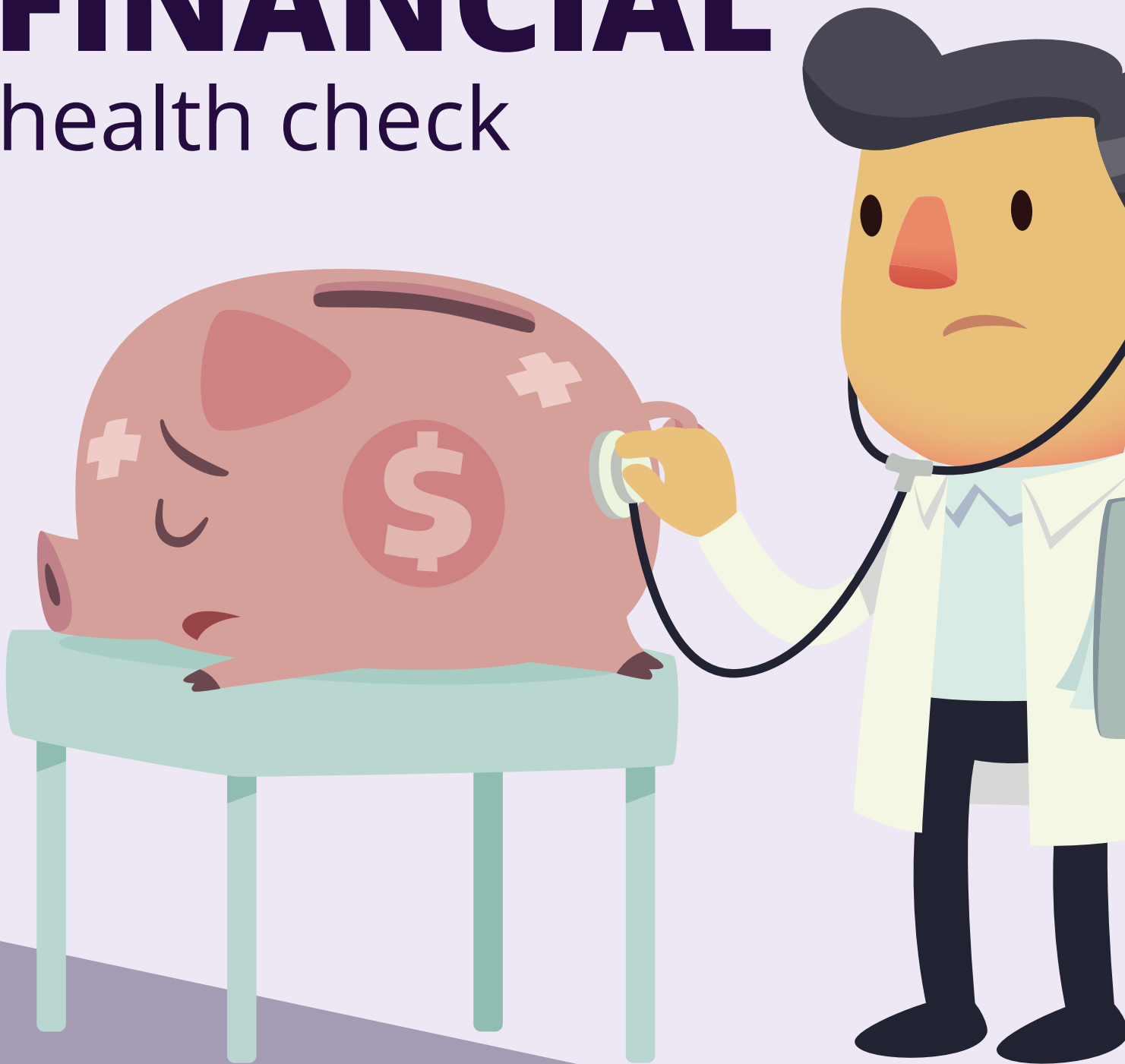


CROWN
MONEY

20 minute 
FINANCIAL
health check



CONTENTS

3

Introduction

6

STEP 1.

Examine your values

11

STEP 2.

Identify needs & prioritise wants

15

STEP 3.

Simplify & automate

19

STEP 4.

Identify your goals

25

STEP 5.

Attack!

28

Summary

Beyond the start line

29

Appendix

Further reading



THIS WORKBOOK IS ABOUT HELPING YOU TO:

1. Examine your values and biases.
2. Identify your needs; prioritise your wants.
3. Simplify your finances and put them on autopilot.
4. Identify the single most important financial goal in your life.
5. Attack the goal with everything you've got; repeat step 4.

Introduction

It's not about the money!

