

Practical Wealth Principles
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Greetings,

If you are like me I was not taught anything about creating wealth when I was growing up, to be honest the word wealth was not even used in my household.

However we are constantly learning all the time and I would like to share 6 key principles I've learned to creating wealth which are important to wealth creations and can be shared within the family especially those who are just entering into the world of adulthood.

6 Principles to Creating Wealth:

1. **Keep a part of all you earn. Save at least 10% of your income.** - Save as a minimum 10% of all you earn before you do anything else with the money. Therefore if you earn £10 you save £1, if you earn £100 you save £10 and if you earn £1000 you save £100 etc. If you are unable to save 10% start with a percentage you are comfortable with but just save something each month!
2. **Avoid Debt. The poor pay interest, while the rich earn interest.** – Avoid consumer debt at all cost, its better to save for an item than pay more than what it is worth. If you

avoid debt you are able to put more towards your savings!

3. **Invest in yourself! Gain Knowledge and skills to increase your earning power.** – Read more in areas of interest especially in areas of entrepreneurship and finances and this will provide you with more confidence and knowledge which means you are well informed about financial subject matters techniques to increase your earning power.
4. **Put your savings to work for you. Invest it so that it will multiply.** - The act of committing money or capital to an endeavor with the expectation of obtaining an additional income or profit. There are many different ways you can go about making an investment. This includes putting money into stocks, bonds, mutual funds, or real estate (among many other things), or starting your own business. The point is that it doesn't matter which method you choose for investing your money, the goal is always to put your money to work so it earns you an additional profit.
5. **Don't speculate in get-rich quick schemes. Invest in solid businesses that you understand.** – Always to your diligence in any investment opportunity look at the pros and cons, what are the risk associated with it and never invest more that you are prepare to lose! Avoid get-rich schemes as anything that seems to good to be true are normally just that!

6. **Safeguard your growing fortune with diversification.** – Do not keep all your eggs in one basket when growing your financial wealth, there are many options and areas of investment opportunities as mentioned in point 4. Diversification aims to maximise return by investing in different areas that would each react differently to the same event. Most investment professionals agree that, although it does not guarantee Using the above principles will set you on your path towards financial freedom and legacy building for yourself and family. Even if you are starting small, starting is what actually matters!

Have a wonderful day.

Love & Blessings, Paula x