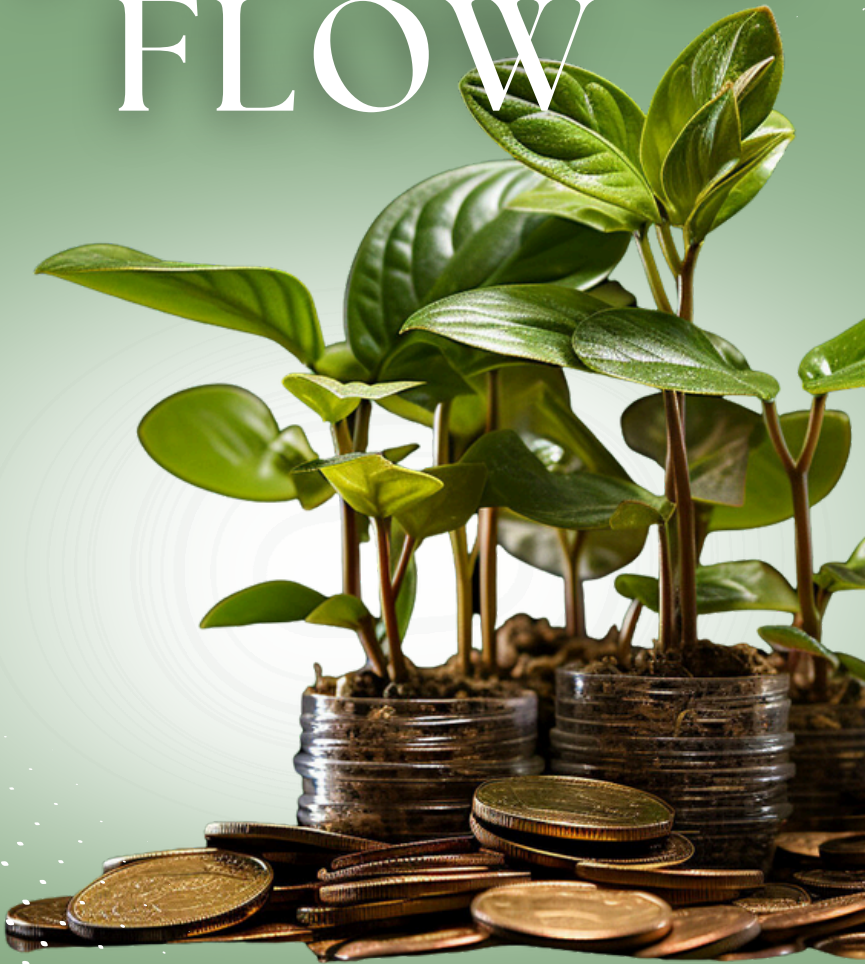


LYNDA
MOORE
MONEY MENTALIST

FINANCIAL FLOW



**Your Essential Guide to
Financial Clarity and Success**



About Me

Hi, I'm **Lynda**—founder of Money Mentalist. For over 30 years, I've helped people understand their finances as an

accountant. Along the way, I discovered that financial success isn't just about numbers—it's also about the way we think, make decisions, and approach money.

After selling my accounting practice in 2010, I completed a Post Graduate Diploma in Psychology and combined my accounting expertise with psychology and neuroscience to develop the Financial Flow Formula.

This Financial Flow Formula, a practical framework helps business owners create greater financial clarity, make better decisions, and build a life where their money supports their goals—not stands in the way of them.

I'm delighted to share this approach with you and hope it helps you create more confidence, clarity, and flow in your own financial journey.



Welcome

to this detailed guide aimed at assisting business owners in understanding the business cycles achieving financial clarity, grasping their money mindset, and applying strategies for enduring success.

We will delve into financial personality types, identify common pitfalls, discuss necessary mindset shifts, and provide actionable tips to attain financial flow and clarity.