No, really. Life is not about the money, it's about the things money helps you achieve - so what do you want to achieve? Whatever issue brought you here - the desire to control your spending, get out of debt, finally start saving or overcome the fear of investing - has very little to do with money, and everything to do with what YOU want in life

I could give you 800 pages on the mechanics of personal finance - how to budget, save money by skipping your daily latte, use debt snowballing techniques and perfectly allocate your retirement portfolio for age and risk tolerance. But most of you wouldn't read it.

Why? You're not ready.

Working in this industry, we see hundreds of people who are aware of their debt situation, aware they need to start thinking about the future, aware their spending beyond their means - but if they're not committed to a goal, they do very little to change their existing financial behaviour.

Just like going to the gym and working out once a week or reading mens health magazine doesn't give you 8% body fat and six pack abs (if only), doing this workbook won't fix your finances.

What it will do is get you thinking, planning and reassessing your lifestyle. Then when you're ready, you'll come back with a plan, work out harder than ever before, and ultimately you'll achieve your goals.

Good luck, and if you want to take things further when you're done with the workbook - your personal money coach is just a phone call away!

Scott Parry

Founder & CEO - Crown Money Management

20 minute financial health check.

Visit crown.money for more great resources!

MONEY IS A MEANS TO AN END.

So what is the REAL value behind your money?

You need \$500 to pay rent next week.
You want \$269 to fly to Sydney for a long weekend to visit a friend.

Point is, nobody gets up and goes to work in the morning just to watch their bank account balance go up every two weeks. We go to work to get the stuff money can buy.

On a basic level, money puts food on our tables and clothes on our back. But once we have fulfilled these needs, the money we continue to accumulate can provide us with a few things:

1. The ability to acquire things we want.
2. The ability to make investments and accumulate interest.
3. The freedom of choice. (For example, if you work for a year and save enough money to fulfill your basic needs for two years, you now have the choice to not work next year.)

So if you're serious about becoming wealthy, living a richer life, or simply finding peace with money, you need to be able to say for certain what's valuable to you and what's not.

In other words:

- What do you want to do with your money?
- And how much do you need?

The first two steps of this workbook will focus on these "softer" sides of personal finance, but I guarantee these are the most important.

Behind every personal decision you make with your money is human emotion.

When you can learn to understand and control that emotion, you can learn to save money on things you don't value and have more money for things you actually want.

There are no right or wrong answers and no fancy scoring formula that's going to magically diagnose your money problems.

Each question is designed to get you to think about your relationship with money in an entirely new way.

HOW TO GET **THE MOST** FROM THIS --- **WORKBOOK** ---

1. Set aside 20 minutes, no distractions.
2. Commit to the instant action items.
3. Be honest.

Remember, you will only get out of this work book what you put in! Stick to the above and I guarantee this workbook will save you money within the week.

STEP 1.

EXAMINE YOUR VALUES

So what is the REAL value behind your money?

There are probably some things that you really like to spend money on. Chances are, however, that the things you want to spend your money on won't be the same things I want to spend money on.

We value different things. Therefore, we value money differently.

Adopting a one-size fits all approach to valuing money is dangerous... it leads to buying things to impress others or to "keep up" sometimes even if you can't afford to do so.

Today, we're going to take a first step in avoiding this trap by writing down our values and how they apply to money.

[Money]... is a good servant but a bad master.

- Alexandre Dumas

1. Think carefully and honestly about what you value most in life. List a few things that you value highly, and if you have many, circle the top two. Your list may include items, people, experiences.

Now, think about some things that you've seen other people value that you don't necessarily value. For example, I don't really desire a very expensive car. Many other people see an expensive car to be a major goal in life. Personally, I'd rather drive a modest car and take frequent holidays. But that's me.

But let's not forget non-material values, too. For many people, having a family is high on their values list. For others, it's a fast paced career. Some want both, but others know that one or the other is definitely more important to them. Where do family, career, and other pursuits fall on your list? In this exercise, write down things that you think you don't value as much as the average person. Circle the top one or two.

3. In just a few words, why did you answer the way you did to questions one and two?

4. Fill in the blank: If I won the lottery, I would ...

5. How well aligned are your values with your behavior?

I threw the lottery question in as a test. If you answer the first question with things like your friends, family, work or other passions, but saw the lottery question and immediately pictured yourself at sea on a new 65-foot yacht, something's off.

**6. But consider your life now: Are you living it according to what you value most?
(Hint: The vast majority of us are not.)**

7. What would your life look like if you were to live according to the values you just identified?

WHAT ARE YOUR BIASES?

You're already programmed to think about money a certain way.

The following questions are designed to help you identify a few hidden factors that may be influencing your financial decisions (we'll barely scratch the surface, trust me).

8. Were your parents rich or poor? Spenders or savers? How did that make you feel growing up?

9. What did they teach you about money, savings, spending or investing?

10. When you see other people with nice things (clothes, houses, cars, etc.), how does it make you feel?

11. If you have \$100 to spend on clothes, do you buy:

- A. One luxury brand shirt, because labels are important.
- B. Two designer shirts, because quality is important.
- C. Many inexpensive shirts, because getting the most quantity for your money is important.

