



In 1997 Paul and his wife, June Thompson, set up Experto Credite, a Receivables Management Outsource Company working for FTSE clients such as Dell Computers, Vodafone, Royal & Sun Alliance, BT, Morgan Stanley and others. Paul acted as senior partner until 2008, when the business was incorporated, attracting funding of £160 million from American investors. Today the business employs 158 staff. Paul and his wife are major shareholders. Paul and June have been married for twenty-eight years, and attribute all their achievements to the glory and honour of God. He is an ordained elder and treasurer, and June is also an ordained elder. They have three children: Phillipa, Julian (a Theology student at Newbold and TVYF president), and Helena (a student at the University of Sheffield).

• Paul Thompson

How to avoid the student debt trap

As a young girl growing up she had always been very careful with money. Her parents were comfortable, and, although she did not attend church regularly, they invested a lot of time in ensuring she had very good values.

They were absolutely overjoyed when she gained a place at a good university in the South of England to read English. Her student loan covered her tuition, but she was shocked when she discovered it did not cover the £1,300 bill per term for her rent for the University accommodation. She used her overdraft to cover the first term, and managed to get by living mainly on beans and toast. The next term she was £800 short, which she barely covered with cash from her credit card. The interest was high and within weeks she was faced with the hard fact that she did not have sufficient funds to meet the minimum payments. What could she do?

The letters, phone calls and text messages from the bank's debt-collection department increased. She felt stressed and was too ashamed to tell anyone her secret; she had become a debtor, and in her mind was on the slippery slope of being taken to court for debt. 'How could this happen to me?' The question churned over and over in her mind. Her grades began to slip; she became restless in lectures and found it difficult to sleep at nights. Even more worrying were the dark patches which emerged under her eyes. In her mind she began to age, losing her fresh, youthful looks.

She decided a part-time job was the best solution: extra cash was needed urgently. She headed into the entertainment district of the town; a sign posted in a window read, 'Help wanted within'. She went inside and met the manager, a warm, jovial, middle-aged man, who described the job as 'light entertainment'. Her first night as a pole dancer was horrific. Hordes of middle-aged men stared at her, gawking as they carefully slid crisp five- and ten-pound notes into her scant clothes – she was aware that she was dancing, moving to the music, but it was as if she were in a trance. She finished work at 4am, with more than £150 in tips on her first night. She hurried home and headed for the shower, where she spent a long time scrubbing herself, and she felt dirty. How could this be? A first-class degree honours student, turned pole dancer to pay off her student debt.

Within two months she cleared her bank overdraft and repaid the debt on her credit card. Her target to cover her university rent the following month would be easily met; her income had doubled as she now provided private dances, in the nude. Each night she would go home and carry out the same ritual, spending ages in the shower scrubbing herself. She felt dirty and soon

became depressed. She cut herself off from her friends, and called home infrequently. Her GP prescribed anti-depressants, which made her head feel heavy; concentrating in lectures was difficult and she fought hard to stay awake in the daytime. She had cleared her debts, and had more than £2,000 in surplus cash in the bank, but she was deeply unhappy.

Finally she broke down, and spoke with a friend whom she trusted; he persuaded her to tell her parents.

Mum and Dad arrived at her place within hours; she shared her story, and they prayed. They offered no judgement, but came up with a plan to help her get back on track with her

studies. She graduated with honours and is now a respected teacher at a primary school. This chapter of her life is now behind her, but her story serves as a warning to students, many of whom can easily find themselves in debt, then having to make tough decisions which go against their morals, principles and faith.

continued





Here are seven steps to take if you find yourself in debt:

1 **Speak to someone** whom you trust to pray for you, and share the problem with him or her. Do not carry the burden on your own.

2 **Make contact with the creditors** (the people to whom you owe the money) and tell them you are struggling. You may be surprised; many students are in a similar situation, and most establishments will have a plan to give you time to pay.

3 **Decide on priority debts;** make a decision on which debts are more urgent. These are usually the ones where legal action is being threatened. Give priority debts your most urgent attention.

4 **Prepare a financial statement.** List your income and all of your outgoings; the difference between the two is what you have left over to pay off your debts. If there is no surplus, this is a problem – however, increasing your income can solve it.

5 **Maximise your income:** Ask yourself, What skills do I have which I can use to increase my income? For example, can I teach part-time? Can I sell my IT skills to a small local firm? Can I do care work in the community on a part-time basis? Can I paint or do repairs?

6 **Review your expenditure.** How can I reduce my spending and make savings? For example, less eating out and more cooking at home. Do I need a car? Do I need to buy designer clothes or spend on the latest fashion?

7 **Negotiate** – speak to your creditors; ask them to freeze the interest on your loan and offer to repay the debt over a longer period of time. This will buy you some breathing space until you can afford to pay more. If they are being difficult, contact the debt advisory section of your local Citizens Advice Bureau (CAB) and ask them to deal with all your creditors on your behalf. CABs have a lot of power, and lenders respect them. Finally, once you have cleared your debts, find a local ministry or charity and commit some of your surplus cash towards a worthy cause.



Give a miracle

Last August I met a young guy named Zakaria. I guess he is about 22 years of age; a bright guy with a nice smile. We talked to him because ADRA Ghana, our partner in a large project co-funded with the European Commission, wanted to impress us. I could see why. Zakaria has a slight physical handicap in that his right hand is somewhat malformed. He lives in a very dry and poor area in Northern Ghana, and used to work a small plot of land for food and a bit of money to help him go to school.

Climate change is affecting this part of the world too, although we sometimes forget. Less rain, longer dry periods, more bush fires. The harsh climate was taking its toll, and, with no harvests, Zakaria had to drop out of school. No harvest. No food. No education. No future.

Then ADRA came. With the help of the EC and ADRA-UK a major project was started to build food resilience for impoverished farmers. Zakaria was one of the beneficiaries. ADRA ploughed one acre of his family's land and provided improved seeds and fertiliser, and in his first harvest Zakaria increased his crop of maize by nearly 400%. Enough to eat, sell and pay to go back to school again. His life has changed because of ADRA, thanks to people in the UK who donated a little money that ADRA could use to provide 'miracles' for 70,000 hungry people in Northern Ghana.

ADRA strives to make the world a more just and liveable place for poor people around the globe. To continue to do that we need your help! Why not use your phone to scan this QR code and donate £5 to ADRA now?



Thanks!