Lynda



FINANCIAL FLOW FORMULA

CLARITY

Know the numbers to understand
what's going on in your business

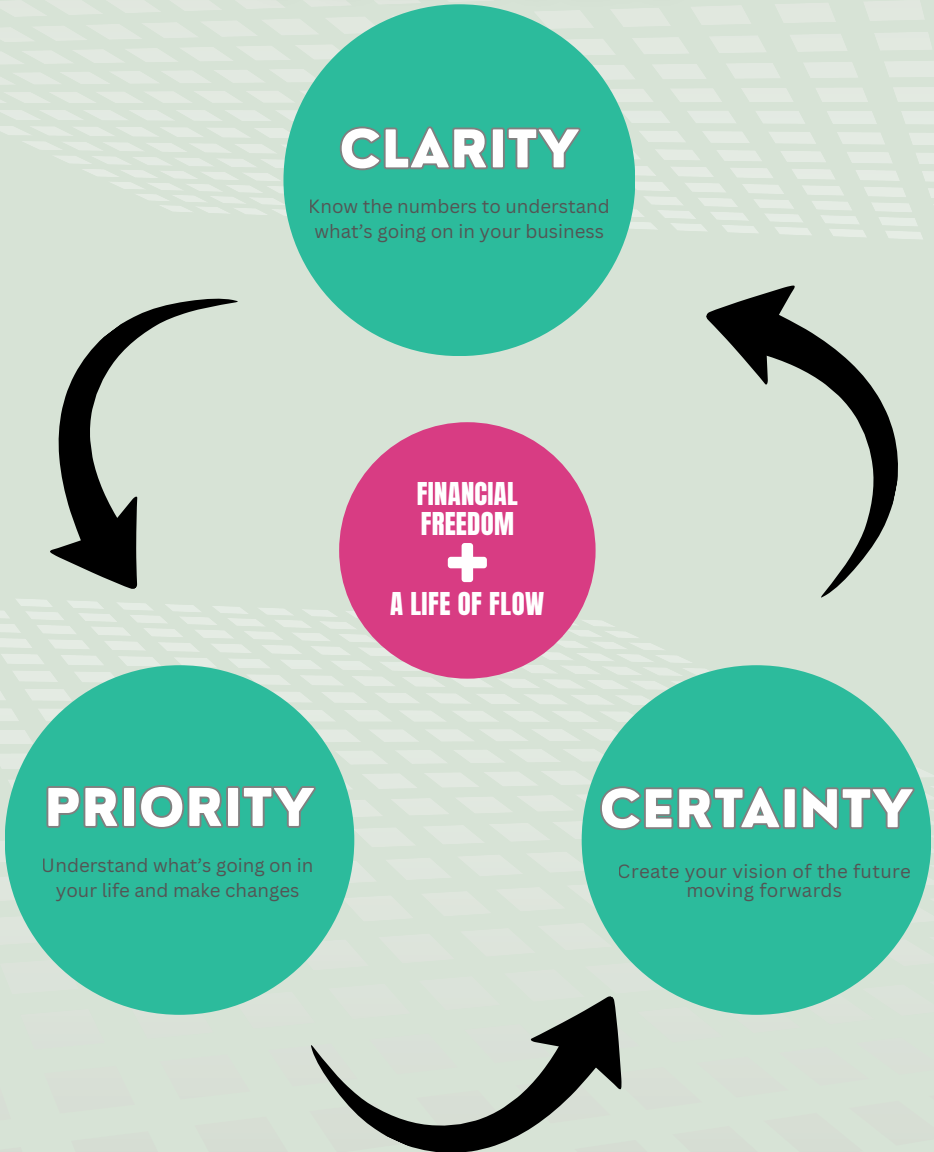
FINANCIAL
FREEDOM
+
A LIFE OF FLOW

PRIORITY

Understand what's going on in
your life and make changes

CERTAINTY

Create your vision of the future
moving forwards



PILLAR 1:

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**Know the numbers to understand
what's going on in your business**

CLARITY

What type of business do you have?

Being in business is a journey.