12. Do you consider yourself to be more risk-seeking or risk-averse?

(Risk-seekers might quit a steady paycheck to start a business, go skydiving, or move across the country without a job. The risk-averse probably prefer stability over uncertainty and lower profile activities.)

For most of us, our true needs are simple.

A roof overhead, clothes to wear, clean water, nutritious food to eat, and healthcare when needed. But in modern life, our “needs” get stretched a bit.

For example, if you work at a bank, you may not just need clothes; you may need a white shirt and tie. If your job is 50kms from your home, you may need a car.

Your time is limited, so don't waste it living someone else's life.

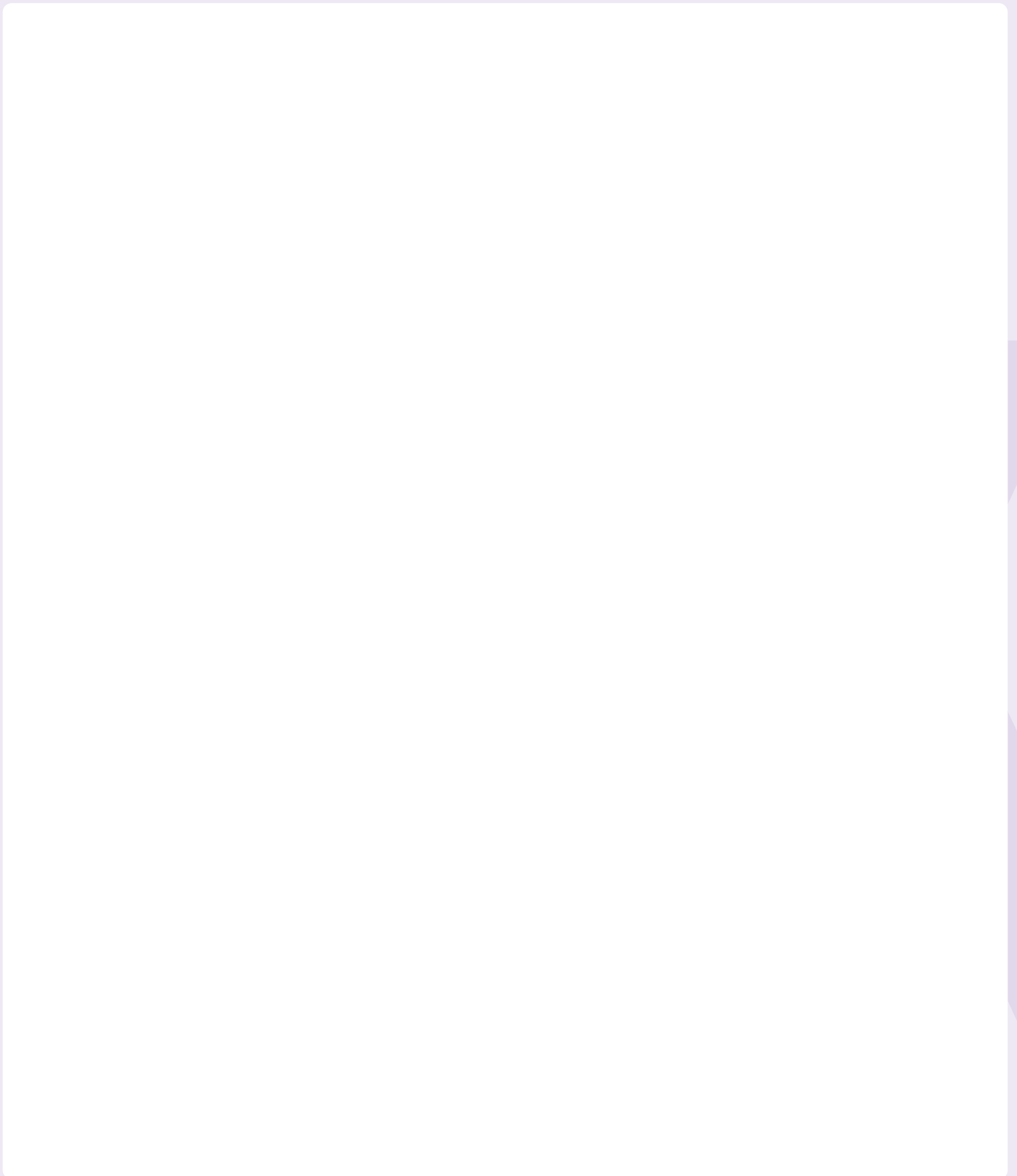
- Steve Jobs

1. **What are your needs? What are the minimum expenses you need to provide to sustain yourself? Put down the categories of needs in your life and your best guess for how much that would cost you in an average year.**

2. What do you want in life?

Chances are identifying your needs wasn't that hard. When we stop to think about it, we need a lot less than we often realise. It's the "wants" that get us. But here's the chance to really think about them.

