

Taking control of your financial affairs:

‘How to Put Your Finances on Autopilot Towards Financial Freedom’

If you only followed one of my 17 reports it should be this one, promise me you will!

Luv Asha x

Asha's
Financial Academy

If only they had taught us this at school...



Inspirational financial education and guidance to help you plan and create the life you want to live!

How to put your finances on autopilot towards financial freedom!

If anybody asks me, which of the Sections is the most important one to understand and put into practise, **it's this one!**

The recommended actions will help you create solid financial management foundations on which everything else is constructed. But more importantly, it's designed to help you set everything up to automatically move you in the financial direction you want to go.

It's going to take some effort to put these foundations in place in the next few weeks, but you'll then have a nice springboard towards future prosperity and financial independence.

The Section and financial management exercise will focus on 2 sections as follows:

A. Control



- Step 1** ~ review your current finances & spending habits (no hiding place!)
- Step 2** ~ eliminate unnecessary spending & get the best value on necessities
- Step 3** ~ account for every penny of your disposable income
- Step 4** ~ change bad habits that are costing you money

B. Autopilot



- Step 5** ~ deciding on what's important for your future prosperity
- Step 6** ~ getting the right balance to support your plans & lifestyle
- Step 7** ~ putting it all on autopilot
- Step 8** ~ regular reviews and adjustments



This complete exercise when done properly can literally change your life (long term). Now that may seem a bold statement but when you see how much money can potentially be saved and utilised elsewhere (invested for your benefit) it can put tens/hundreds of thousands of pounds into your future, money you'll just spend/fritter if you don't do this!

The 8 steps are relatively simple and pretty obvious when you see them but very few people have the discipline to do it at this level, I hope you're disciplined enough to do them.

Meet the Jones's: I will walk you through all 8 steps exercise using our fictitious family the Jones's as an example, they are an average family with 2 kids and have a decent lifestyle. Deep down (like most of us) they know their finances should be in better shape!

It will take some effort to complete all the steps properly, it's not a quick exercise, it may take a few weeks to fully implement but it will be well worth it. In addition to the potential savings (to be redeployed to make you more money) it will give you huge peace of mind having everything in order and automatically working for your future benefit.

A. Control

Step 1 ~ See where every single penny goes (no hiding place!)

I suggest initially setting aside a couple of hours to do this (TV will have to go off!) where you won't be disturbed. You'll need to dig out all your bank details and financial related paperwork.



Complete a monthly budget plan (there's a blank one for you on [page 17](#))

Enter all your household income in the first section, then simply complete the expenses sections A, B & C in accordance with the notes and total everything at the bottom. I've completed this one on behalf of the fictitious 'Joneses' to make the steps easier to follow.



Income	
Your Net Income	£1,875
Your Partners Net Income	£1,315
Pension/Investment Income	£0
Benefits (Tax Credits etc)	£380
Other	£0
Total	£3,570
A. Fixed Regular Monthly (Essential) Expenditure	
Mortgage or Rent	£626
Loan & HP Agreements	£228
Credit & Store Cards	£217
Life & Health Insurance	£135
Property Insurance	£36
Car Insurance & Tax	£63
Council Tax	£159
Gas/Elec/Water	£96
Telephone & Mobile	£77
Broadband & TV Package	£47
TV License	£14
Dental Insurance	£24
Maintenance Contracts	£36
Gym Membership	£33
Savings & Investments	£200
Total A.	£1991
B. Variable (Necessary) Estimated Expenditure	
Petrol	£120
Food	£400
Clothing	£120
Car Maintenance	£40
Pets	£35
Total B.	£715
C. Luxury (Leisure/Fun) Estimated Expenditure	
Meals Out & Takeaways	£130
Alcohol	£90
Cinema/Attractions	£65
Weekends (inc travel) away	£120
Holidays	£200
Hobbies & Sports	£70
Total C.	£675
Total Expenditure (A+B+C)	£3,381
Monthly Income Surplus (Income - Expenditure)	£189
Disposable Income (Income - (A + B))	£864

Notes

Complete the boxes using income figures from wage slips or bank statements.

Notes

Complete all the boxes for each known fixed monthly expense you have. Add additional items as relevant to you.

Notes

This section contains variable expenses which are necessary for day to day living. You'll need to estimate the average monthly expenditure for each one.

