



Money Freedom E-course

A workbook to help you take control over your money habits and gain peace of mind.

Money Freedom

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Our Relationship to Money

☐ Put an end to the stress of the month-end scramble.

Why am I always broke? How often have you heard yourself ask that? Wouldn't life be a whole lot less stressful if you could cover all the bills and wouldn't you like to be able to put something away for that house or trip to Europe or even your retirement?

How much do you want financial freedom? Are you ready to turn your financial mess into a process that just flows? Yes? Then let's get started.

☐ What you need

1. About 1 to 1.5 hours per week for some thinking, researching, organizing and journaling.
2. A space to work in, so that you can spread out your "financial stuff".
3. An accordion file with 12 pockets - one for each month.
4. A journal for recording your thoughts and plans.

☐ Let's get started

What is financial freedom? It appears to be different for different people, depending on their circumstances and how they were raised by their parents. So for the first week I would like to invite you to do some thinking about how **you** would describe it. Answer the following questions in your journal:

- What is financial freedom? Describe it in your own words.
- How would it feel to have it?
- How would your life change if you had it?
- How much money is enough?

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☐ **Now, complete this sentence three times, with three different answers:**

"I know I have financial freedom by how"

☐ **Money worth equals self-worth equals happiness**

This concept is marrow deep in North American materialistic culture. Magazines and television shout this message at us daily. Does this really make sense? Is it logical? Can our planet sustain our continued consumerism? On a higher plane, self-worth comes from inside, through living according to our values and integrity.

☐ **Money gives us an emotional lift**

Have you ever felt like going shopping when you felt depressed or over-worked? What do you notice about those depressed feelings after the shopping spree? When money doesn't deliver that emotional lift, or we feel good only briefly, we are conditioned to look immediately for more. Our relationship to money can be addictive. Can material things really change the way we feel?

☐ **Money represents power**

Whoever pays the bills has the power. Is this true for you? Are we interested in controlling others? Or would we rather live in a community of collaboration and caring? The Law of Attraction says we attract what we focus on, whether we want it or not. Do you know what you really want?

☐ **Journaling Exercise:**

Answer the following questions in your own words and in your own way:

1. Which emotions do you associate with money?
2. What do you think of rich people? Poor people?
3. What is your connection with each?
4. What are your deepest fears about money?
5. What values do you hold about money?

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A Healthy Financial Picture



What's the destination?

▣ How would you describe your vision of a healthy financial picture?

It's important to have some clarity about this because it's like taking a trip. If you don't know where you are going, how will you ever get there? Sometimes it is fun to be spontaneous and just go wherever the spirit takes you. But given the nature of money and the way it works, it's critical to set some sort of long range vision.

So take some journaling time this week to define your **ideal** financial vision. I provide below some questions to help you get started. Please do add whatever additional factors that seem right for you.

1. Is having just enough to stay on top of the bills adequate? Or do you want wealth?
2. Do you plan on a big house in the suburbs? Or would you be happier living in a small cottage in the woods or on the beach?
3. Are you into luxury cars? Or is the Toyota fine for you?
4. What about family? How many children? Grandchildren? What are your hopes and dreams for them? What do you plan to leave for them when you are gone?
5. Do you dream of traveling to exotic places? Or are you happiest going to the cottage at the lake or camping in the bush?

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6. Are you considering more education? Or writing a book?
7. Have you always dreamt of owning your own business?
8. How long do you plan on working? Do you plan on working at all? What income will you have?
9. When do you plan on retiring? What sort of lifestyle will you have then?
10. How will you handle personal or family emergencies?
11. What sort of nest egg do you have?
12. Describe your community contribution. Do you give heavily to local charities? Do you contribute to developing countries or the needy at home in some way? How do you contribute to sustaining a healthy planet?
13. How are you feeling about your finances? What is your level of confidence and self-esteem?
14. What is your level of stress about your finances?

Write as much detail as you can. Be creative if you wish - write a story, draw a picture! Be very specific about your vision; express it both qualitatively and quantitatively.

