

*Asha presents the practical steps to turn theory into reality with:*

# 'Action Plan & Guidance to Help You Put it all Together'

*Here's everything you need to get started on the road to financial success.*

**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!*

## Action Plan & guidance to help you put it all together.

Whether you've read one, several or perhaps all of the previous 16 educational Sections, I sincerely hope you're feeling inspired in some way and ready to **take action** to enhance your financial position and create a lot of future prosperity for yourself and your loved ones.

This Section is simply a step by step action plan to help you decide what you would like in financial terms, to enable you to live the life you truly wish to live, and then help you set the foundations to turn those financial wishes into reality.

After completing the exercises in this section, you will have a useable action plan. We'll split it into **6 sections** as follows:

1. **Quick recap of the core concepts & principles of wealth creation**
2. **Deciding what you want financially**
3. **Analysing your current finances**
4. **Practical action plan**
5. **Professional advice and assistance**
6. **Final words of encouragement**



Annex ~ action templates & resources

### 1. Recap of the core concepts & principles of wealth creation

#### There are only 2 ways to earn money.

- **People at work** (Active Income – paid once for the work you do)
- **Money at work** (Passive income – the money keeps coming for no further effort)

**Unless you plan to work forever, it makes absolute sense to engage both ways so one day your money at work, supports your lifestyle.**

#### Plant money trees & build pipelines

Take a part of all you earn and use it to continually plant money trees (acquire assets) and build 'pipelines' (passive income) which steadily grow to create substantial long-term wealth.

#### Compounding ~ magic money multiplier 1

**You don't need a lot of money to create a lot of long-term wealth with the magic of compounding:** £20 a week invested can turn into a million pounds over 40 years with the right plan. It's all about the length of time and average **rate of return**.

#### Leverage ~ magic money multiplier 2

**Leveraging** allows you to purchase the majority (sometimes all) of an asset with someone else's money and you get to keep 100% of the assets gain in value. Leverage gives you the ability to fast track your wealth creation potential.

#### The key to creating financial independence

**"Take your resources (funds/income/skills) and continually plant money trees (assets) and build 'pipelines' (passive income) to create the future wealth and income which funds the lifestyle you desire to live (regardless of whether you choose to continue to work or not)"**

**Live happily ever after and be the envy of all your friends 😊**



## 2. Deciding what you want financially

Time to Plan Your Future!

They often say most people spend more time planning their annual holidays than their lives. Imagine this scenario:



Man: **"I would like a ticket please".**

Clerk: "Certainly Sir, where to?"

Man: **"Oh... Uh....someplace nice".**

Clerk: "I don't quite understand".

Man: **"Well, it's important I "get someplace". I don't want to just waste time. I want to really get someplace".**

Clerk: "Someplace like...where"?





Man: **"Oh, someplace I can be really happy, where I can have a good income. Perhaps become an executive with a good company or even have my own business of some sort, be able to take care of my wife and kids. You know, I'd like to get someplace where things were really great for me and my family. Just give me a ticket, I'll pay for it".**

Clerk: "But, sir, I can't sell you a ticket until you know exactly where you want to go".

The message is pretty clear, if you are serious about achieving financial freedom and the lifestyle that goes with it, you need a specific target or goal to aim for. If you don't set any you will probably wander aimlessly along controlled by outside circumstances (like most of the population if we're brutally honest) as you are not aiming for anything specifically.

### Financial Planning simplified ~ just 4 steps:

It's quite easy to believe that the financial planning process is very complex, which is a bit of a misconception. The products to move you in the direction of your plans can sometimes be complex and often require specialist advice, however the process is just 4 simple steps as follows:

-  ➤ **Step 1:** Define **exactly** where you are right now financially and **what resources** you have.
-  ➤ **Step 2:** Define **exactly** what you would like to **have** and by **when** e.g. £500,000 net worth and £3,000 passive income by 31<sup>st</sup> Dec 2038.
-  ➤ **Step 3:** Formulate a **specific plan** to move you from A to B (use professionals as required) and **start** implementing.
-  ➤ **Step 4:** Continually **review** the plan (recommended annually) and **adjust** accordingly in line with your circumstances, to keep on track towards B (which is generally a periodically moving target, as your plans change over your lifetime).