Notes

This section contains luxury (leisure/fun) expenses which constitutes disposable income. As with variable section, you'll need to estimate the average monthly expenses for each one.

Notes

Monthly income surplus will be a minus figure if you spend more than you earn. Disposable income is what's left after all necessary living (fixed & variable) costs.



Step 2 ~ Eliminate unnecessary spending and get the best value with all fixed costs (Section A)

Now we're going to analyse every single fixed expense to see if we can either eliminate it or reduce the cost.



We'll walk through the steps first and then go back and apply it to the Jones's.

1. Elimination - this step requires a little research into each fixed expense firstly to confirm if you really need it (e.g. do you actually use the gym? Do you actually need sky movies etc, this will test you!), can you eliminate any regular unnecessary expenses?

2. Best value – now go through each fixed expense to make sure you are getting the best value for money. You can do this online via comparison tools or through a professional broker/adviser or a combination of both and see if you can get the same deal/service for less.

Most financial services and household utilities are easy to compare as there are lots on the market. For expenses like gym memberships or credit cards, call them and ask for a better rate, chances are they'll consider it if there's a chance of losing your business. You've nothing to lose for the sake of a phone call!

Don't be afraid to negotiate with existing service providers, you'll be surprised at the improved deals they'll offer to retain your business.



Warning: if you're making comparisons online, make sure you don't compromise value to save a few pence, many people have made the mistake of opting for the cheapest insurance quote to subsequently find out they're not covered when it comes to making a claim. It's more important to get the right cover at the best value. This is where professional advice is recommended as you can have an expert fully explain it, as opposed to trying to figure it out via the small print.



Potential savings: Let's say for example, you review everything and save £90.00 a month by switching to a better mortgage deal, get the same life cover for £25 less and reduce the gym membership by £10 a month, that's £125 saving or £1,500 a year by simply reviewing a few expenses.

By systematically reviewing each expense and switching to better deals where you can and then cutting out unnecessary expense you can easily reduce your monthly expenses by 10% - 15%, that's like getting a 10% - 15% pay rise every month or free money to invest (now there's a thought)!



Free money available to homeowners

I have a colleague who helps homeowners adjust their monthly utilities and general expenditure so that it naturally works in their favour. The average monthly saving is around £30 for simply aligning their requirements and spending habits to work in their interest. It's a free service and comes with a free no obligation consultation, see the details at the end of the Section if you would like further details.



Step 3 ~ Account for every penny of Variable (B) & Luxury (C) expenditure

This part takes a little discipline, but the benefits can be enormous as it lets you see where you waste & fritter away your money (please don't beat yourself up, we all do it!). Let's not forget, life is for living, the key is finding the right balance between enjoying life whilst feeling content/happy with everything generally. How you control your money and spend it has a lot to do with getting that balance right.

So, grab a notebook and record every single money transaction (cash or card) you make in your day to day living. Simply keep hold of your receipts and once a day/week (whatever suits) record them in your notebook as per the following example:

Sunday 13 th	
Newspaper & groceries	£14.30
Pub lunch	£21.45
Monday 14 th	
Starbucks Coffees	£5.60
Petrol	£56.60
Works lottery	£2.00
Tuesday 15 th	
Grocery shopping	£64.68
Birthday present for friend	£12.00
Drink after work	£4.80
Take away meal	£24.85

Important: Doggy treats should always be treated as a necessary expense ☺



After a few weeks of consistently doing this (I recommend a minimum of a month), you'll see exactly where it all goes, there's no hiding if you do it properly. You may find you manage your money very well or it may be a big wakeup call!

From this analysis you can now see how much you're spending on both your necessary variable expenses and exactly where your luxury (disposable) income goes.



Variable (necessary) income: now that you can see how much and where you spend this income, you can look at making adjustments. E.g. is there a cheaper garage for fuel needs, are you buying too much food and end up throwing some away, do you buy clothes that you hardly ever wear. It's time to be disciplined and make adjustments as you see fit.

Luxury (disposable) income: this is where lots of savings can be made through small adjustments and savings. E.g. maybe have one less drink at the pub each time, have a takeaway once a fortnight instead of weekly, drink works coffee instead of Starbucks, ask for discounts on large purchases and family tickets, *I think you get the idea.*

It's only when it's all accounted for that you can see obvious ways to save (not waste) money and very often its only small adjustments that you'll hardly even notice after a few weeks.

