycle. It only keeps the cycle alive.

A person who wants deliverance must say:

- “I cannot keep borrowing my way out of borrowing.”
- “I must face the truth.”
- “I must stop creating new debt while trying to pay old debt.”
- “I must change the habits that keep sending me back to borrowing.”

John 8:32 says:

("And ye shall know the truth, and the truth shall make you free.")

Financial truth may be painful, but it is necessary for freedom.

5. I Must Know What I Owe

Proverbs 27:23 says:

("Be thou diligent to know the state of thy flocks, and look well to thy herds.")

I cannot defeat debt that I refuse to count.

I must write down every debt.

This includes:

- Bank loans.
- Credit union loans.
- Informal loans.
- Salary advances.
- Money owed to friends.
- Money owed to family.
- Store credit.
- Hire purchase.
- Phone or utility arrears.
- School fee balances.
- Rent arrears.
- Partner commitments.
- Any promise to pay.

For each debt, I should write:



- Who I owe.
- How much I owe.
- Minimum payment.
- Due date.
- Interest rate, if known.
- Consequence of not paying.
- Whether it is urgent.
- Whether I can negotiate.

This step may feel uncomfortable, but it brings light into confusion.

Debt grows stronger in secrecy. Wisdom begins with clarity.

6. Paying Debt Is a Matter of Integrity

Psalm 37:21 says:

("The wicked borroweth, and payeth not again: but the righteous sheweth mercy, and giveth.")

This does not mean every person who struggles to repay is wicked. Sometimes people genuinely want to pay but face real hardship. However, the verse does show that borrowing carries moral responsibility.

- If I borrow, I should intend to repay.
- If I cannot pay on time, I should communicate honestly.
- If I made a promise, I should not ignore it.
- If I owe someone, I should not become proud, rude, or evasive.

Integrity says:

- "I owe this."
- "I will not pretend I do not owe it."
- "I will communicate."
- "I will pay what I can."
- "I will not make false promises."
- "I will not borrow more carelessly."

Romans 13:8 says:

("Owe no man any thing, but to love one another: for he that loveth another hath fulfilled the law.")

The believer should desire to live free from unnecessary debt and unpaid obligation.

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7. I Must Stop New Debt While Paying Old Debt

One of the hardest parts of debt freedom is stopping the creation of new debt.

If I keep borrowing while repaying, I may never come out.

This requires discipline.

I may need to say:

- “I cannot take another loan right now.”
- “I cannot buy this on credit.”
- “I cannot afford this commitment.”
- “I will wait.”
- “I will repair instead of replace.”
- “I will cook instead of buying food out.”
- “I will use what I have.”
- “I will not borrow to impress people.”

Proverbs 14:15 says:

("The simple believeth every word: but the prudent man looketh well to his going.")

A prudent person looks carefully at the path ahead. Before I borrow, I must look at where the borrowing will take me.

8. I Must Identify Why I Borrow

Debt is sometimes the fruit of a deeper issue.

I must ask:

- Do I borrow because my income is too low?
- Do I borrow because I have no emergency fund?
- Do I borrow because I spend without a budget?
- Do I borrow because I want to look successful?
- Do I borrow because I cannot say no?
- Do I borrow because I give money to others without limits?
- Do I borrow because of gambling?
- Do I borrow because of relationship pressure?
- Do I borrow because of poor planning?
- Do I borrow because I am trying to keep up with people?

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If I pay off debt but do not change the reason I borrow, I may return to debt again.

Deliverance from debt requires both repayment and changed behaviour.

9. The Debt Snowball Method

One practical way to pay debt is called the debt snowball.

This means I list my debts from smallest to largest balance.

Then I pay the minimum on all debts, while putting any extra money toward the smallest debt.

When the smallest debt is cleared, I take the money I was paying on that debt and add it to the next debt.

This creates momentum.

Example:

- Debt 1: \$3,000
- Debt 2: \$8,000
- Debt 3: \$20,000
- Debt 4: \$50,000

I attack the \$3,000 debt first. When it is gone, I move to the \$8,000 debt. Each cleared debt gives encouragement.

The debt snowball is helpful because small victories build confidence.