#### Key planning notes:

**Step 3** is the action part of the strategy, but you can't start until you have defined **step 1** and the most important element, **step 2**, your destination.

**Step 4** is your autopilot to keep you on track once you're up and running as it's highly likely your circumstances or target will change as time moves forward.

If your goals change, all you then need to do is revisit **step 2** and set your new destination and adapt the plan and strategy accordingly and carry on. It doesn't matter how many times you change **step 2** on your journey as long as you always have a target to aim for.



Did you get all that ☺

Half the battle is merely deciding where you want to go financially? Dare to dream!



## How to specify what you want financially (step 2)

You've probably been automatically thinking about this whilst reading the Sections, now it's time to specify exactly what you would like so you have a target (remember the analogy: you can't buy a travel ticket until you know where you want to go).

It doesn't matter if the target changes over time, but you obviously need to define an initial target. Don't make the mistake of just putting down what you think you could achieve, **put down what you really want**, it's not about trying to do this on your own, there are many specialists out there who will help you create this.



*Think of it like this, let's say you went for something big like £1 million in the bank and £10,000 a month passive income by 1<sup>st</sup> Jan 2033 and you only got £500,000 and £5,000 a month passive income. You'd probably still be happy I guess!*

We're talking about financial freedom here so... **dare to dream big!**

**Here's are examples of short, medium & long term goals (assume today is 25/10/21):**

### **My financial freedom example target:**



**Target Date: 31/12/2033**

**Target Objectives: i) £2,500 passive income per month  
ii) £500,000 worth of assets.  
iii) No mortgage (on own home).**



### **Short term (next 12 months) example goals:**



**Target date: 22/02/22**

**Target Objectives: i) I will have completed a full analysis of my current financial affairs, taken professional advice and arranged it all in line with my financial freedom goals.**



**Target date: 31/05/22**

**Target Objectives: i) I will have saved £750 towards my financial freedom plan and I'm being mentored on how to buy property with no money.**



**Target date: 25/10/22**

**Target Objectives: i) I will have saved £1,500 towards my financial freedom plan and now actively searching for an investment property I can purchase for no money.**



### Medium term (1 – 5 years) example goals:



**Target date: 31/05/23**

**Target Objectives: i) I will have saved and invested £3,600.**



**Target date: 31/10/24**

**Target Objectives: i) I will have acquired 1 investment property.**



**Target date: 31/08/26**

**Target Objectives: i) I will have saved and invested £20,000 and acquired 2 investment properties.**



### Long term (6 years +) example goals:



**Target date: 31/10/29**

**Target Objectives: i) I will have accumulated £50,000 in savings & (non-property) investments.**



**Target date: 31/12/31**

**Target Objectives: i) I will have acquired 5 investment properties.**



**Target date: 31/12/31**

**Target Objectives: i) I will have a passive income of £1,500 per month.**



**Warning**, the targets must be specific (as above) so you and any advisers helping you know precisely what they are.

There are no right or wrong goals or any limits, it's simply about whatever you would like to achieve and you can of course, have multiple short, medium and long term goals if that's what you desire.

A blank goal planner is included in the templates & resources annex at the end of this Section.

## 3. Analysing your current finances

**This one's easy to explain, simply carry out the exercises shown in Sections 7 & 9 which are the following:**

**Carry out a full financial health check (see Section 7)** by completing your own financial questionnaire and personal statement (or have a professional adviser do it with you) so you can see if you're in good shape financially and if any actions or adjustments need to be made to get you on the right track.



A blank financial questionnaire and personal statement are included in the templates & resources annex at the end of this section.

**Complete a full budget analysis (see Section 9)** and put your finances on autopilot towards financial freedom with the 8 recommended action steps to help you create solid financial management foundations on which everything else is constructed.

A blank budget planner is also included in the templates & resources annex.



## 4. Practical action planner

There are 7 action steps as shown in the planner below, just be mindful this isn't an overnight exercise, some of the actions (e.g. 1, 2 & 3) are pretty quick whereas other (e.g. 4 & 7) may take months to fully implement.

Please remember, this is about financial freedom and arranging your finances to create the lifestyle you want to live. It's important to take your time and do it correctly.