Carry out these first 3 recommended steps and you'll be in the top 5% of the population!

That's right, less than 5% of the population actually has the discipline to do all this, yet the ones that do this consistently are the ones who are either in very good shape financially or well on their way, coincidence, I think not!



It makes sense, if you continually analyse your expenses to get the best rates and deals and also analyse every penny you spend you will have a very tight control of your finances and a solid foundation from which to build on because you know precisely what's happening and what you need to do.



Most people with financial problems are too scared to do this as they don't want to face the facts; the truth is they need to do it more than ever.

Important: When you save, make sure it's not just lip service:

When you save money by making cut backs or changing habits, make sure you actually save by taking the money you have saved and putting it to work for you i.e. into savings or investments.

The following is common example of someone who talks about saving but is only paying lip service:

Bob: "Since I gave up smoking I have saved £35.00 a week"

Pete: "So what have you done with the money Bob?"

Bob: "Well, we now have a takeaway on Tuesdays and a few extra pints at the weekend"



Bob didn't exactly save it, he just channelled the money into spending elsewhere (we've all done it!). When you save, make sure you do actually save it, not only do you have it for the future (plus interest), but you'll feel better for knowing your money is now working for you.

Step 4 ~ Change bad habits that are costing you a lot of money

Only by carrying out a full analysis of your disposable income can you accurately see what any habits are costing you. A change of a habit can make you a fortune:

Let's say you smoke and spend £5.00 per day on cigarettes, and you manage to kick the habit with a determination to invest the money you have now freed up. The following figures are what you get if you just stuffed the savings under a mattress:

Actual saving		Investing it	
The effect of giving up smoking:		If you invested that £5 a day instead) and earned a 10% annual return, you'd get:	
Daily Saving	= £5.00	5 years	= £11,576
Monthly Saving	= £150.00	10 years	= £30,219
Yearly Saving	= £1,800.00	20 years	= £108,598
10 Year Saving	= £18,000.00	30 years	= £311,894
20 Year Saving	= £36,000.00	40 years	= £839,191
40 Year Saving	= £72,000.00		

That £5.00 a day habit could potentially turn into £800,000 plus, for your retirement. Some of those habits are a lot more expensive than you thought!

Final thought, you don't even need to give something up, just cutting back could do the trick, e.g. take a packed lunch instead of buying lunch, reduce the amount you smoke or drink but always make sure you actually save it to put to good use and not just spend it elsewhere.

Health habits: its common knowledge that many people pay for a gym membership (especially early January each year) with the best of intentions but after the initial momentum, they stop going, kidding themselves they'll start again. Perhaps go for a run instead or exercise at home and divert that saved gym membership into savings/investments.



Let's now look at the Jones's revised monthly budget plan after carrying out steps 2 – 4

Here's a summary of each of the 3 sections:

Fixed Expenses: every fixed expense was reviewed resulting in savings by eliminating broadband/TV as a separate expense along with the gym membership. Further savings were made from better deals obtained on the mortgage, credit cards, life insurance, property insurance, utilities, telephone/mobile package (bundle now includes broadband/tv) and pet insurance. Saving - £311

Variable Expenditure: By reviewing all areas and analysing where their money goes, they have made further savings on monthly food shopping by cutting back (instead of throwing stuff away each week) and petrol costs by sharing lifts to work. Saving - £105

Luxury Expenditure: by reviewing and monitoring their leisure expenses, they have decided to spend a little less on eating/drinking out each month, a little less on cinema/attractions and get better value on their holiday booking by doing more research and booking earlier. Saving - £100

That's a total of **£516 monthly saving**.

The Jones's are keen to start saving and investing more each month as they've been enjoying a decent lifestyle and (apart from equity in their property and work related pensions) they haven't got much in the way of assets, so this is the intention with the savings created from the adjustments after going through each step.