What do you want? Take some time. Write it all down. Fill up a page. Be free to dream. List your wants now - you can even draw pictures if that's easier!



3. Which 5 wants are most important?

Of all of the things you identified as wants, identify the five most important and prioritise them.

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____

4. What do you need to get these wants?

Now it's time to think about what you'll need to do to acquire or achieve these things. Do you need a certain amount of money? How will you get that money? Do you need time? Where's that time going to come from? Do you need other people involved? How are you going to convince them to help you?

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____

5. What role does money play in how you'll get what you want?

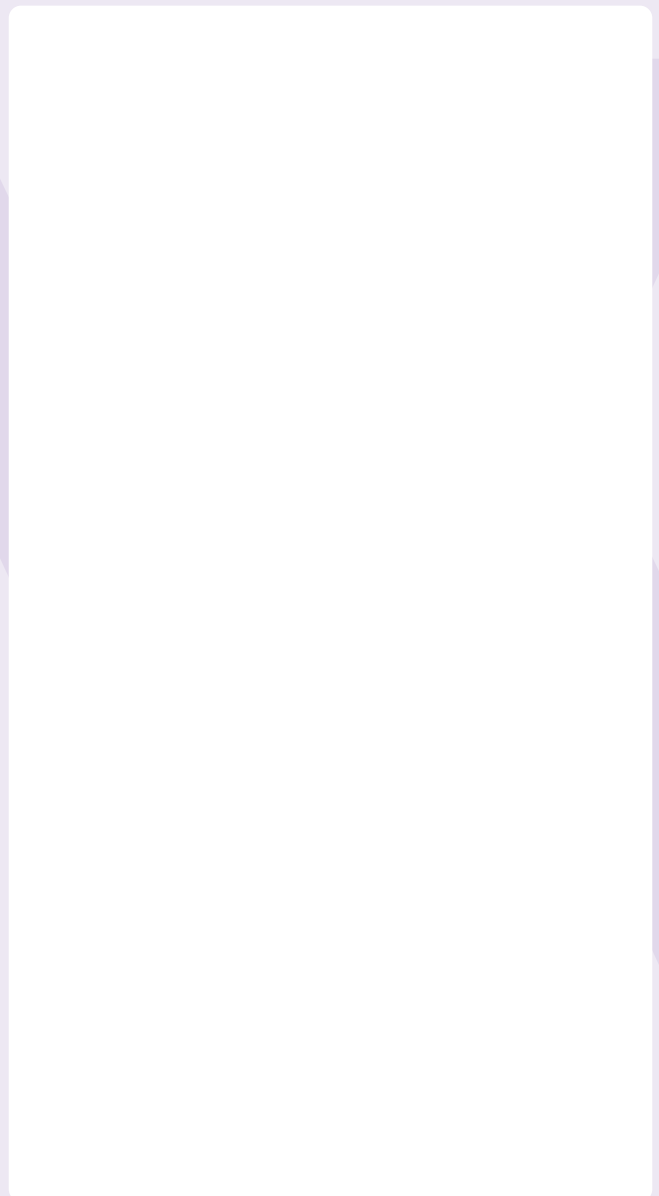
Stop here for a minute, because this is important. If one or more of your top five wants are things, the answer is easy - you need X dollars to buy Y. But what if one of your wants is an experience, or a different job, or time to live with no job at all? Money alone can't get you those things, but it's probably going to be important somehow.

STOP BEING YOUR OWN ENEMY

Often we know the things we want, but for whatever reason we're not taking steps towards them in our every day life - in fact, we're probably doing things to sabotage our progress.

6. What steps do you think you can take to get closer to your top five wants? Are you doing anything on a regular basis to work towards your goals, could you be doing more? List them here.

7. Life is about trade-offs, we have limited amounts of money and virtually unlimited amount of wants, so something has to go. Are there other wants you could give up to achieve your top five? Why or why not?



STEP 3.

SIMPLIFY AND AUTOMATE

The less you have to think about money, the more time you have to earn and enjoy it.

We will transition from thinking “big picture” and get down to something very concrete... your bank accounts and your cash flow.

The goal of these exercises is to set up your financial infrastructure for success. While we're at it, we'll try to keep it as simple as possible.

- 1. Create a list of all your financial accounts. List each bank account, home loan, investment loan, credit card and the approximate balance (guesses are fine for this exercise).**

ACCOUNT	BALANCE

2. Now, draw a map. How are these related?



Now, pretend somebody just handed you this map of your money flowing and bank accounts and you'd never seen it before. Does it make sense? Could somebody else easily figure out what's going on with your money? If not, it may be time to simplify.