Some business owners plan that journey from the start; they are very clear what they are doing and where they want to end up.

Other's (and I would hazard a guess, the larger proportion) start the journey with no clear idea of what or why or even how they are going to make it work.

That was certainly my experience, sometimes I think it was more luck than good management that kept me going for over 35 years now.

Let's go back to the start and look at the cycle of business and see if you can get a sense of where you are in your journey.

Most of us start as an employee. You get paid for turning up and doing your job. You even get paid when you are on holiday, and if you are sick.



There's no stress of making sure the clients pay their bills or marketing to find the customers that need the business services. You get to go home at the end of the day and relax.

If you don't like the job, you can simply leave and go and find another employer.

Why on earth do we decide to leave this stage and move onto the next?



Then it happens one day, that entrepreneur flash says I can do this better than my boss, and we decide to be self-employed.



Often, we think this is going to give us more freedom, but the reality is, if you stop, the money stops. No more relaxing at the end of the day or taking holiday's there's too much to do.

Not only that, but there are a lot more roles and functions that you are trying to fulfil, marketing, business management, client relationships, accounting, debt collection, the list goes on and on.

Even if you have staff, you now need to manage them as well, so you become the HR department too.

In the early days, you probably don't get much sleep as you try to navigate what you have taken on. You start to realise that life as the boss, isn't quite as rosy as you thought it might be.



What you need to realise is, that you still have a job. You are working longer hours, for less pay, and no holidays. What have you done?

There is no shame if you decide to stop and go back to being an employee again. Not everyone is meant to be a business owner.

You might be able to sell your business to someone in the same industry, who wants your clients and stuff, but realistically you will only receive 1 year or less of income if you do decide to quit.

You can keep going and you will settle into this mode of doing business and get the balance right between working, making a good income and lifestyle. You can have it all. What you do need to recognise and accept is that if you stop, you won't have anything to sell.

As things get more settled, and you get into the flow of being your own boss, maybe with a small team so you can delegate some tasks, your income starts to go up, and your stress level starts to go down. You start to think maybe I take this to the next level. What does that look like for you?



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MONEY MENTALIST

CLARITY



It's time to take the leap from being self-employed to owning and running a business.

But isn't that what you have been doing, I hear you ask.

What's different? The big difference is that the business isn't totally dependent on you. Finally, you get some time off without having to think about the business. Maybe go away for three months to relax, but, and this is the catch, at some point you still need to come back.



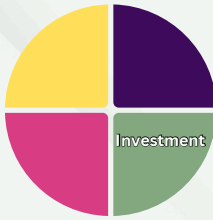
You can do this because you have built systems and processes. You have a team that can do most of the work for you. If you aren't there for a period of time, the wheels won't fall off, they might get a bit shaky. You can sort that out when you return.

Now you are getting serious, you are starting to build something you can sell and put into your retirement, (or what I like to call sitting on the beach drinking champagne phase). Depending on your industry you could get 5-10x your income from selling.

This is sounding much more attractive. You can have a very good income and lifestyle if you do it right and learning the art of effective delegation.



The final piece of the business pie that only a few will achieve is your business becomes an investment.



It can run without you and give you an income.

You don't have to show up, and the money just keeps flowing.

At the extreme end there's Elon Musk, Geoff Bezos and Bill Gates. There are other examples of not so public business owners who have built their businesses into investments if you really want to look for them.

Now you have all the pieces of the pie, the main thing is to recognise which piece of the pie you are in early in your business journey.

Too often business owners think they have a business to sell, and the reality is you don't. Or you think your business is worth significantly more than it is.



You can have a very successful life and income as a self-employed person by utilising the right strategies for you and investing your income wisely.

You can have a very successful life and income as a business owner, by utilising the right strategies for you and building the value in your business when it does come time to sell.

The next step is to understand what strategies you need, depending on what phase of business you are in.





WHAT PHASE OF BUSINESS ARE YOU IN?

In very general and simple terms, there are only two phases of business.