Now let's see
what their
revised budget
plan looks like on
page 8



The Jones's budget plan after carrying out steps 2 – 4 (changes are highlighted in Red)

Income	
Your Net Income	£1,875
Your Partners Net Income	£1,315
Pension/Investment Income	£0
Benefits (Tax Credits etc)	£380
Other	£0
Total	£3,570
A. Fixed Regular Monthly (Essential) Expenditure	
Mortgage or Rent	£506
Loan & HP Agreements	£228
Credit & Store Cards	£165
Life & Health Insurance	£92
Property Insurance	£26
Car Insurance & Tax	£63
Council Tax	£159
Gas/Elec/Water	£80
Telephone & Mobile	£96
Broadband & TV Package	included
TV License	£14
Dental Insurance	£24
Pet Insurance	£27
Gym Membership	ditched
Savings & Investments	£200
Total A.	£1680
B. Variable (Necessary) Estimated Expenditure	
Petrol	£95
Food	£320
Clothing	£120
Car Maintenance	£40
Pets	£35
Total B.	£610
C. Luxury (Leisure/Fun) Estimated Expenditure	
Meals Out & Takeaways	£100
Alcohol	£60
Cinema/Attractions	£50
Weekends (inc travel) away	£120
Holidays	£175
Hobbies & Sports	£70
Total C.	£575
Total Expenditure (A+B+C)	£2,865
Monthly Income Surplus (Income - Expenditure)	£705
Disposable Income (Income - (A + B))	£1,280

Notes

We'll assume your income stays the same.

Notes

A review of each expense resulted in eliminating broadband/TV as separate expense along with the gym membership. Better deals were obtained on the mortgage, credit cards, life insurance, property insurance, utilities, telephone/mobile package (bundle now includes broadband/tv) and pet insurance, saving £311 a month.

Notes

By reviewing all areas and cutting back on food (instead of throwing stuff away) and sharing lifts to work, resulted in a £105 monthly saving.

Notes

Reviewing each expense and deciding to spend less on eating/drinking out, a little less on cinema/attractions and getting better value on holiday bookings, resulted in a £100 monthly saving.

Notes

The 3 steps have produced a **combined monthly saving of £516**. This £516 additional surplus income is money the Jones's can now use to start saving and investing more for their future prosperity.



B. Control

Step 5 ~ deciding on what's important for your future prosperity

This is a very important step, they say your destiny is shaped by your decisions, this is where we make the key decisions about your financial future.

They always say pay yourself first (more on that later).

The Jones have read all my Sections and (apart from now wanting a cocker spaniel ☺) feel very inspired to save & invest a good chunk of their income every month.

They we're already putting away £200 a month and we've now created a further £516 in surplus funds by reviewing and adjusting everything. So, they have decided to increase their monthly savings and investments contribution with the full £516 to £716 which effectively represents 20% of their net income.

You need to pay close attention to really grasp steps 5 - 7 (re-read as many times as you need to)



✓ Investments (financial freedom)

They decide 10% or £358 a month will now go directly into investments to build some nice assets for their future to create financial freedom, they'll get professional advice on this to suit their needs. **This is long term investment for their future financial freedom.**

✓ Savings

The other 10% or £358 a month will go into high interest savings to cover future one-off expenses such as new car, daughter's wedding and rainy day money (replacing boiler etc). They may periodically use some of this to pay off credit card debt. They'll also get professional advice to suit their needs on this too. **This is their long-term savings available to spend as required.**

Debt repayment

Whilst saving & investing is the main priority, the Jones's also understand that reducing their debts is also a prudent thing to do.



They are determined to stay disciplined and stick to the monthly budgeting plan which means they should have £189 surplus in their bank account. So, they decide to overpay £100 on their mortgage each month and £89 on their credit cards and set these up as automatic payments.

They now have their future prosperity plan in place and are on track to having their debts repaid quicker.

Step 6 ~ getting the right balance to support your plans & lifestyle

Here's a **snapshot** of their monthly spending by groups:

Income	£3570
A. Fixed Regular Monthly (Essential) Expenditure	£2385
B. Variable (necessary) Estimated Expenditure	£610
C. Luxury (Leisure/Fun) Estimated Expenditure	£575
Total	£3570

This now includes:

1. The savings & investments amount of £716 as an essential monthly expenditure.
2. This surplus amount of £189 which is now being channelled into faster debt repayment with £100 overpayment on mortgage and £89 on credit cards.



Budgeting for irregular (one-off) payments against regular monthly payments

Some of the variable (B) and luxury (C) monthly expenditure is for regular monthly requirements such as food, petrol and alcohol which obviously needs to be spent each month.



Other types of variable (B) and luxury (C) monthly expenditure is for irregular requirements such as holidays, clothing and car maintenance which are paid for at different times of the year as required.