Here are my suggestions for simplifying your money:

- A.** Maintain two bank accounts: a home loan account where you bank your pay and a savings (VISA DEBIT) account.
- B.** Carry NO credit cards. If you already have credit cards than it's a good idea to pay them off in full using a balance transfer and cancel the old and new cards even if you don't use them because credit cards are financial quicksand which can cause you to spend more money than you earn. Cash is king!
- C. Contribute to accounts in this order:**
 1. Your home loan, build equity in this by paying down debt.
 2. A super fund of SMSF - salary sacrifice 5% of your income into this account each year to ensure you have enough in retirement.
 3. Setup Acorns to automatically invest your space change

Some personal finance nerds like to create dozens of savings accounts for different purposes---emergency fund, wedding, new car, etc. Personally, that's too much to keep track of. Use our wealth tracking software to track it automatically for you and your accountant.

3. Now, put your money on auto-pilot. I know that when you're living pay to pay, the last thing you want to do is lose control of your money. You need to know where every dollar is at all times. But I know from experience, living this way sucks. You're trying to remember to track every purchase you made to know how much is left. You're counting days until payday and figuring out which bills to pay first so you won't have to pay overdraft fees.

When you get your finances in order, however, not only do you stop worrying about this; you can literally stop thinking about money!

THESE SHOULD BE YOUR GOALS:

- A life in which you know that more or less, you have "enough" money and you know your NET WORTH. If you don't know your net worth, you don't know what you're doing!
- A buffer of \$500-\$1000 in the VISA DEBIT account for emergencies.
- Emergency savings of six months' living expenses to cover you if you lose your job. Sitting in your home loan account offsetting your interest, but fully available in event of emergency.
- A personal finance system that's on "autopilot" with apps such as Acorns making sure you're automatically saving!

ACT NOW!

PUT SOMETHING ON AUTOPILOT

The best advice I can give you? Just start. Do something to improve your finances right now.

In my opinion, the easiest way to make an improvement in your finances in 15 minutes or less is to put either savings or your most important debt payment on autopilot.

DO THIS NOW

Go to your app store on your phone and download “Acorns” Setup the app (takes about 8 mins) and start your automated savings plan.

Alternatively, go to your employer’s HR office tomorrow and ask to split your salary into two accounts...10% into savings and 90% into your everyday bank account.

IF YOU’RE IN CREDIT CARD DEBT

If you are in credit card debt, I want you to skip the above and instead set up a balance transfer by applying online for a 0% credit card interest rate. Please cut up the card once it arrives.

Basically, you want to send periodic transfers of as much as you can to this debt---automatically—in addition to the monthly minimum payment. You should be able to do this either from your bank’s bill pay feature or on your credit card’s website. For more information on how to pay off your credit card debt faster, speak to one of our Money Coaches today about a DEBT SNOWBALL.

If you would like additional information on any of the above, or further advice on managing your finances, have a chat with one of our money coaches. Contact us now on admin@crown.money

STEP 4.

IDENTIFY YOUR GOALS

Imagine you're taking a year off from work to travel the world.

You want to visit Italy, Egypt, and the USA.

Obviously you can't hit all three at once, so you'll have to choose just one first. You shouldn't treat your financial goals any differently.