Fattening the calf



During this phase you are in growth mode. Building your future by investing in your business (often during the transition phase from self-employed to business) or establishing yourself in the market as the expert in your field so you can maximise your self-employed income.

During this phase you are taking as little as possible out of the business to live on, you know it is a short term strategy with long term gains.

Milking the cow

This is the stage where you get to enjoy the fruits of your labour, it's where you plateau and enjoy what you have created, take a few deep breaths while you plan the next phase.

You can take more out and invest in your future. Yes, enjoy lifestyle, but also have a thought for the after-business stage of life and make sure you invest as well as spend.



It doesn't matter which phase you are in, the key is recognising it, and have the right strategy.

Too often businesses are in fattening the calf, and are still trying to pull money out, and wonder why they have no cashflow. Or you could be in milking the cow, but are scared to take the money out, just in case...

What are the numbers telling you?

Is it providing the life that you want?

As business owners we tend to take whatever our business generates as our income. Some years are good, and some not so good.

At the very least our business should provide us with a market income for the job we do in the business for the hours we work doing that role. If you are an electrician, you should at least earn the same income as if you worked for a competitor.

The next layer of income is the reward we receive for risk, the sleepless nights, the long hours and all the other tasks we do in the business. This is sometimes called super profit. This is the income you receive over and above your market salary. You might choose to leave this in the business to reinvest, but you know that it is there when you want to draw it out.

If you have invested money into your business (and this includes undrawn income), you are acting as a bank for your business, and, like a bank you should receive interest on that money you have invested.

Too often business owners don't even earn the market wages for the job they do. If this is a deliberate choice due to the stage of business you are in, that's OK. But what if it isn't?

We know there are times when the going gets tough, and if you have the surplus from previous years, you can ride the wave out the other side. Being in business long term and earning less than you could by working for someone else, doesn't make sense in the long term.

What you need in your life is what should drive your business, not the other way around. That leads us to the next pillar, understanding what you need in your life and making changes if you need to.



PILLAR 2:

PRIORITY

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**Understand what is going on in
your life and make changes**



At the same time your business journey is growing and evolving, life is happening as well.

As we move from one stage of life to another, we start to acquire stuff, it might start with a car, then we decide we need a home, then maybe a larger house to accommodate a growing family, then we fill the house with TV's furniture, and other toys like the jetski, the big screen TV, the list goes on and on.

And of course there's lifestyle to spend on, the basics plus maybe travel, better clothes, going out more, education.

As you acquire all of the essentials (and a few nonessentials) you are also going to acquire some debt.

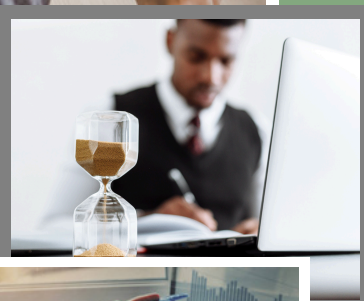
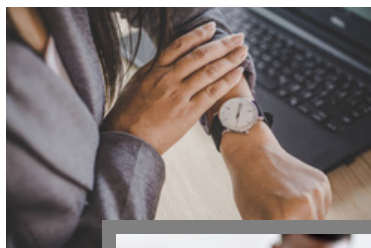
You might have started with a student loan, then you add a credit card and other consumer debt. Then life gets more serious and you might add a mortgage to the list as you enter a relationship and start a family.

The question is, how will you sustain all of this after the business has gone? This pillar, the lifestyle part is where you are left to your own devices.

Banks and financial institutions are happy to keep lending you money to buy more stuff.

What if your relationships break up and you have to part with 50% of what you have built and start again? What impact is that going to have on your future financial plans.

If you don't get this pillar right, you can forget sitting on the beach, or whatever it was you are thinking of doing after the business, as you probably won't have the money to do it!



What is your relationship with money?

Your money personality and behaviours.

Whether you are aware of it or not, the mind-set and emotional relationship you have with money influences every spending decision that you make.