As the Jones's get paid monthly, they need to pay for the monthly necessary and luxury expenditure as they go but also put away the funds to cover the irregular necessary and luxury expenditure for when it's required as one-off expense.

Here's a **breakdown** of monthly regular and irregular payments:

B. Variable (Necessary) Estimated Expenditure			
	Regular	Irregular	Annual budget
Petrol	£95		
Food	£320		
Clothing		£120	£1440
Car Maintenance		£40	£480
Pets	£35		
Total B.	£450	£160	£1920
C. Luxury (Leisure/Fun) Estimated Expenditure			
	Regular	Irregular	Annual budget
Meals Out & Takeaways	£100		
Alcohol	£60		
Cinema/Attractions	£50		
Weekends (inc travel) Away		£120	£1440
Holidays		£175	£2100
Hobbies & Sports	£70		
Total C.	£280	£295	£3540

From the above breakdown we can see that the Jones's have **regular** monthly expenses of **£730 (£450 + £280)** which needs to be available in their bank account each month.

We also see that they have an **irregular** monthly budgeting commitment of **£455 (£160 + £295)** which needs to be periodically available as required but not necessarily in their bank account. Let's recap:

We have 3 groups of monthly expenditure:

- Fixed Regular Monthly (Essential) Expenditure
- Variable (Necessary) Estimated Expenditure
- Luxury (Leisure/Fun) Estimated Expenditure



However, we have 3 types of expenditure (in terms of when required):

- Fixed Regular Monthly (Essential) Expenditure ~ paid once each month
- Regular** Monthly Variable & Luxury Expenditure: **ad hoc** payments during the **month**
- Irregular** Monthly Variable & Luxury Expenditure ~ **ad hoc** payments during the **year**

Now it's time to arrange it all to work automatically for your benefit. I hope you're following it all, life is so much easier for a dog ☺!



Step 7 ~ putting it all on autopilot

This step is simply all about setting up your finances to automatically work in conjunction with your budgeting and investment plans and help control your spending whilst simultaneously moving you in the direction you want to go financially. Once set up, you don't even have to think about it.



Below is the ideal set up, some people go the whole hog (highly recommended) others go part of the way, it's entirely up to you.

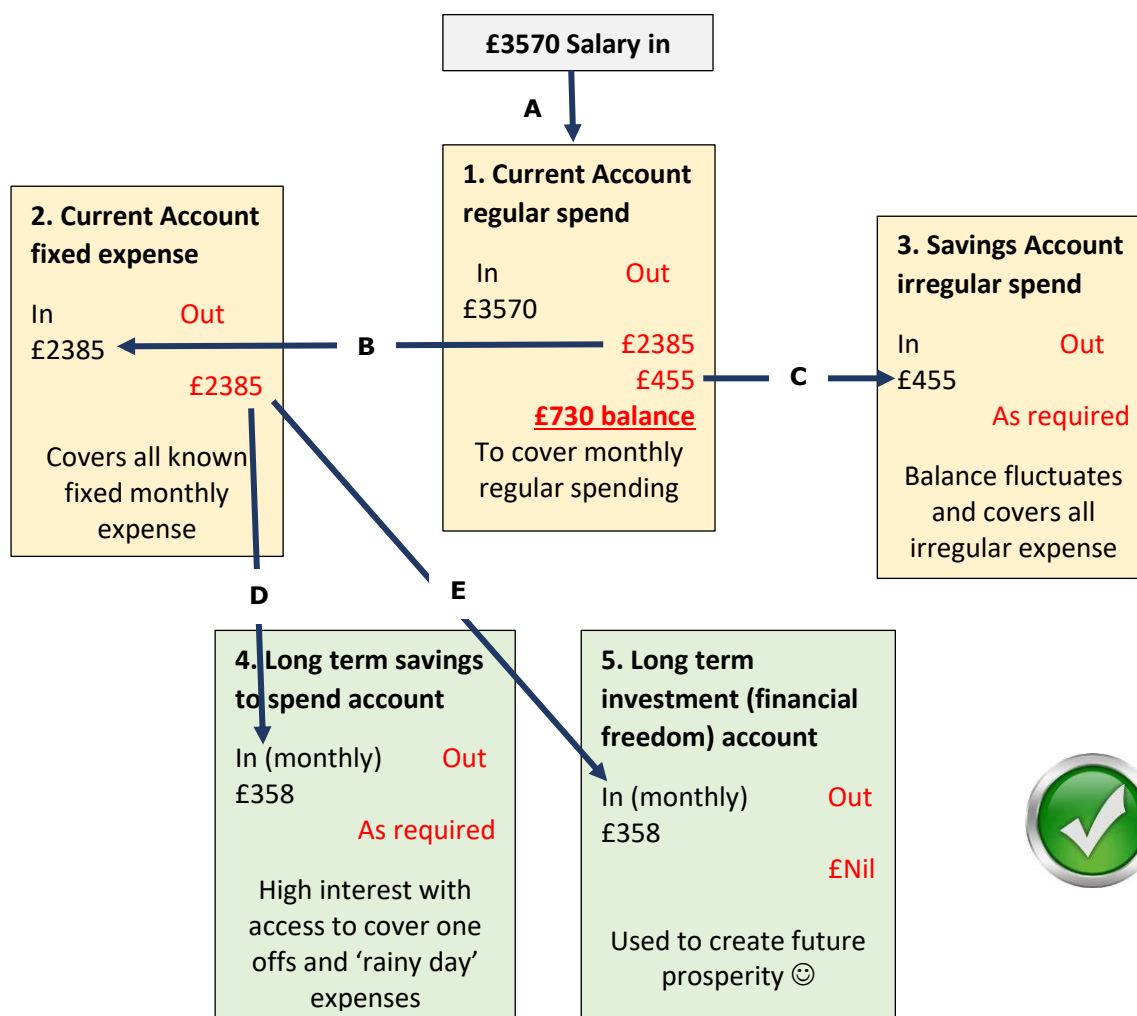
Monthly budgeting: to remove temptation of spending money just because it's there, I'm going to suggest you use 3 separate bank accounts, this consists of 2 standard current accounts and a normal savings account. You should be able to get these from every bank.