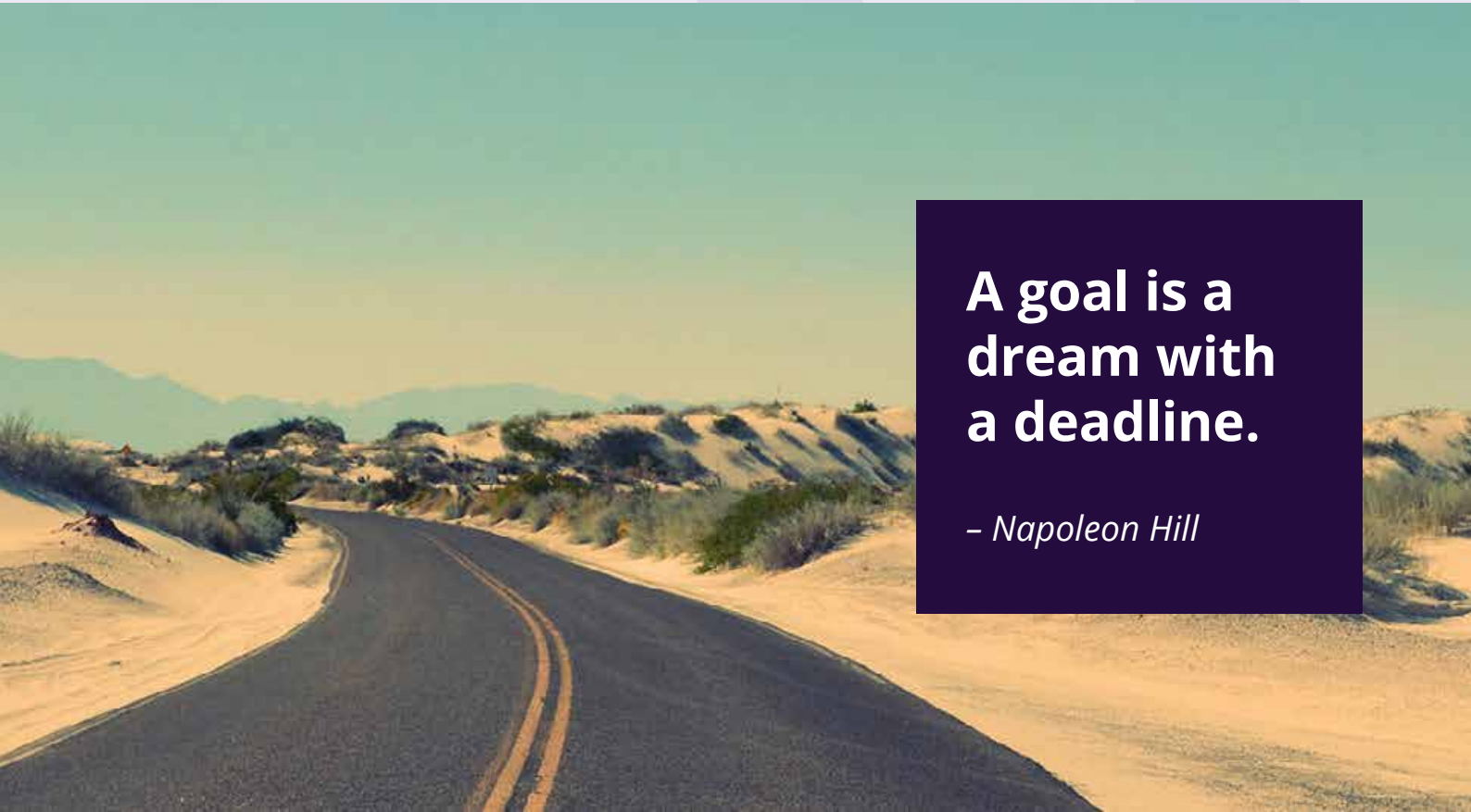
Although it's impossible to be in two countries at once, it is physically possible to attack two financial goals at once. You could, for example, put \$100 towards paying down debt and \$100 into savings each month.

Trouble is— this means it's going to take you twice as long to achieve either goal. And you want to achieve goals quickly.

Why?

Because achieving one goal gives the psychological boost you need to do the work it will take to achieve another. Revisiting the work you did on step one and two, you're going to make a list of financial goals. But not just yet. First, we want to identify the financial problems we have.

For example, if you can't pay the mortgage or credit card on time every month, that's a problem, and it's pretty important that we tackle that before anything else. Similarly, if you're stuck in a job you hate because you can't afford to quit... that's a financial problem too.



A goal is a dream with a deadline.

– Napoleon Hill

1. Make a list of your financial problems. These are areas where money - or, more likely, a lack of money - is affecting your life negatively.

If you are short on money to pay the home loan or your credit card bills these are problems. But that's just the beginning. Could it be that you have a financial problem in that you're stuck in an unhappy job because you don't have the financial foundation to do what you really want?

Think carefully before deciding you don't have any financial problems; it's possible but unlikely.

2. Make a list of your financial dreams. Now, forget about your immediate financial needs and dream a little. Again, go back to your work on Step 2. What do you want money to do for you? Using that list, write down a few financial dreams.

3. Circle your #1 problem and your #1 dream.

4. How is solving your #1 problem going to help you reach your #1 dream?

Now it's time to turn your problems and dreams into actionable goals.

Most often, financial goals can be categorised into one or more of these groups:

- Pay off debt.
- Reach a savings target.
- Purchase something.
- Earn more money.
- Learn something valuable.

The first three are self-explanatory.

Earning more might mean getting a raise at work, changing jobs, or starting a side business.

Learning something valuable might mean becoming a better investor, going back to school to make yourself more marketable, or teaching yourself a skill that will be of use at work. Whatever your goals, remember that they will likely be motivated by your financial dreams and/or problems. In other words, how can you translate those dreams and problems into actionable goals?

5. Write down your financial goals. Do not worry about prioritising them yet, just get them down.

Now that you have a list of goals influenced by your financial problems (immediate needs) and dreams (big picture wants), we need to hone in on the most important and make them manageable.

YOUR PAY PLAN

Prioritising financial goals is hard. It’s so difficult, in fact, that “what should I do next with my money” is the most common question I get.

Because I can’t be there to look at your finances and talk to you about your problems and dreams, I can’t help you pick your #1 financial goal. Hopefully, however, I’ve given you the tools to decide for yourself.