10. The Debt Avalanche Method

Another practical way is called the debt avalanche.

This means I list debts by interest rate, from highest interest to lowest interest.

Then I pay minimums on all debts, while putting extra money toward the debt with the highest interest.

This method may save more money over time.

Example:



- Debt 1: 30% interest.
- Debt 2: 20% interest.
- Debt 3: 12% interest.
- Debt 4: no interest.

I attack the highest-interest debt first.

The debt avalanche is helpful because it reduces the most expensive debt first.

11. Which Method Should I Use?

If I need motivation, I may use the debt snowball.

If I want to save the most interest, I may use the debt avalanche.

The most important thing is not the name of the method. The most important thing is that I have a plan and follow it.

A person with a simple plan is better off than a person with good intentions but no action.

Proverbs 21:5 says:

("The thoughts of the diligent tend only to plenteousness; but of every one that is hasty only to want.")

Debt freedom requires diligent thought and steady action.

12. I May Need to Negotiate

Some debt pressure can be reduced through honest communication.

I may need to speak to the lender and say:

- "I am not refusing to pay."
- "This is what I can manage."
- "Can we agree on a payment plan?"
- "Can the payment date be adjusted?"
- "Can late fees be reduced?"
- "Can I pay a smaller amount consistently?"

This must be done respectfully and honestly.



I should not lie.

I should not make a promise I know I cannot keep.

I should not avoid communication until the situation becomes worse.

Even if the lender does not agree, communication is better than hiding.

13. I Must Avoid Dangerous Lending

Not every lender is safe.

Some debt arrangements are designed to keep people trapped.

I must be careful with:

High-interest informal loans.

- Loans that require threats or intimidation.
- Loans where the terms are not written.
- Loans where I do not understand the total repayment.
- Loans that seem too easy.
- Loans that require me to give up essential documents or property without clear terms.
- Loans from people who exploit desperation.
- Loans used for gambling or illegal activity.
- Loans that encourage me to borrow more than I need.

Proverbs 22:3 says:

("A prudent man foreseeth the evil, and hideth himself: but the simple pass on, and are punished.")

A prudent person reads, asks questions, seeks counsel, and refuses dangerous terms.

14. I Must Not Borrow for Appearance

Many people remain trapped because they borrow to look better than they are financially.

- They borrow for clothes.
- They borrow for a phone.
- They borrow for events.
- They borrow for social media image.

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- They borrow for relationships.
- They borrow to avoid embarrassment.
- They borrow to keep up with friends.
- This is dangerous.

Proverbs 13:7 says:

("There is that maketh himself rich, yet hath nothing: there is that maketh himself poor, yet hath great riches.")

Some people look rich but have nothing. Others live simply but are quietly building.

I must not trade my financial future for temporary appearance.

15. Debt Freedom Requires Contentment

1 Timothy 6:6 says:

("But godliness with contentment is great gain.")

Contentment does not mean I have no ambition. It means I am not controlled by comparison, greed, envy, or pressure.

Contentment helps me say:

- "I do not need that now."
- "I can wait."
- "I will not borrow for display."
- "I will not compete with people."
- "I will live according to my present level while I build."
- "I will not let shame drive my spending."

Contentment is part of financial deliverance.

16. Debt Freedom Requires Self-Control

Galatians 5:22-23 says:

("But the fruit of the Spirit is love, joy, peace, longsuffering, gentleness, goodness, faith, Meekness, temperance...")

Temperance means self-control.

I cannot come out of debt if my desires are always in charge.



I must learn to control:

- Impulse spending.
- Emotional spending.
- Payday excitement.
- Borrowing urges.
- Family pressure.
- Relationship pressure.
- Comparison.
- Fear.

The Holy Ghost does not only help me shout in church. He helps me live with discipline, wisdom, and self-control.

17. Debt Freedom Is Part of Stewardship

Luke 16:10 says:

("He that is faithful in that which is least is faithful also in much: and he that is unjust in the least is unjust also in much.")

Debt freedom is not only about having more money. It is about becoming faithful.