Financial freedom: In addition to this you will need a separate 'long term savings to spend account(s)' and 'long term investment account(s)' for your long-term future prosperity that reflects your needs and plans.

We'll call these:

- A. Current account regular spend ~ (£3570) *see section 6 snapshot (p9)*
- B. Current account fixed expense ~ (£2385) *see section 6 snapshot (p9)*
- C. Savings account irregular spend ~ (£455) *see section 6 breakdown (p10)*
- D. Long term savings to spend account ~ (£358) *see section 5 saving (p9)*
- E. Long term investment (financial freedom) account ~ (£358) *section 5 investment (p9)*

Here's how we set it up on autopilot for the Jones's:



Let's now clarify this automation on page 12:



Automation

They start by having their income (A) **automatically** paid into a **current account 1**.

From this account they have a standing order (B) to **automatically** pay £2,385 into **current account 2** to take care of all their fixed expenses. A second standing (C) of £455 **automatically** goes into their **savings account 3** to take care of their carefully budgeted irregular expense.



From **current account 2**, all of their fixed monthly expenses are then **automatically** paid out during each month via standing order and direct debit.

From **savings account 3**, the funds to pay for irregular expenses are accumulating ready to be used **manually** when required for holidays, weekends away, new clothes etc.

Their monthly savings commitment of £358 (D) **automatically** goes into their **long-term savings to spend account 4** via standing order to cover one off expenses (new car, daughter's wedding, 'rainy day' fund etc).

Their monthly investment commitment of £358 (E) **automatically** goes into their **long-term investment account 5** via standing order to take care of their financial freedom plans.

They have £730 for their regular necessities and luxury spending which equates to around £170 a week to **manually** spend as they see fit.

Their finances now run them (very important to understand):

- ✓ All their important fixed monthly expenses are **automatically** and immediately taken care of, they don't need to think about it, **giving them peace of mind**.
- ✓ All their irregular expenses such as holidays and weekends away are budgeted for and are **automatically** and immediately taken care of, they don't need to think about it, **giving them peace of mind**.
- ✓ Their debt repayment plan to pay it off quicker is **automatically** and immediately taken care of, they don't need to think about it, **giving them peace of mind**.
- ✓ Their one-off future purchases such as new car or daughter's wedding are **automatically** budgeted for and immediately taken care of with the payment to their long-term savings to spend account, they don't need to think about it, **giving them peace of mind**.
- ✓ Their financial freedom plans are **automatically** budgeted for and immediately taken care of with the payment to their long-term investment (financial freedom) account, they don't need to think about it, **giving them peace of mind**.

