



SUMMER 2010/11

Kingdom Resources

NEWSLETTER

Taking them by the hand, they helped them up... they became strong... and began to walk. Acts 3:7,8 (para).

EARTHQUAKE SHAKES BUDGET!



On Saturday 4th September Amanda survived the earthquake physically unscathed. However her chimney had come down and there were a few cracks in the walls but nothing really serious. She had no idea of the city's damage as her power was off, so she started getting ready for work.

"...The building had been badly damaged and there would be no work that day ... maybe not at all!"

Suddenly there was a knock on the door. It was the manager of the beauty salon, located in the historic seven-storey Manchester Courts, where she worked as a beauty therapist. He explained to her that the building had been badly damaged and that there would be no work that day, perhaps not the next day either or maybe not at all!

The news hit Amanda hard. She was on an incredibly tight budget, with only \$10 a week surplus which she called her 'sanity money'.

Five months earlier Amanda, when her finances had spiralled out of control, had become a budget client of Kingdom Resources. Described by her budget advisor as 'very generous hearted' she'd been lumbered with unpaid rent and power bills by flat mates, as well as her owing money to car parking and mobile phone companies.

"It was a really horrible time. I even got my mobile phone cut off and didn't have a landline," she explained.

Desperate for help, but no idea where to turn to and very embarrassed by her predicament, her mother made the first contact with Kingdom Resources on her behalf.

"I was so scared when I first met the budget advisor. I thought this person is going to look at me and see how stupid I had been," explained Amanda. Instead, the opposite happened. "It felt like she completely understood."

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EARTHQUAKE SHAKES BUDGET!

"The first step of her budget recovery was in making some major life changes, specifically shifting house to a place where she would not be left with the weight of the financial obligations should another flat mate leave," explained her Budget Advisor, Barbi.

The second step was accessing an interest free loan through Kingdom Resources.

"Phil, the Lending Co-ordinator, was fantastic," said Amanda. "He talked to people I owed money to and obtained some really good discounts." She explained that having someone to bat on her behalf was brilliant, as previously some of her creditors had been "really horrible" on the phone.

Amanda's loan was for about \$5000, a figure she is paying off over 18 months but her budget is incredibly tight, so the possibility of losing her job as a result of the earthquake was devastating.

She said that it was really hard to call Kingdom Resources on the Monday morning after the earthquake as she was scared she'd have to default on repayments to the loan. However, she was immediately reassured.

"Phil said, 'Don't worry, in the circumstances we're not going to come knocking on your door ... if you have one!'" related Amanda.

Sadly, with Manchester Courts condemned, Amanda's job went with it. However, she is very grateful to her boss as he organized casual work at another salon, continuing to pay her enough money to enable her to stick to her budget.

Getting out of debt, and surviving the personal impact of the earthquake on her life, isn't easy for Amanda, but with a bubbly personality and cheerful determination, she hopes her loan will be paid off by April.

"Amanda is such a darling," said Barbi. "She's one of those people who remind me why I got into budget advice in the first place. She is a pleasure to work with."



THE ULTIMATE EMERGENCY FUND!

"The EQC Fund is the ultimate example of budgeting", said John Exton, General Manager of Kingdom Resources.

"Budgeting is all about preparing for a known or unknown event - be it for food, bills or Christmas presents. Who'd have thought a few months ago that Christchurch would be hit by such a large quake! However, as a national community - if we've had house or contents insurance - collectively we've put aside money for over 60 years in preparation for the aftermath of such an occurrence. The estimated bill for clean up is enormous, but together we've got it covered," explained John.

"We've put aside money for over 60 years"

The EQC website reports that there is an estimated \$5.6 billion to help many homeowners repair and rebuild houses devastated by the earthquake. Already they are making individual payouts of over \$100,000 to homeowners whose houses have been severely damaged by the earthquakes. Without this 'money pot' as a nation it would be very hard to help rebuild our shaken city for many, many years.

That's reassuring news for those of us with insurance, but an estimated 5,000 damaged homes weren't covered.

"Sadly, some of us have an 'it will never happen to me' mentality,' and choose not to pay for insurance. Others simply can't afford the premiums," explained John. "The earthquake has woken up New Zealanders to how essential it is to have insurance cover, not just for our houses but for contents too."

Some people are also finding that they are underinsured. One of our clients faces an unenviable situation. Owing to a clerical error only the ground floor of her two-storey house is actually covered by insurance.

She's currently enduring the agonizing wait to find out whether her house is to be demolished or not!

"The earthquake has woken up New Zealanders to how essential it is to have insurance cover, not just for our houses but for contents too."

