



latest word

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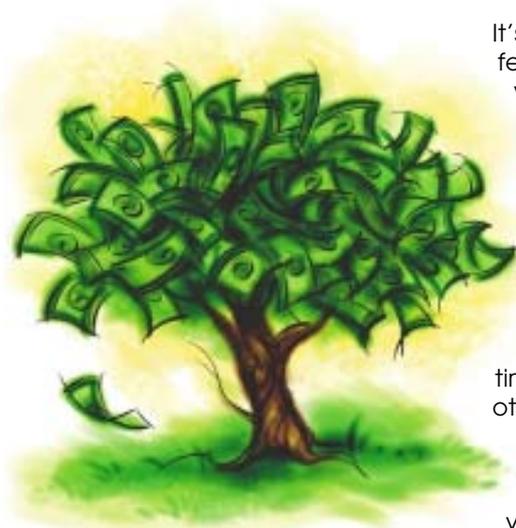
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Most people don't get wealthy because ...

So you want to be wealthy in the financial sense.

We know that our health, our family and our friendships are the true wealth in our lives. The collecting of Euros in itself is no more interesting than collecting the lids off jam jars BUT wealth can deliver security and can deliver freedom.

So it's not the money, it's the feelings we can get as a consequence of wealth.



It's always about feelings including whatever you sell in your business. Fundamentally, wealth is what we receive for the value we deliver. So more value equals more wealth, and 99.9% of the time it's never any other way.

So the question is, how can you deliver more value? Plus, have you opportunities to leverage your value? As an example, a Sales Expert delivers a sales training to 50 sales professionals. Leverage would include increasing the numbers such as delivering the training to 60 people or recording a DVD of the training to sell online or selling the training notes. So, same training more value and more wealth generated.

So two very important concepts, VALUE and LEVERAGE.

Now for the SECRET Wealth Formula;

SPEND less than you **EARN** and **INVEST** the difference.

Could it really be that simple? Walk with me a while.....

So **EARN** more by providing more value and using leverage.

SPEND less.

INVEST wisely. (Improve Returns, Protect against Loss)
No matter how much you earn, if you spend it all or more, you'll never be wealthy.

You can earn €30,000 a year and build a fortune or you can earn €1,000,000 a year and end up with nothing.

So now that we know the rocket science about wealth, why aren't more people wealthy?

Reason #1, people don't focus on being wealthy. The same way if you don't focus on profitability in your business or your health, you won't have either or at least a lot less likely. What we focus on, we get more of.

In business, many owners want profitability but don't have accurate or timely knowledge of the drivers of profitability such as revenue, expenses, overheads, cashflow. It's more difficult to build profitability blindfolded.

Reason #2, people don't get wealthy because they put it on the long finger. It's scheduled to happen *some day*. They put it off as a future task but its funny how soon, not now, becomes never.

In doing that they fumble away what Einstein described as "the most powerful force in the universe", *Compound Interest*.

Delay has a very damaging effect on potential future wealth.

Let's say you are playing a round of golf and you decide to make it a little more interesting. So, you suggest a bet of 10 cents on the first hole, double it to 20 cents on the second, double that to 40 cents on the third etc. After nine holes your bet is €25.60 but at the 18th you're bet is €13,107.20. That's the compounding effect, unremarkable and not particularly motivating at the beginning and even over time but after a certain period the growth is dramatic. I hope you're an excellent golfer.



Let's say you invest €10,000 at age 20, at 10% growth per annum. At age 65 that's worth over €725,000 without making an additional contribution.

If you're thinking where would a 20 year old get €10,000 or 10% p.a. is unlikely, you're missing the point. The point is that the Compounding Effect is very powerful but you have to begin as soon as possible, otherwise you've

blown the opportunity.

Reason #3, people don't get wealthy because they don't truly understand the consequences of their decisions. Priorities are misplaced. Spending decisions such as a new car that loses value through depreciation very quickly, has a long term cost that if truly recognised would alter decision making drastically.

Forget about a holiday home or a large pension income at retirement, most people have no plan about a modest income and a basic level of security right now or, when they're 64.

It's not about whether you have a new car or what you spend your money on; it's about being informed and understanding the true nature of your spending decisions.

Finally, **Reason #4**, people don't get wealthy because it's not a consistent goal. Ad hoc, periodic decisions, poor advice all lead to poorer wealth in the long term. Short term economies have longer term costs.

Any successful goal requires a plan, action, review, new actions, review, action and then achievement.

There are other factors, such as mindset, but that's enough for now.

Four questions for more wealth.

- ◆ How can you EARN more?
- ◆ How can you SPEND less?
- ◆ How can you INVEST more wisely?
- ◆ How soon can you BEGIN?

So what's your role and what's our role at Framework Financial? How do we contribute to your wealth and ultimately to you feeling protected and secure and achieving a level of financial freedom that gives you real choice, that materially impacts your quality of life?

You must look at ways to increase the value you deliver to EARN more.

You have to make more informed SPENDING decisions and we can help you understand the long term impact.

If you don't have the INVESTING expertise, you must work with somebody who does.



We don't have a crystal ball but we do have the expertise and systems to help you to INVEST wisely.

We offer a level of transparency and value unmatched by 99% of our competitors, so more of your money goes into making you wealthy and not into unknown commission payments. We don't offer our expertise for free but you know what you pay and you know what value you get in return.

We want long term trusted relationships with our clients and long term results, not the financial intermediary equivalent of a holiday romance.

Wealth is a matter of choice, not chance. You decide.



Last word

Thanks for taking the time to read our "latest word"

Feedback on our newsletters is always welcome and gratefully received. joe@fwf.ie.

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