The difference between "I want" and "I choose"

When we say we wish for or want something, it seems more like a pipe dream or "pie in the sky". But when we say we choose something, we are more apt to make it happen. Wanting is passive, choosing is active.

Now think about the vision you have just created - Do you want it? Or do you choose it?

Create some inspiration

To help make this exercise real for yourself, try cutting pictures from magazines that represent various aspects of your vision and paste them around your vision story. You could even make a large poster that could be put up somewhere in your personal space. Have some fun with this. Remember that using your own creativity will encourage you to carry on.

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Journaling Exercise:

Answer the following questions in your own words and in your own way:

1. What did you notice about the visioning exercise?
2. What were your emotions while you were doing it and after you completed it?
3. How could you apply this method of thinking and working to other aspects of your life?
4. What is the most important take away from this module?

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Your Current Reality - Income

▣ What is money? What can it do?

Robert Kiyosaki refers to money as the “great transformer”. It is a tool to make life easier and give us power over life by giving us time and freedom. It can also be regarded as a measure of our success and this is where some of the strong emotions we have about money originate. However, regarding money simply as a tool helps us remove the emotional charge and place it in the practical realm with all the other tools we use.

▣ Is it OK to have a lot of money?

The answer to this questions no doubt lies in your family history and personal values. How was money regarded? Did you hear comments like "All he ever thinks or talks about is how much money he has." or "Money doesn't buy happiness." or "She thinks she's better than me because her family has money." How was money handled in your family?

- Frugal and penny pinching?
- Lavish spending?
- For fun activities and vacations?
- Wise spending and investing?

Do you deserve to have a lot of money? Why? Why not? Perhaps this question is not relevant when we regard it as a tool to give us power over our own life. Surely, we deserve to have power over that! The greater our wealth, the greater our freedom.

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▣ Where does your money come from?

Money comes from a variety of sources: Salaries, Self-employment, Investments, Inheritances, and Gifts. Which of these describe your situation? In **Rich Dad Poor Dad**, Robert Kiyosaki suggests that if we only work for money, we will never have wealth. The preferable way is to make money work for us. This takes financial literacy: knowing the difference between an asset and a liability, and knowing how to read and understand numbers.

An **asset** puts money in our pocket

A **liability** is something that takes money out of our pocket.

Do you have a personal financial statement? What are your assets?

I highly recommend this book if you don't understand financial statements. Kiyosaki's explanations are easy to follow; and it's a good place to begin.

▣ Journaling Exercise: Develop a picture of your income and assets.

1. Write a paragraph about how money was regarded and handled in your family.
2. What are your sources of income?
3. What is your annual income?
4. What assets do you currently have? (cash, savings, RRSPs, investments, real estate, etc.)
5. Go back to the Vision you developed in the last module and decide whether your assets will facilitate your dreams.
6. What are your income goals?

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Your Current Reality - Outflow

▣ Spending habits

What kind of a spender are you? In **The Artist's Way At Work**, Bryan, Cameron & Allen have observed five spending styles:

1. The *Binge Spender* goes on a spending spree and then suffers a spending hangover complete with feelings of remorse and self-recrimination.
2. The *Maintenance Money Drunk* medicates feelings by constant "moderate" spending.
3. The *Big Deal Chaser* chronically over-spends against the big deal that's going to come in and make him look like who he really wants to be - a somebody.
4. The *Cash Co-dependent Spender* hooks up with a flamboyant compulsive spender or big deal chaser and foots the bills or bails him/her out.
5. The *Poverty Addict* gets rid of money as fast as possible. They tend to overwork, under bill and even lose pay cheques.

Do any of these styles sound like you?



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Take care of yourself

If this exercise is painful, take some time to pamper yourself in a personal way. Think of an activity that will give you a lift. Beating yourself up over this is neither healthy nor productive. Many of us have never been given any instruction around money and have fallen into habits without realizing it.

Here are some words of wisdom from (Bryan, Cameron & Allen) to reflect upon:

"Money does not equal wealth. Attention focused on our authentic, creative selves, however sparingly is what makes our lives feel rich.... At its root, luxury is about personal care. We must care enough to notice what small things make us feel pampered; then we must act on our own behalf."