Being underinsured is not just a homeowners' problem either, but even since the quake many small businesses are still underinsured according to Julian Lough, National Manager - Commercial Sales, Tower Insurance.

"Underinsurance is definitely a false economy," explained Julian. "If insurance cover is less than the value of a business's assets, and that organization is hit with an unexpected event, they will find it very hard to recover." The cost of a business grinding to a halt is far, far more than just replacing furniture and computers.

Christchurch has had a reality check and the rest of New Zealand is learning from our experience. While we thank God that no lives have been lost - a few hours later and it could have been a totally different story - we're all learning to prepare now for a future emergency and remembering the saying, "failing to prepare is preparing to fail!"

**Are you planning to make sure your bills are paid?
Do you have a long term financial goal?**

**Kingdom Resources can help you by providing free budgeting advice, budgeting courses and employment advice and training.
See back page for more details or our website
www.kingdomresources.org.nz**

"If I had my way I would write the word 'insure' over every door of every cottage and upon the blotting book of every public man, because I am convinced that, for sacrifices that are conceivably small, families can be secured against catastrophes which otherwise would smash them forever." - Winston Churchill



CONTRACT FROM HELL!

One new client who previously bought a car for \$18,000 will end up paying \$34,000 for it - nearly twice as much!

When he bought the car, he signed up for everything that was suggested to him:

- **Extended warranty, for over \$1,200**
- **Veri pay system, costing nearly \$1,000**
- The Veri Pay system sends him an electronic and visual warning that a payment is due and will immobilise the car if he misses a payment!
- **GAP Insurance**
- Covers some of the difference between what he got for the car and what its worth if it gets destroyed.

The client was encouraged to sign the agreement without getting legal advice. He hadn't even realised that the contract lasted for four years.

In the three years he has had the car, he has never missed a payment.

It's so important when signing contracts to know exactly what we're signing and how much the whole contract is going to cost!

Paul

Education Co-ordinator



We acknowledge with grateful thanks the huge contribution of the following supporters:

- Christchurch City Council - Major Grants • Community Organisation Grants Scheme (COGS) • Croft Print • Dove Charitable Trust • Family and Community Services (FACS) • Farina Thompson Trust • Goahead Networks • Hyman Marks Trust
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 The Canterbury Community Trust • The Lion Foundation • The Timothy Blair Trust • The Southern Trust • The William Toomey Charitable Trust • Tindall Foundation • Vouchers for Volunteers - BP



PLEASE READ ME,
THEN PASS ME ON.

Wishing you a MERRY Christmas
& a HAPPY New Year

Need Help after the **EARTHQUAKE?**



Do you, your family or your friends need financial support after the quake?

- Call us on 03 332 1700 or email kr@kingdomresources.org.nz for budget advice and support. We will always try to help.
- The Red Cross has received donations in excess of \$9m to help families in need. There are 3 potential one-off grants available: Emergency Grant, Damaged Homes Grant and Hardship Grants. Contact the Red Cross on 0800 733 276 or see www.redcross.org.nz for criteria and application forms.
- The Mayor's Welfare Fund have hardship grants available of up to \$300. Phone 03 941 8999 for advice and an application.

Is your family upset or stressed?

- Phone: Right Service, Right Time on 0800 777 846 or visit www.rightservice.org.nz
- For a useful factsheet visit www.moh.govt.nz/moh.nsf/indexmh/coping-with-stress-factsheets

Could you make a Difference?

Help someone to get out of debt in 2011.

Training for new Budget Advisors commences on 12 February, Kingdom Resources Office.

Call Paul on 03 332 1700 ext 703 or email paul@kingdomresources.org.nz for more details.

TRAINING FOR 2011

Kingdom Resources runs many courses that may help you learn new skills.

Beat the Budget Blues

Budgeting Workshops

21 March (4 Monday evenings, St Albans area).

Men @ Work

Employment course for men. Free.

8 February (3 days per week for 3 weeks) at Kingdom Resources' Office in Addington Mall.

Taking the First Step

Women's employment course. Free.

2 March (2 days per week for 4 weeks) at Kingdom Resources' Office in Addington Mall).

Phone 03 332 1700 for more information.

**Course information correct at time of publication.*

WHO ARE KINGDOM RESOURCES?

Kingdom Resources has 23 years of experience in helping people. We do this by offering practical help with employment and money matters. Our motivation is Christian – Christianity with its sleeves rolled up.

We believe God cares deeply for us individually.

Our response is to pass that love on by assisting those in need.

CONTACT DETAILS

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