Your relationship with money is the longest one you'll ever have.

So, why not make it the best? Too often it is the relationship we pay the least attention to, until something goes wrong of course.

What's more, becoming financially fulfilled is 80% about understanding your relationship with money and your money beliefs. Only 20% is about practical money management.

However, when it comes to changing money behaviours, that 20% becomes very important. The financial habits you have will make or break you as you travel the road to creating wealth.

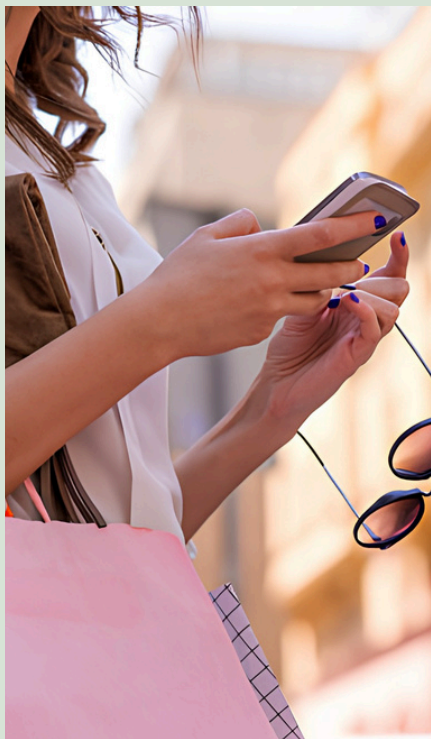
What is your relationship with money like right now?

A fun question to ask yourself, is, if you were dating money, what would it say about you? Would you even get a second date? Are you a caring date, or do you take your date for granted?

When you think about money, what is the first word that comes into your head?

This is your prime money meaning and will drive all your decisions about money and life.

Write it down now and come back to it later when you have thought more about your relationship with money and see if that meaning resonates with you in a positive or not so positive way.



We also have beliefs about money that started from childhood and as we grow and meet new friends and move away from home, they change and evolve as well. Some become reinforced and others change. Often this is happening without us consciously being aware of it.

To delve deeper into your relationship with Money, head over to www.moneymentalist.com and download a copy of *Spice Up Your Relationship with Money*. Working through the exercises in the e-book will help you get to know yourself and your money.

Another important part of your relationship with money is how you behave with your money, in other words what is your Money Personality? There are five main personalities.

Hoarder, Spender, Amasser, Avoider and Money Monk. You can take the money personality quiz and download the Money Personality e-book on the website too.

Once you know how you behave with money, and your relationship with money this will help you move through the practical part of how you manage your money.

There is one more area to consider in your money journey. What if you have a significant other in your life?



What about your partner, what is their relationship with money?

It's all well and good to understand your own relationship with money. But what about your life partner, or business partner?

What is going on with them, and how does that fit with you? Are you a great financial team, or at loggerheads?

Your partner may have a completely different answer to what money means to them.

They probably have different beliefs about money based on their life experiences to this point.

And there may be times when you look at how they behave with money, and you scratch your head and wonder what on earth were they thinking.

Conversations about money tend to be transactional, which is important, but equally, if not more so, are the deeper conversations to make sure you are both heading in the same direction at the same time, particularly if you are business owners.

The deeper conversations are the ones you need to have, to make sure you are both aligned with what you want to achieve as a couple as well as a business owner.

You can accidentally (or deliberately) self-sabotage both your business and personal finances if you don't talk (not yell) about money effectively.

Let's look at the 20% now, the practical management part.



What are your personal numbers?



The bottom line is you need to understand your personal numbers in the same way you do your business numbers. In other words, run your household finances like a well-run business.

How do you do this? There are three steps to this process:

1. Know what is currently coming in and going out of your personal accounts.

2. Review everything, and make informed decisions about what your needs are and what changes you can make.

3. Build a money plan and monitor it monthly, this is part of your financial date night (you can have these on your own if you aren't part of a couple).

