

JSRN!!!

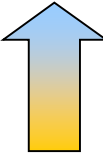
Just Start Right Now with what you have!!!

6.1.4 Trust yourself to make effective Investment Decisions

Save Invest and Tithe, and “S.I.T.” with the air of authority and dominion of an Egyptian Pharaoh over your financial affairs. This is Sharee’s current goal after attending several financial workshops. She is a single mom of two who teaches first graders at a government/public school in the beautiful Caribbean Island of Jamaica. She now knows **the financial independence definition of AN ASSET**; “*Any item acquired from which positive cash flows (income) are generated*”. She also buys into the 70:30 financial independence principle of dividing her income. No more than 70% for creating the lifestyle she can enjoy; no less than 30% towards nurturing her financial independence by intentionally focusing on the development of her personal ASSET BASE. She understands that “S.I.T” forms three distinct tiers within her ASSET BASE as depicted by diagram#1 below.

Diagram#1 – The “S.I.T” 3-tier Asset Base

Income Allocation	ACTION	ASSET BASE
3rd 10%	I nvest	Tier3
2nd 10%	S ave	Tier2
1st 10%	T ithe	Tier1



Financial Independence "A"
Grade Targets

- 1) Use no more than 70% of your income for creating the lifestyle you can maintain and enjoy.
- 2) Grow your ASSET BASE so that it generates atleast 70% of you income.

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It is with the 30% income allocation that she develops the consistent habit to S.I.T.

Save – Is the approach used to create the second tier in her ASSET BASE. **Using the second 10% of her income** she can create safe ASSETS, which grow minimally in a secure environment (refer to diagram#1 above). The focus of “Saving” is value retention, and loss avoidance. These safe ASSETS include but are not limited to accounts at Banks, Credit Unions, Building Societies, Money Market Pooled Funds in Government Securities (in stable countries). Further, as she lives in a country where the national currency depreciates steadily versus regional and international currencies; it is prudent to maintain a portion of these savings in strong and stable foreign currency denominated accounts.

Invest – Is the approach used to create the third and top tier in her personal ASSET BASE. **Using the third 10% of her income** she can create growth ASSETS, which grow more rapidly than safe Assets (refer to diagram#1 above). The focus of “Investing” is value creation and growth. These growth ASSETS include but are not limited to Stocks, Bonds, Investment Properties and Businesses.

Tithe – Is the approach used to ensure that the first tier of her personal ASSET BASE is divine in nature. **Using the first 10% of her income** she can contribute to the “Universal Asset Base”(refer to diagram#1 above). This is where Sharee develops the systematic and consistent practice of giving to the organization that feeds her spiritually. It is an acknowledgement that there is a “Universal Asset Base” the source of which is divine in nature and the supply of which can never run dry. It is also a practice, which allows her to view her financial matters through the lens of the “big picture perspective”; a picture through which she is reminded that the real source of her supply is divine and unlimited in nature. It is a practice, which facilitates the growth of her faith factor and the belief that she will be guided into right action, during her quiet moments.

When Sharee came upon this 70:30 information she was at a place where her life style was such that she had no personal ASSET BASE, she had expenses equal to 110% of her income and there were constant intense fights with Don, the father of her two children.

It took her three years to rebalance her affairs (lifestyle) and to be able to divide her income 70:30; paying out the cheques for the 30% first before paying any of the bills. This way she put herself and her personal ASSET BASE (S.I.T) first, before any of the suppliers of the products and services she utilizes for herself and her children.

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She could not start the S.I.T program with 30% of her income as it just was not possible at that time; so she started with Ja\$300; Ja\$200 to Savings, Ja\$0 to Investment and Ja\$100 to Tithe. She then revisited her consumption patterns and made necessary adjustments downwards. This meant that she had created more disposable income which she channelled towards Tithing, focusing initially on hitting the “tier one” target by increasing the Ja\$100 to 10% of her income. Sharee also flipped the 70:30 guideline on its head, each time it came to annual salary increases and Christmas bonus; in these instances 70% went to S.I.T. and 30% to consumables.

So Sharee reached a place where 30% of her income was allocated to S.I.T. as follows; 20% to Savings, 0% to Investments and 10% to Tithe. Her challenge has been that 20% was placed into tier two of her ASSET BASE ---- safe Assets, the Savings element; none was applied into tier three ---- growth Assets, the Investment element. Her self-doubt dominated until she started to utilize the *harmometer*® and increasingly trusted herself to make effective investment decisions. Now, each month, after allocating the 10% for Investments, she seeks out the best information and advice. Armed with the amount she has to invest and the options before her to choose from, she subjects them to the *harmometer*® test for all her seven aspects of being. So now she does not do as the professional advisors suggest; instead she listens to the advisors but acts in accordance with her own inner guide as evaluated with the *harmometer*® (see extract below). When the *harmometer*® registers at the lowest end of the scale where the reading is a score of 1, then no investment allocation is made (0%) no matter the product under consideration. Whereas when the *harmometer*® registers at the highest end of the scale where the reading is a score of 5, then 100% of the current dollar allocation for investments are placed in the product under consideration. An extract from the *harmometer*® is below.

	PERSONAL HARMOMETER®				
	WHEN I CONSIDER MAKING THIS EXPENDITURE, IN MY HEART I FEEL AS IF MY ASPECT OF BEING IS :-				
	1 ENTIRELY DEPLETED	2 LOW	3 NEUTRAL	4 HIGH	5 ENTIRELY UPLIFTED
HARMONIOUS INVESTMENT ACTION = % TO EXPEND	0%	25%	50%	75%	100%

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Sharee is now on a clear pathway towards hitting another financial independence target:-
To generate atleast 70% of her income from here Asset Base.

She has set a Savings target by multiplying 70% of her monthly income amount by 200.

She is really energised about hitting this next target because she knows that at that point she will be truly financially free. Free because she would have not only adjusted her life to live on 70% of her income but at that point her ASSET BASE will also be providing the 70% of her income. Can you feel within your soul what it would be like to be in such a place of freedom for yourself?

You can get on this path to financial independence too. Just start right now with what you have.

1st Write down the targets - 70% of your income = _____
30% of you income = _____

2nd Be honest, how does your current spending habit stack up against these targets. Remember no more that 70% for spending/supporting your life style; and no less that 30% for S.I.T. Do not beat upon yourself if you are out of balance with the targets. Just start right now with what you have and make small but consistent adjustments to move yourself closer and closer to the targets. It is a process, be strong and courageous and act in accordance with your new resolve. You can do it. But most importantly, **“JSRN”**just start right now with what you have.