The only thing they have to think about is keeping their day-to-day spending within their monthly budget of £730. However, they can spend this budget with reckless abandon if they want to, as all the important elements of their financial plans and money management are already taken care of.

Now that's peace of mind!

It may seem complicated on first run through, but please go over it as many times as you need to, whilst referring to the 'Jones's' budget sheet until you have fully grasped it.

Did you get all that?

Promise me you'll do multiple readings if necessary as I really want you to fully grasp it



Don't underestimate the enormous peace of mind **automation** will give you having all your finances working on autopilot in line with your current and future requirements.

The 2-account alternative...you don't necessarily need to have 3 separate bank accounts if you don't want to, quite a few people only use 2 which is just a spending account and a savings account (you still need the long term savings and investment accounts though). All their money goes into their spending account, they deposit their irregular expenses in their savings and have all their standing orders and direct debits go out in the first few days of the month so what's left is then theirs to spend during that month automatically keeping them within budget.

Why autopilot is so important.... it's very simple, if we were all robots, budgeting and spending would be a piece of cake as we would do it all logically. However, as humans (and animals) we are emotional beings and very often make our financial decisions based on emotion and not logic....



Just stop and think about the last time you bought a meal in a decent restaurant. I bet you didn't look at the menu and think (logically) I'm hungry and I will order some ingredients from the basic food groups to satisfy my hunger?



I'm pretty sure you read the delicious sounding dishes on the menu, automatically made wonderful images of each one in your head which then created corresponding feelings in your body (I salivate just at the mere thought of cocktail sausages@... anyway). You then made your final choice based on the corresponding feelings in your body, choosing the one that felt right at the time to meet your emotional need called hunger!

Because we all make decisions based on emotions without even realising it, we're now removing emotions from the equation by logically figuring out what we want from our life (i.e. planning for our present and future financial goals). We then use the action steps to make it all happen automatically, so emotions don't interfere, this dramatically increases the chances of effectively managing our money and hitting our financial freedom goals to create that prosperous future we all dream about.

Alternative.... most people have their finances all over the place and have loads of money on pay day but nothing towards the end of the month, or as the phrase goes "too much month left at the end of the money" (we've all been there!). With this 8-step method all you have to focus on is keeping within your defined weekly/monthly budget as everything else is taken care of.

Is it all worth the effort?

Analogy –

Here's the scenario: You buy your young kid a regular ice cream and just as you're putting the money away you see they've dropped it and are about to burst into tears.

Being a loving parent, you whisk them back into the ice cream parlour and say don't worry I'll get you another one. They then notice the 'triple scoop special' and ask for that one. **Do you buy them the 'triple scoop special' ice cream after what's just happened?**

Hopefully, you answered **no**. Until they show you they can handle 1 scoop, you're not even going to contemplate 2 scoops, let alone 3.

This works exactly the same with money (please keep an open mind here), once you have everything under control the universe recognises this and sends more your way, this is why

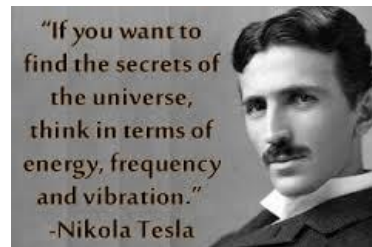


the rich get richer. It's all down to your related **mind-set and the corresponding energy** which naturally changes for the better when you have your finances under control. Let me explain:

It's all about energy, the energy from being under financial pressure (i.e. anxious/stress related) is very different from the energy of being in complete control of your finances (calm and peace of mind related). Science proves it's all to do with your thoughts which effect the energy you put out and the circumstances you attract back.

Did you know; we actually live in an energy universe, the physical World is merely an illusion as everything is simply energy vibrating at different frequencies, this includes your thoughts.

The corresponding energy based around your money related thoughts dictates what energy you transmit and ultimately what circumstances you attract back to you. Other ways that you may have heard this expressed is "you reap what you sow" or "every action has an equal and opposite reaction." Although these 2 phrases appear to be action based, actions are merely thoughts carried out.