"Abundance has more to do with balance in our lives than with our chequing account. If we are overdrawn emotionally, focusing too much on others and too little on ourselves, we are going to experience a sense of lack. The emptiness is triggered by many lacks, not just financial - not enough sleep, time with lover/spouse, lack of exercise - all of these can undermine our sense of abundance."

Where does your money go?

Chances are that by the end of the month you wonder where it all went. One way to find out is to track your spending. For one full week track every single penny you spend. Take a small notebook with you wherever you go, record the amount and what it was for, and what you were feeling at the time. Note whether it was a cash, ATM, cheque or credit card expenditure. As you record, just observe without judgment. At the end of the week review your spending and classify each item:

- Nibblers (little items that nibble away until there's nothing left)
- Bouncers (the biggies that crop up once per year)
- Sluggers (the things that pop up unexpectedly such as car repair)
- Needs (the items that cover our survival such as rent & groceries)
- Wants (the nice to have(s) or nice to do(s))

Ask yourself: Do I spend according to my values or am I frittering away my money?

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Journaling Exercise:

1. Write a paragraph about your spending style. How do you feel about it? What helps? What hinders? In what ways do you feel vulnerable?
2. Review your spending record and record your observations. What is your spending reality?
3. Go back to the Vision you developed and decide whether your spending habits will facilitate your dreams. What changes would bring you closer to that vision? What change do you **choose** to make? Start with really small, doable changes that will create some momentum for you.
4. What is your personal definition of luxury? List 10 things that cost less than \$20 that make you feel luxurious.

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Getting a Handle on Things

What is your shortfall?

The last two modules encouraged you to analyze your income and look at your spending. Because you signed up for this E-course, perhaps your picture isn't what you would like it to be. You have developed a financial vision, now it's time to think about some ways to take control. Do you need to make more money? Or do you simply need to spend less? Chances are, you might need both. .

Making more money

In order to make more money, you have a few options. Which one(s) make sense for your situation?

- Find an alternative job that pays more;
- Take on an additional part time job;
- Start a home based business;
- Increase business revenue;
- Save and then make that money work for you.

Spending less money

There are a number of ways to cut down on our spending: Can you add to this list?

- Pay bills on time to avoid additional interest payments.
- Pay off credit cards each month to avoid any interest payments.
- Consolidate your debts into a low interest loan.
- Don't carry your credit cards with you. That way you are less likely to act on impulses.

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- Withdraw in cash what you have budgeted for spending money, and when that runs out, wait till the next pay cheque.
- Don't shop in convenience stores where prices are always higher.
- Stock up where & when the prices are down.
- Practice bulk buying.
- Look around you and simplify so you have less to look after. Sell what you don't need (and put the money in your savings account)
- Don't buy it unless you have the cash in your hand.
- Do your grocery shopping after a meal. Take a list and stick to it.
- Go for quality and then look after what you have.
- Research value, quality, durability, etc.
- Unhook yourself from the latest fashion trends that change every season.
- Get your haircut from a styling school.
- Do it yourself. Learn to make household and clothing repairs yourself.
- Borrow from the library instead of buying books or movies.
- DON'T SHOP unless you have to. Stay out of the malls. Find another pass-time.

Start paying yourself first - right now.

Take the long range view. Find an automatic way to save. Here are a few ideas, but you will find more ideas in the **Wealthy Barber** by David Chilton.

- Contribute to Canada Savings Bonds from your pay cheque at work.
- Open a saving account and have a monthly fixed amount transferred from your chequing account.
- Contribute to a Registered Retirement Savings Plan (RRSP) account using an automatic withdrawal. This will also help to reduce the amount you pay in income tax.



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- Keep a piggy bank for all loose change. Then roll the coins and deposit them into your savings account.



Once you have a nest egg in your savings account, look for ways to make that money work for you. Do some research and/or find a financial advisor that you are comfortable with and trust to help you decide what to do with your savings that will add to your asset column.