Faithfulness includes:

- Telling the truth.
- Paying what I owe.
- Planning before spending.
- Saying no when necessary.
- Avoiding unnecessary debt.
- Learning from mistakes.
- Protecting future income.
- Seeking counsel.
- Building emergency savings.
- Increasing income wisely.

God is not only concerned with whether I escape debt. He is also concerned with who I become while coming out.



Practical Section

How to Begin a Debt Freedom Plan

Step 1: List all debts

I will write every debt, even the ones I feel ashamed about.

Step 2: Stop creating new debt

Unless it is a true emergency, I will not take on new debt while trying to come out of old debt.

Step 3: Choose a method

I will choose either:

Debt snowball: smallest balance first.

Debt avalanche: highest interest first.

Step 4: Pay something consistently

Even if it is small, consistent repayment builds discipline and credibility.

Step 5: Communicate honestly

If I cannot pay as agreed, I will communicate respectfully and truthfully.

Step 6: Cut one spending leak

I will identify one spending habit that can be reduced and use that money toward debt repayment.

Step 7: Build a small emergency cushion

Even while repaying debt, I should try to save something small so that every emergency does not send me back into borrowing.

Personal Debt Worksheet

Total number of people or institutions I owe:



Total estimated amount I owe:

The debt that bothers me most is:

The smallest debt I owe is:

The debt with the highest interest is:

One debt I can begin paying this week is:

One person or lender I need to communicate with is:

One spending habit I can reduce to help repay debt is:

One reason I usually borrow is:

One new boundary I must set is:

Debt List

Debt 1



Who I owe:

Amount owed:

Minimum payment:

Due date:

Interest rate, if known:

Debt 2

Who I owe:

Amount owed:

Minimum payment:

Due date:

Interest rate, if known:



Debt 3

Who I owe:

Amount owed:

Minimum payment:

Due date:

Interest rate, if known:

Debt 4

Who I owe:

Amount owed:

Minimum payment:

Due date:

Interest rate, if known:



Common Mistakes I Must Avoid

Mistake 1: “I do not need to write it down.”

Correction: If I do not count the debt, I cannot properly confront it.

Mistake 2: “I can borrow my way out of borrowing.”

Correction: New debt often keeps the old cycle alive.

Mistake 3: “Payday will solve everything.”

Correction: Without a plan, payday can become another trap.

Mistake 4: “Small debts do not matter.”

Correction: Small debts repeated often can control future income.

Mistake 5: “I should hide from people I owe.”

Correction: Integrity requires honest communication.

Mistake 6: “If I can afford the monthly payment, I can afford the debt.”

Correction: I must consider the total cost, interest, risk, and effect on my household.

Mistake 7: “I must borrow to keep up appearances.”

Correction: Looking successful while being trapped is not wisdom.

Mistake 8: “Debt freedom is only about money.”

Correction: Debt freedom is also about character, discipline, honesty, and stewardship.

Discussion Questions

1. Why can debt become a form of bondage?
2. What are common payday traps in our context?
3. Why is it important to list every debt honestly?



4. What is the difference between necessary debt and dangerous debt?
5. Why is borrowing for appearance so harmful?
6. What is one habit that causes people to return to debt?
7. How can a person communicate honestly when they cannot pay as promised?
8. Which method would help me more right now: debt snowball or debt avalanche?

Memory Verse

Proverbs 22:7

("The rich ruleth over the poor, and the borrower is servant to the lender.")

Key Takeaways

Debt can become servitude when it controls my future income.

Payday traps keep people borrowing before and after payday.

Debt must be faced honestly and written down clearly.

Paying debt is a matter of integrity.

I must stop creating new debt while paying old debt.

The reason I borrow must be identified and corrected.

The debt snowball gives motivation by clearing small debts first.

The debt avalanche saves interest by attacking expensive debt first.

Dangerous lending must be avoided.

Contentment and self-control are necessary for debt freedom.

Debt freedom is part of biblical stewardship.

Personal Commitment

With God's help, I will face my debts honestly. I will stop hiding, stop pretending, and stop borrowing carelessly. I will write down what I owe, communicate with integrity, and begin a practical plan toward freedom. I will resist payday traps, appearance pressure, and emotional spending. I will trust God, practice discipline, and become faithful with what is in my hand.

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Closing Prayer