	<b>Financial Action Planner</b>	<b>Deadline to be Completed by:</b>	<b>Check</b> (✓)
1	<b>Set your financial goals.</b> Use the goal planner in annex B (page 189) and refer to page 180 (part 2) for guidance.		
2	<b>Complete a financial questionnaire.</b> Use the financial questionnaire in annex C (page 190) and refer to Section 7 (page 46) for guidance.		
3	<b>Complete a personal financial statement.</b> Use the 2 financial statements from annex D & E (pages 191/192) and refer to Section 7 for guidance.		
4	<b>Complete a personal budget planner.</b> Use the budget planner in annex F (page 193) and refer to Section 9 for guidance.		
5	<b>List the specific actions you need to take.</b> From the results of steps 1 - 4 above, list the specific actions you need to take in annex G (page 194).		
6	<b>Arrange any professional advice/help.</b> Use the professional advice list in annex H (page 195) to highlight advisors needed, and then arrange.		
7	<b>Arrange everything in line with your goals.</b> Use any Sections/tools/professional advice to get your current finances on track towards your goals.		
<b>Regularly Review &amp; Adjust as required</b>			





If there seems a lot to do, just remember this is a marathon and not a sprint. The key is to figure out what actions you need to take and do them diligently, one step at a time, there's no rush.



## 5. Professional advice and assistance

As you will know by now 😊, I highly recommend using professional advice to help you arrange your finances to meet your goals in the pursuit of financial prosperity.

Some professionals are multi-disciplined and can cover most areas of advice, others may belong to a practise which covers the majority so it's not necessarily about having a different adviser for each facet of your finances (we all want simplicity!). The list below shows the range of financial related advisers available and what each one does.



### **Mortgage Adviser**

They will review your current mortgage arrangements, discuss your requirements and recommend the most suitable mortgage deal for your needs.



### **Pension Adviser**

If you have an existing pension(s) or you're looking to start one, a pension adviser will look at your current financial affairs, find out what your retirement plans and dreams are along with your current resources and options, and then recommend a suitable pension plan(s) to move you in the right direction.



### **Investment Adviser**

If you have existing investments or are looking to get started, an investment adviser will discuss what your investment goals and plans are, how much you wish to regularly invest and then recommend a suitable investment strategy to move you in the desired direction.



### **Protection Adviser**

If you have existing protection policies or are looking to make sure you and loved ones are properly protected (easy to overlook), a protection adviser will review your financial affairs to understand your current situation, your future plans and what is important for you to protect. They'll then recommend a suitable plan(s) to protect you and your family in the event of any unforeseen circumstances.



### **General Insurance Broker**

If you want to check you have the most competitive deals for your needs on any accident, sickness, unemployment or home & contents insurance, a general insurance broker will scour the market and find the right solutions to meet your specific needs.



### **Wills & Trusts Adviser**

If you have an existing will or trust or are looking to start one, a wills and trust adviser will review your financial affairs to understand your current situation. They'll discuss protecting any assets and arranging your affairs the way you wish them to be in the event of your demise or if you were to suffer from mental incapacity.





### Buy to Let Mortgage Adviser

A specialist buy to let mortgage adviser will review any existing property investments you have, discuss your borrowing requirements along with your future property investment plans and recommend the most suitable mortgage deal(s) for your property investment needs.



### Property Portfolio Building Services (Armchair Investor)

If you would like all the wonderful long term financial benefits of a property investment portfolio but don't have the time to do it yourself, you can engage an established professional service to do it all for you one property at a time. The options are:

- 1 ~ **Portfolio growth specialist** (focus on building an expanding portfolio).
- 2 ~ **Passive income specialist** (focus on getting maximum passive income).



### Buying Property with No Money

If you like the idea of making good money from property or building a portfolio but you don't have any funds to get started, this specialist service will teach you how to get somebody else to fund it whilst you get all the benefits. This is all about having the right knowledge and knowing how to apply it, however, you must be willing to put in some time and effort to make this work.



### Utility Specialist

With the myriad of options and packages in the domestic utility market (gas, electric, broadband, phones etc), a utility specialist will look at your usage and requirements and recommend a suitable package to get you better value.