FIRST THINGS FIRST: GET OUT OF DEBT!

If you are in credit card debt or have any debt with interest rates of more than 6%, paying this debt off should be your priority.

NEXT: SAVE FOR EMERGENCIES.

After getting free from consumer debt, everybody needs emergency savings to cover you in case you lose your income or get hurt.

I recommend six months of necessary living expenses. So tally up your loan repayments, fuel, utilities, and monthly food bill... don’t include discretionary spending you could live without like dining out and entertainment.

NECESSARY EXPENSE	AMOUNT
Housing (rent or mortgage)	\$.00
Utilities	\$.00
Groceries	\$.00
Insurance (auto, home, health, life)	\$.00
Medical	\$.00
Minimum Debt Payments	\$.00
Transportation (fuel, parking, subway pass)	\$.00
Other	\$.00
Total Monthly Expenses	\$.00
Emergency Fund Amount (x6)	\$.00

Now that you've calculated how much you need in an emergency, your second goal (after paying off credit card debt) should be to save this amount.

CHOOSING WHAT'S IMPORTANT

Although I recommend you follow the above advice—get out of debt and save for emergencies first—I'm going to give you control. I don't believe I know what's best for you, only you do! Revisit your values, your problems, and your dreams. What's the next step you want to take?

MAKING YOUR GOALS ACTIONABLE

Whatever your #1 goal, it should follow the SMART acronym. It should be:

• Specific • Measurable • Attainable • Realistic • Timely

So if your goal is big (for example, pay off \$50k in debt), chunk it down until it meets this criteria. (For example: Pay off one credit card with a \$5,000 balance). Ideally, you'll want a goal you can meet within six months or less, so keep on chunking down until you have something attainable.

6. What are your top five "SMART" goals? Look at the complete list of goals you created in question five. Now, choose the five you want to work on first and write them in order or priority. This is your Pay Plan.

State these top five goals briefly but specifically. They should meet the SMART criteria. Each goal should be achievable in roughly six months or less so that you can achieve your Pay Plan in less than two years.

This is important, because if you set your timeline too long, you won't be as inspired to stick with your plan.

Your Pay Plan. Your top five financial goals in order or priority:

1. _____
2. _____
3. _____
4. _____
5. _____

Congrats! You now have a list of financial goals and a single goal to focus on. Next we will take action on your goal and get you rolling.

ACT NOW!

SHARE YOUR PAY PLAN

Few weight loss programs have had the success of Weight Watchers. One reason for that success is an integral part of the Weight Watchers program: weekly meetings at which dieters weigh in and discuss their progress with other members.

Weight Watchers meetings make dieters accountable to people other than themselves. As a result, members reach their goals more often than solo dieters.

Unfortunately, many of us are more comfortable telling friends we're trying to shed 20kgs than admitting we need to pay off \$10,000 of credit card debt.

But if you can overcome the discomfort of sharing financial details, friends can be a powerful force in helping you change.

Today, tell at least three people about your Pay Plan and ask them to support you in working towards your goals.

Not sure who to tell? Confide in one of our money coaches and we'll keep you on track! Contact us now for a chat on 1300 882 981.

STEP 5. ATTACK!

Alright peeps, here we are: step five.

The exercises so far should have been extremely helpful, but now is when the rubber really meets the road!

Take Action on your #1 Goal

You should have created your Pay Plan of five actionable goals, each of which you believe you can accomplish in six months or less.

But where will you start? I suggest choosing a goal that will make a big impact on your finances but can also be a quick victory. This might be paying off a debt in full that is \$2,000 or less, or saving \$1,000 in your emergency fund. Whatever it is, you should be motivated to take action on it TODAY.

Vision without execution is hallucination.

- Thomas Edison

- 1. Looking at the Pay Plan you created, what's the #1 goal that you are going to take action on today?**

It is about action so we're not going to mess around much.

- 1. But before I let you go, write down how you are going to achieve this goal and how long it's going to take you. Be specific. What steps are you going to take to get this done?**

Now go do something!

If your goal is to save money or pay down debt, go through your house and find at least five things you can sell for \$10 or more. Post them for sale on eBay or Facebook.

If your goal is to cut back on spending, find a subscription you don't have to have and cancel it (NOW!) then pack a lunch for tomorrow so you won't go out. After that, perform the liberating task and CUT UP THOSE CREDIT CARDS! Even better, get someone to take a photo of you cutting up your cards and post it to social media - sharing your commitment will motivate you to achieve your goals!

If your goal is to earn more money, simply go and write down how you add value to the business you work for, then prepare a pitch to your boss stating the facts and how you think a payrise has been well deserved and earned based on the value you've brought to the business. Awesome if it pays off, but if not at least it shows you are committed and may set the path toward future opportunities!

- 3. When you're done, write down what you did here:**

Now, go back to Step 2 of this exercise frequently to keep yourself on track.