This is why people who really want to get ahead financially need to carry out all these steps. If you've got everything under control and on track towards your future prosperity, you'll naturally think more prosperous and harmonious (peace of mind) related thoughts attract more prosperity to you.

Just trust me on all this, Asha knows best!

If you're interested in knowing more about how energy affects the outcome, drop me a line as I find it all very fascinating, but only as long as your friends don't think you're mad communicating with a dog ☺.

**Don't know about you,
but for some reason
I'm feeling hungry
after section 7!**



Step 8 ~ regular reviews and adjustments

It goes without saying that your circumstances will change over time, so it makes absolute sense to review your financial affairs regularly, I suggest annually and make any necessary adjustments.

I'm a strong advocate of annual reviews with professional advisers to make sure your plans are still in line with your future requirements and make any necessary adjustments. It should then be a continual cycle of:

- **Review**
- **Re-evaluate**
- **Adjust**



General adjustments

"Ok, but what if I have an emergency or need to make a large purchase that isn't in the budget?" I hear you ask. Not a problem, you simply budget for the item and factor in the adjustments as you go:



Emergency... let's say the boiler blows up and it costs you £2,000 to repair it which you have put on a credit card as you haven't accumulated enough funds in your long-term savings yet to cover.

What you do is figure out the monthly repayment on the card (choose minimum or an amount you want to pay each month) and simply send this extra amount to your bills account and revise your weekly/monthly budget down accordingly.

It may mean you reduce the holiday budget or weekend away budgets in the meantime to recover this quicker, but it's about balance and having your affairs set up to easily deal with anything life throws at you.

Planning for Christmas...let's say you're planning a decent Christmas and want to spend £900 in total, you simply divide this by 12 which gives you £75. All you now do is increase the amount going to the irregular savings account each by £75 so when Christmas spending starts the £900 is already in the account ready for you to spend (n.b. you would need to re-adjust your weekly/monthly spending accordingly).



I think you get the idea. By budgeting for known and one-off expenses you have everything consistently under control and the peace of mind that naturally come with it.



How to double your lifestyle the easy way

Everything so far in this Section is about getting the best value on earnings and having it automatically work for your plans and needs where practical, to give you a cast iron grip over your finances. Let's just briefly touch on increasing your income.

The Jones's earn £3,570 and if they were asked what it would take to double their lifestyle, they would probably answer £7,040 which is logically twice their earnings.

If we revert back to the Jones's budget plan, groups A (fixed expenses) and B (necessary expenses) cover the important day to day living stuff. However, its group C (luxury expenses) that generally pays for their lifestyle and all the nice things.

Their luxury monthly budget is £575 so if they increased their income by £575, they could affectively double their lifestyle (i.e. do twice as many luxury things/events), it's not about doubling their income.

Food for thought!

Remember wealth creation is a team sport, grab all the help you need!



Need professional advice?

I strongly recommend you seek the advice and guidance of a suitably qualified professional adviser/specialist for any financial advice and expertise you require. They will take you through a set process to establish your requirements and make suitable recommendations.

Pretty much all professional advisers will offer you a free consultation to explain how they work and can help you, simply view these initial consultations as an interview process (you're the boss) to decide if the adviser is right for your needs.



Best deals

Consider using comparison sites for the best deals on general insurance (car, home & contents etc), household utilities and broadband/TV packages. Alternatively seek out specialist brokers who will shop around for you.



Section 9 Summary

A. Control:

Step 1 ~ review your current finances & spending habits (no hiding place!).

Step 2 ~ eliminate unnecessary spending & get the best value on necessities

Step 3 ~ account for every penny of your disposable income

Step 4 ~ change bad habits that are costing you money

B. Autopilot:

Step 5 ~ deciding on what's important for your future prosperity

Step 6 ~ getting the right balance to support your plans & lifestyle

Step 7 ~ putting it all on autopilot

Step 8 ~ regular reviews and adjustments

Your turn ☺ ~ I have added a blank budget sheet on the next page for you to use.

Final Thought:

The philosophy of the rich versus the poor is this: The rich invest their money and spend what's left; the poor spend their money and invest what's left (usually nothing). This process once set up, automatically invests for your future without having to think about it.

Wishing you all the best,

Asha x

I never said it was going to be a quick exercise...

...but you know it all makes sense!



Final Word:

"Become more disciplined, the pain of discipline hurts less than the pain of regret."