### Accountancy Advice

When you move through the tax brackets or start to build a property portfolio, it's important to arrange your financial affairs correctly as the territory comes with tax and reporting obligations to HMRC. An accountant can help you set up the right structures and file annual returns as required.

## 6. Final words of encouragement

If you've diligently gone through all my 17 Sections (I hope so 😊), here's a snapshot of what you have learned:

**Just do it.**



- ✓ You understand the importance of setting financial (freedom) goals.
- ✓ You understand the importance of passive income and acquiring assets.
- ✓ You understand the practical formula for financial freedom.
- ✓ You understand the dynamic effect of Leverage.
- ✓ You understand the magic of Compounding.
- ✓ You understand you need to develop the mind-set of an educated investor.
- ✓ You understand that cocker spaniels are the best dogs in the world 😊.
- ✓ You understand financial success is about acquiring appreciating assets.
- ✓ You understand it doesn't necessarily take a lot of money to create wealth.
- ✓ You understand what actions you need to take to put the foundations in place.
- ✓ You understand what experts you need in your team to help you.
- ✓ You understand wealth creation is a team sport and this is key to your success.
- ✓ You understand the importance of regularly reviewing your finances.
- ✓ You understand action is the key to it all.

✓ **FINALLY ~ you understand your financial future is now in your hands**





## 17 Inspirational Quotes

1. ***"Financial Success is neither magical nor mysterious. Financial Success is the natural consequence of consistently applying basic fundamentals."***
2. ***"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)."***
3. ***"Financial Intelligence is the ability to convert cash or labour into assets that provide cash flow."***
4. ***"Getting Rich is automatic if you have a good plan and stick to it."***
5. ***"It is not possible to predict the stock market, but it is important that we be prepared for whichever direction it decides to go."***
6. ***"The two greatest motivating forces are inspiration... and desperation... It's your choice"***
7. ***"People who lack control of their cash flow, make people who are in control of their cash flow, rich."***
8. ***"You cannot succeed by yourself, it's hard to find a rich hermit"***
9. ***"Become more disciplined, the pain of discipline hurts less than the pain of regret."***
10. ***"Life is a unique combination of "want to" and "how to," and we need to give equal attention to both."***
11. ***"Investment in knowledge followed by intelligent action, pays the best interest."***
12. ***"Poor is eternal, but broke is temporary. If you lose everything and yet, you're financially literate, you'll be able to build it again."***
13. ***"There will always be booms & busts, the trick in a bust, is to buy instead of sell, don't panic"***
14. ***"The more you investigate, the less you have to invest."***
15. ***"You don't have to know how you're going to get there, but you do need to know where you want to go."***
16. ***"Fortune favours the brave, Believe in yourself and start today!"***
17. ***"You don't need to know every answer, but you do need to know who to call for the answer."***



## Wisdom

Here's a great piece of wisdom from the late Jim Rohn:

**Setting of the Sails:** the same wind blows on us all, the wind of opportunity, the wind of change, the wind of disaster, the same economic wind, the same political wind, the same social wind; **it's not the wind that determines where you go in life, but the setting of YOUR sail!**



## Time Machine (hindsight) check:

**Q. Knowing what you now know**, if you could go back 20 years to 2001 and had the means to buy an investment property or two (which rental income pays for) even though it would have been hard to believe property prices are expected to go crazy between 2001 – 2021 (despite a recession), would you do it?

**A. Of course you would!** (It's the same as saying, if it was possible to turn the clock back to an hour before the 2012 Olympics, would you bet on Mo Farah to win 2 gold's given the chance!)

## Now let's jump forward in your time machine:

**Now imagine** its 2041 and you're reviewing your financial affairs and calculating your current 2041 net worth. What you do today and in the next few years is going to have a significant impact on that 2041 net worth figure and your subsequent lifestyle, **make sure there are no regrets!**



**That's it, we're done ☺:** you'll find all the action tools and planner in the annex at the end of this section. I sincerely hope you feel inspired to take action!

## Final Thought:

The solution to future prosperity and financial freedom is now in your hands. **Action is the KEY!**

**Wishing you all the very best,**

**Asha x**

"All worthwhile journeys begin with that first step, what happens next is up to you".



**Annex - all the action templates & resources are in the following pages...**



## Practical Action Plan ~ Annex A

The action plan below and the set of blank forms are for you to print off and complete.