Journaling Exercise:

1. Record your personal strategies for Spending less and Making more. Keep it simple and above all, realistic. Be sure to leave yourself some spending money each month.
2. Write a short paragraph on what it will take for you to put this strategy to work

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The Cost of Our Habits

What are addictions?

Addictions can take many forms. They are habits we can no longer control. If there is a habit in your life that you cannot control; seek out some help, it's tough to go it alone. It's very difficult to admit to ourselves that we have a problem, and it takes a lot of courage to ask for help. If you are unsure about it, give yourself a test for a month, do without "it" altogether. Meditation is an effective way to re-gain your balance.

When does a habit become an addiction?

Habits are activities we do on a regular basis. They become addictions when our emotions are involved, or when they happen on impulse. Which of these are habits and which are addictions for you?

- Smoking
- Drinking
- Using drugs
- Eating
- Gambling
- Other

Other habits that can be costly

- Hobbies - books, CDs, stamps, fabrics, antiques, art work, etc.
- Eating out - take out, restaurant lunches, fine dining, designer coffee
- Shopping - malls, yard sales, second hand stores
- Going to the bars or bingos for socializing
- The latest toys - boats, snow machines, vehicles, sound systems, computers, sewing machines, etc.

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How much do your habits and addictions cost?

How much money do you spend on them daily? Weekly? Monthly? Yearly? Do you know? Do some calculations now! What percentage of your income does it make sense to devote to pleasure?

Journaling Exercise:

Write a page or two about the costs of your addictions and habits. Pay attention to financial, emotional, physical, family, and social costs. Review your financial vision and decide whether you need to change anything.

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Getting it Organized

▣ The price of being disorganized

Do you know how much is left in your bank account? What bills are outstanding? Do you know how much you paid out in interest last year? Where are all those receipts you need at income tax time? If you tend to procrastinate about paying bills or doing your income tax, then chances are your books could use some organizing.



▣ Keep it simple

As the bills come in, have one place to put them so that when it comes time to do your financial work, it's already organized. Drop all financial information into the appropriate month in your accordion file. Record your cheques and ATM withdrawals using a cheque register, small notebook or smart phone. Keep all receipts

Manage your money all in one sitting. At first it might take a few hours, but it will take less and less time as you develop the skills and the habit. Balance and reconcile your cheque book, pay your bills using telephone or internet banking, and record your income and spending. Develop a written spending plan each month. Review last month's spending plan to see how well you did.

Two computer programs are very useful for tracking income and spending. You don't have to know much about accounting to learn to use Quicken or Microsoft Money. At year end, both programs can provide reports to help you complete your income tax with ease. If using computers isn't your thing,

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then keep your records by hand using a pre-printed balance sheet. Do one for each month.

Don't be embarrassed!

Most of us were never taught how to reconcile our bank books or how to keep financial records. If getting organized seems like a daunting exercise, find a financial coach to help you get started.

If you know how to do it and are still procrastinating, consider arranging an Integrity Day with a coach. You set aside a time frame to get the work done. You speak with your coach for five to seven minutes each hour. Your coach will provide encouragement, information and gently hold you accountable for what you proposed to achieve in the next hour.

Another way to get support would be to find a couple of friends that are working on getting something completed and meet once per week to discuss your plans and accomplishments.

Be proactive...take action!

Journaling Exercise:

Decide what day of the month will be your Financial Freedom day. Record what benefits you will gain by getting organized and how this is connected to achieving your vision. Find a great CD to play while you work your books.

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Duelling Credit Cards



▣ How many credit cards do you have?

From the consumer's perspective, credit cards have some useful purposes:

- Shifting debt to next month
- Emergencies
- Making large payments conveniently
- Avoiding the need for travelers' cheques or large amounts of cash when traveling
- Keeping track of personal and/or business expenses
- Collecting Air Miles

Given these purposes, how many do you actually need? - ONE for personal use and ONE for business use. If you don't run a business, then one is all you really need. Do you know what the interest rate is on your credit cards? The purpose of credit cards from the banker's perspective is to make money. How much are you putting into the banker's pocket every month? If you had that money what could you do with it?