ACT NOW!

SET A MONTHLY REMINDER TO REVIEW YOUR GOALS

Setup a recurring appointment on your online calendar to spend 30 minutes once a month to review your goals and make a plan for the upcoming month.

Studies show that it's best to revisit your action plan for longterm goals monthly (as opposed to daily, for example). Once a month is an ideal time period because it gives you latitude if you slip up from day to day but is short enough to remain accountable.

BONUS:

Post your #1 goal on your bathroom mirror, at your desk at work, and on the dashboard of your car. The more you think about that goal, the more you'll unconsciously change the behaviors that will help you achieve it.

For additional help achieving your financial goals and managing your finances talk to one of our Money Coaches today on 1300 882 981, or email admin@crowm.money

Summary

1. PUT YOUR VALUES FIRST.

Most of our money issues aren't about money at all. Whenever you're having money troubles or facing a big financial situation, always come back to what you value and what you want out of life.

2. SIMPLIFY AND AUTOMATE.

As you get more money you have a tendency to spend more time worrying about your money. This prevents you from earning more money or at least enjoying time doing other stuff. So keep your financial accounts and investing strategies as simple as possible. When you're ready, set up everything—from savings transfers to monthly bills—on auto-pilot.

3. AIM AND FIRE.

Set financial goals, choose one, and take action to meet it. Shoot at too many targets and you might miss them all. Most importantly, take action towards your goals. Get off your ass. Change something about your life. If it works, do it again tomorrow. If not, try something else.

You're not going to become a millionaire overnight, but if you follow these simple steps, you will absolutely grow richer by the week and move forward financially!

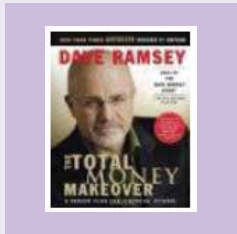
YOU MADE IT!

Congratulations on making it to the end, I truly hope this exercise has been rewarding for you and well worth the time you put into it!

If you would like any further financial advice, or more specific information to help you achieve your goals, make sure to contact one of our Money Coaches today on 1300 882 981 or email admin@crown.money

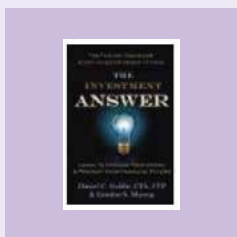
Appendix: Further reading

The following are a few of my favorite books on personal finance and learning to live richly. There are lots of others, but I think these five offer a little something for everybody and are the best places to start.



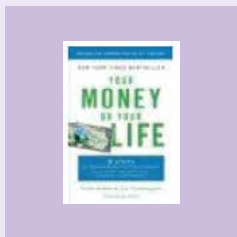
The Total Money Makeover: A Proven Plan for Financial Fitness by *Dave Ramsey*

If you're in debt Dave Ramsey is your guy. His seven-step plan has worked for millions. Dave is 100% against debt, so if you believe, for example, that it's OK to get a car loan at 1% if you're earning 8% on your money elsewhere, look elsewhere.



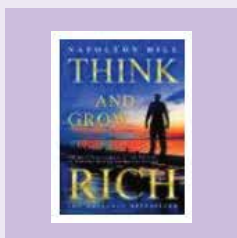
The Investment Answer by *Daniel C. Goldie and Gordon S. Murray*

This workbook isn't about investing, but if that's what you're after I recommend you start here. You won't find tips on how to start picking stocks—quite the opposite. This book is a brief but compelling argument for simple passive investing. Read it, buy a few index funds, and get back to work.



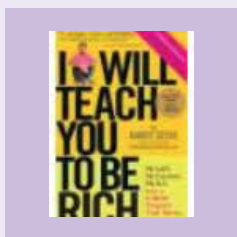
Your Money or Your Life by *Vicki Robin et al.*

This book is a more in-depth study on the relationship between your values, your money, and your time. If you already enjoy living frugally, *Your Money or Your Life* will inspire you to cut spending further and be careful with your money.



Think and Grow Rich by *Napoleon Hill*

A classic for decades, this book is not about personal finance but the power of positive thinking. Filled with hundreds of compelling real-life examples, *Think and Grow Rich* shows how the right attitude is the prerequisite to success in everything you take on. I'm not going to tell you that magical thinking without hard work can make you rich, but if you're a negative thinker---if for example, you blame others for your financial lot in life—read this book first, because nobody can help you until you learn to take responsibility for your actions and change your attitude.



I Will Teach You To Be Rich by *Ramit Sethi*

Ramit is a smartass, but his ideas are solid and he's all about getting you to take action. The book is structured as a 6-week course to help you tackle all areas of your finances including credit cards, budgeting, investing, and earning more money. If you can deal with his "I-went-to-Stanford-I'm-better-than-you" attitude, this book will help you.