<b>Financial Action Planner</b>		Deadline to be Completed by:	Check ( <input checked="" type="checkbox"/> )
1	<b>Set your financial goals.</b> Use the goal planner in annex B and refer to section 2 of this Section for guidance.		
2	<b>Complete a financial questionnaire.</b> Use the financial questionnaire in annex C and refer to Section 7 for guidance.		
3	<b>Complete a personal financial statement.</b> Use the 2 financial statements from annex D & E and refer to Section 7 for guidance.		
4	<b>Complete a personal budget planner.</b> Use the budget planner in annex F and refer to Section 9 for guidance.		
5	<b>List the specific actions you need to take.</b> From the results of doing 1, 2, 3 & 4 above, list the specific actions you now need to take in annex G.		
6	<b>Arrange any professional advice/help.</b> Use the professional advice list in the annex H to highlight professional advice needed and arrange it.		
7	<b>Arrange everything in line with your goals.</b> Use any Sections/tools/professional advice to get your current finances on track towards your goals.		
<b>Regularly Review &amp; Adjust</b> as required			



## Goal Planner – Annex B

**Definition of a goal** ~ a desired outcome with a deadline for achieving it.

<b>Long term (financial freedom target) goals:</b>	<b>Target date:</b>
Passive income:	
Net assets:	

<b>Short term goals (next 12 months)</b>	<b>Target date:</b>

<b>Medium term goals (1 – 5 years)</b>	<b>Target date:</b>

<b>Long term goals (6 years +)</b>	<b>Target date:</b>



## Financial Questionnaire – Annex C

Simply tick the most appropriate answer out of these 3 options, Yes Not Sure No for the following 15 questions, leave blank any questions that are not applicable to you, then turn over for your analysis.....

### 1. Personal Borrowing

Yes      Not Sure      No

1a. Do you know exactly how much outstanding debt you have on your Personal borrowing - Loans credit/store cards etc, (not mortgages)?.....

1b. Do you know how much interest you are paying on your Personal borrowing? .....

1c. Do you know you may be able to consolidate these to a lower rate?...

### 2. Savings & Investments

Yes      Not Sure      No

2a. Are you saving enough at the moment to provide what you'll need in the future?.....

2b. Are you making best use of all the tax efficient products available?.....

2c. Are you making the most of your personal tax allowance?.....

### 3. Retirement Planning

Yes      Not Sure      No

3a. Will your current retirement plans be sufficient to maintain your standard of living when you retire?.....

3b. Do you know the level of income your current pension arrangements will provide you with when you retire?.....

### 4. Protecting Your Wealth

Yes      Not Sure      No

4a. If you/your partner is unable to work for a while due to suffering from Accident, Sickness or Redundancy, will you be able to maintain your current standard of living?.....

4b. If you/your partner suffered a long term illness and were unable to work, would you be able to maintain you current standard of living?.....

4c. If you/your partner ever suffered a serious illness like a heart attack, stroke, or contracted cancer, would you be able to continue paying the mortgage/rent and life's other essentials?.....

4d. If you died, would your partner have enough money to maintain their standard of living without the level of income you provide?.....

4e. If you died would your assets be passed on to the right person?.....

### 5. Your Home

Yes      Not Sure      No

5a. Are you sure the interest you are currently paying on your mortgage is the most competitive?.....

5b. Are you fully aware of the ways you can reduce the total amount of interest you pay for your mortgage?.....



## Personal Financial Statement – Annex D

Income	
<b>Earned Income</b>	
1. Job & Self Employment (net)	£ _____
<b>Passive Income</b>	
2. Property (net)	£ _____
3. Business (net)	£ _____
<b>Portfolio Income</b>	
4. Interest	£ _____
5. Dividends	£ _____
<b><u>A. Total Income</u></b>	£ _____
(Salary + Passive + Portfolio)	
Expenses	
<b>Expenses</b>	
Mortgage Payment	£ _____
Household (food/utilities)	£ _____
Car Payment	£ _____
Entertainment	£ _____
Insurance	£ _____
Credit Cards & Other Loans	£ _____
Other Payments	£ _____
<b><u>B. Total Expenses</u></b>	£ _____