▣ Are you using credit cards to supplement your income?

When you tracked your spending for a week in Module 5, how many times did you use your credit card because you didn't have any money left in your bank account? Using credit cards to supplement income will only make your situation worse because of the huge interest rates you pay on them.

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▣ Getting them under control

Here are some ideas to help you take control of your credit cards:

- Plastic surgery - cut them up & cancel them. Reduce to one credit card.
- Consolidate - speak to your banker and negotiate a loan or line of credit at the lowest possible interest rate. Use that money to pay off all credit cards. One interest rate even if it's 10% is better than several at 24%.
- Always pay off credit card debt in full before the deadline.
- Freeze your card into a block of ice. This will prevent impulse buying because you have to wait for it to thaw before you can use it.
- Never use your credit card for entertainment, pleasure or in bars. Give yourself a cash entertainment allowance each payday, and when that is gone wait for the next allowance.
- Get rid of department store cards. They carry very high interest rates.
- For large purchases such as cars and furniture, save for them or negotiate low interest loans at the bank. If you collect Air Miles with your credit card, pay for the large item using the card, and then pay it off from your savings or low interest loan.
- Save for travel and put your travel savings on the card before your trip. Spend only from the positive balance.



▣ Journaling Exercise:

Record your credit card strategy and how your life will change as a result of putting the strategy into place. Develop your plan by recording the specific steps you will take and time frames.

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Work Your Independence

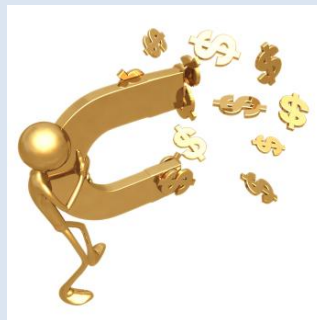
▣ Finances and families

Money problems are often the source of conflict and problems within partnerships and families. Talk about your financial vision and goals with them, share your values. Admit the reality of your current situation without anger or blaming. Acknowledge that everyone has their own financial style; develop a new blueprint together. Allow each member the freedom to develop their own financial vision. Agree on accountabilities. Seek family counselling help if you get stuck.

▣ Have a good time with your money

No matter how tight your financial situation may seem, you really must build in some fun. Have an entertainment fund for those times when you need a break. We all need the time, space and funds to replenish ourselves, so be sure to have a vacation budget. If vacation travel is not an option right now, find some simple, inexpensive, fun things to do in your own home town. Have a separate dream account, apart from your regular savings. Put one dollar per day into it, you'll be amazed how quickly it will grow.

**Every dollar you save is not a sacrifice;
it's one step closer to your Vision!**



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Time is money, money is power over your own life

Do you give your financial affairs adequate time and attention? Do you review your financial picture at the end of each month? Do you renew your financial vision at year end? How much time do you spend on learning new financial techniques or investments?

Every hour you spend is not wasted,

it's one step to your Vision!

Journaling Exercise:

Review your month end financial picture and record your observations. This is your current reality. How does this current reality compare with your financial vision? What are your next steps?

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Conclusion

☐ This is the end of Money Freedom

I hope this E-course has been helpful. Please do me the honour of providing your thoughts and comments about this e-course. What was your expectation of the course? What did you personally gain from it? What breakthroughs have occurred for you? What obstacles are still plaguing you? What would you suggest for improvements? [click here](#) to send me your feedback by e-mail.

☐ Personalized Support

If you'd like some personalized support as you work through this program, you might want to consider some coaching. If you are uncertain, try my Affinity Consultation to see whether we have a potential for becoming partners for the achievement of your vision(s). Just let me know you are interested - [click here](#) to send me an e-mail and I'll send you my coaching package and set up a convenient time to meet in a Google Hangout Video Call.

☐ Regards,



*LowellAnn Fuglsang,
Business and Career Coach*

Be sure to visit my web site <https://lowellann.com>