Rinse and repeat on a six-monthly basis.

Your monthly financial date nights and talking about your finances both business and personal are very important.

These are a great way to review what has happened (without blame) last month, what is coming up next month, check in with your goals and vision and to celebrate your wins.

Once you have your day-to-day finances ticking along, start to build in additional savings, both long and short term. Or you might decide to pay down debt more quickly. Or you might be at the stage where you are investing in other assets that will start to produce an income for you.

The key is you are as clear about the decisions you are making with your personal finances as you are your business ones.

Think about the type of business you have, and the stage you are in.

If you don't have a business to sell, then investing in assets early in your business life that will produce an income for you will be a very important strategy.

If you have a business you can sell, then your strategy may be different, it might be a focus on debt reduction before investing for example.

The end goal whatever type of business you have is that you reach pillar three with the resources and income you need to enjoy that stage of life.

Before we get to Pillar 3, there's a couple more things to think about.



Do your personal numbers *fit* with your business numbers?



What do I mean by this? Put simply, is your business generating enough profit (after tax) to meet your personal needs?

Step 1 of managing your personal finances will answer the question of how much you are currently spending on life.

Compare this number to the profit (not how much you have drawn out), the business has made in say the last year, then deduct your tax bill for the year and divide by 12, this gives you (roughly) your monthly income.

Is this higher or lower than your average monthly spending?

If your business income is lower than what you are spending on your life, you do have a problem. How can this happen, I can hear you say, you might have used some excess cash in the business from the previous year, or you might have increased your debt levels and used that.

What is clear is that if you are spending more than your business income, you need to take action and you have two choices:

1. Reduce your living expenses.
2. Increase your business income.

Which one do you choose? Maybe a combination of both.

By the time you have done the work on Pillar 1 and Pillar 2, you know exactly where you are now.

You have a clearer picture of your business, what stage it is in and what strategy you need.

You've mapped your business income to your life and can see the gaps and what you need to do to align them.

You can then look towards Pillar 3 which explores where you want to go, and when you want to arrive.



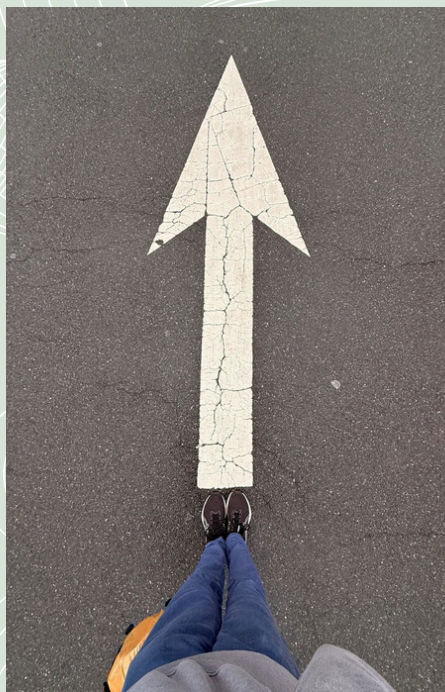
PILLAR 3:

CERTAINTY

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**Create your vision of the future
moving forward**



This is too woo woo for me, Lynda. I just want to know my tax bill.



I get it.

But Certainty isn't about vision boards and glitter pens.

It's not about manifesting your way to a Lamborghini. It's about deciding what you're building towards, with the numbers behind you, so that every decision you make from here has somewhere to point.

Without it, you'll just keep working. Harder. For longer. Without ever quite knowing when, or if, it pays off.

Let's change that.

You've done the hard work.

Pillar 1 gave you clarity on your numbers and helped you work out what type of business you actually have and what phase you're in.

Pillar 2 got real about what's going on in your life, your relationship with money, and whether your personal numbers actually stack up against what your business is generating.

Now comes the part most business owners skip. Not because it doesn't matter, but because it feels too big, too vague, too "out there" to pin down. Deciding, on purpose, where you're actually going.

I hear the objection before you've even said it.