Assets	Liabilities
1. Bank Accounts           £ _____	1. Mortgage               £ _____
2. Stocks/Bonds           £ _____	2. Car Loans               £ _____
3. Investment Property   £ _____	3. Personal Loans       £ _____
4. Business Value (Net)   £ _____	4. Credit/Store Cards   £ _____
(Market Value – Mortgage)	5. Other                   £ _____
5. Home Value             £ _____	<b><u>D. Total Liabilities</u></b> £ _____
6. Other                    £ _____	
<b><u>C. Total Assets</u></b> £ _____	
<b>E. Revised Total Assets</b> £ _____	
(total assets C – any ‘toys’ value from 6)	
	<b><u>‘Net Worth’</u></b> £ .....
	(total assets C – liabilities D)
	<b>Real Net Worth</b> £ .....
	(revised total assets E – liabilities D)





## Personal Financial Statement Analysis – Annex E

### 1. How much did you keep?

A. Total monthly net income £ \_\_\_\_\_

B. Total monthly expenses £ \_\_\_\_\_

C. Difference £ \_\_\_\_\_

Percentage of income kept C/A \_\_\_\_\_ %

### 2. Did your money work for you?

A. Total monthly income £ \_\_\_\_\_

B. Total earned income £ \_\_\_\_\_

C. Total passive & portfolio income £ \_\_\_\_\_

Percentage passive & portfolio income C/A \_\_\_\_\_ %

### 3. What is your return on assets?

A. Total Revised assets £ \_\_\_\_\_

B. Total passive & portfolio income £ \_\_\_\_\_

C. Cash on asset return (annualized) C/A \_\_\_\_\_ %

### 4. How Wealthy are You (months)?

A. Total Assets £ \_\_\_\_\_

B. Total Expenses £ \_\_\_\_\_

Divide A/B \_\_\_\_\_ **Months**



## Monthly Budget Planner – Annex F

<b>Income</b>	
Your Net Income	
Your Partners Net Income	
Pension/Investment Income	
Benefits (Tax Credits etc)	
Other	
<b>Total</b>	
<b>A. Fixed Regular Monthly (Essential) Expenditure</b>	
Mortgage or Rent	
Loan & HP Agreements	
Credit & Store Cards	
Life & Health Insurance	
Property Insurance	
Car Insurance & Tax	
Council Tax	
Gas/Elec/Water	
Telephone & Mobile	
Broadband & TV Package	
TV License	
Dental Insurance	
Maintenance Contracts	
Gym Membership	
Savings & Investments	
Other	
Other	
Other	
<b>Total A.</b>	
<b>B. Variable (necessary) Estimated Expenditure</b>	
Petrol	
Food	
Clothing	
Car Maintenance	
Pets	
Other	
Other	
<b>Total B.</b>	
<b>C. Luxury (Leisure/Fun) Estimated Expenditure</b>	
Meals Out & Takeaways	
Alcohol	
Cinema/Attractions	
Weekends (inc travel) away	
Holidays	
Hobbies & Sports	
Other	
Other	
<b>Total C.</b>	
Total Expenditure (A+B+C)	
Monthly Income Surplus (Income – Expenditure)	
Disposable Income Income – (A + B)	

Notes



## Professional Advice/Help List – Annex G

<b>Specific actions list:</b>	<b>Tick (✓)</b>
<i>Example: cancel gym membership</i>	
<i>Example: contact bank and set up another savings account</i>	



## **Professional Advice/Help List – Annex H**

Start to identify the team of experts to help you create it all, tick (✓) as required from the following (see page 6 for recap of definitions):

- ( ) **Mortgage Adviser:**
- ( ) **Pension Adviser**
- ( ) **Investment Adviser**
- ( ) **Protection Adviser**
- ( ) **General Insurance Broker**
- ( ) **Wills & Trusts Adviser**
- ( ) **Buy to Let Mortgage Adviser**
- ( ) **Property Portfolio Building Service (Armchair Investor)**
- ( ) **Buying Property with No Money**
- ( ) **Utility Specialist**
- ( ) **Accountancy Advice**

N.b. Some professionals are multi-disciplined and can cover most areas of advice, others may belong to a practise which covers the majority so it's not necessarily about having a different adviser for each facet of your finances (we all want simplicity!).

