

Video Transcript: My Money Story

By Catherine Watkin of Selling from the Heart, August 2017

Hello, Hearties. It's Catherine here and today I'm going to be talking to you about my money story.

This has come about because, a while ago, I recorded a video where I talked about my pricing journey and how my pricing has evolved during the period of time that I've been in business. At that time, I suggested doing a similar video on my money story and there was a lot of interest in that. Somehow the time has slipped by, and it isn't something that I had done yet.

This week, on Thursday evening (31st August 2017) I'm going to be having a conversation with Ann Wilson, The Wealth Chef. This has prompted me to think, "Oh, well, if I'm going to do this video about my money story, now seems like a really good time to do that, when I'm going to be having this deeper conversation with Ann in just a couple of days' time." Ann and I are going to be talking about financial freedom, what that means to both of us, how we both manage our money on a day-to-day basis, and sharing some of the mistakes we've made around money in our businesses. Ann herself has played a really big part in my personal money journey. I actually started working with Ann in early 2014, when I hired her as my money coach.

Of course, my whole money story begins a long, long time before I met Ann. Like all of us, it actually began in childhood. I grew up in a small village in North Wales. My parents had modest jobs. My mother was a social worker. My father was a teacher, but they both absolutely loved their work. One of the really key messages that was instilled in me in childhood was that money doesn't make you happy. What makes you happy is doing work that you love.

That was a very strong message for me. But alongside that, my dad was a working class Yorkshireman and he was quite scathing about people who had money. Alongside the "money doesn't make you happy" story, I was also given a very clear message that people with money were to be viewed with suspicion, were selfish, were greedy, were bad. I had all of that stuff too. In addition to that, my parents didn't really talk about money in the home. We had a fairly frugal life, for example, every single family holiday, we went camping in the UK, or France sometimes. But we didn't ever fly anywhere or stay in hotels.

My parents never explained that in terms of money. I never once remember them saying something like, "We don't stay in hotels because we can't afford it." I also never heard them argue about money, so there were some very healthy messages that I picked up from my parents as well. As a child, as a teenager growing up in their house, I was never aware of money being a source of stress or anxiety, or a problem for them. But because money didn't get talked about, I also wasn't given any sort of financial education. They didn't talk to me about the importance of having a good career in order to buy a house and save for a pension and pay off my mortgage and all of these things. They were doing these things themselves but this wasn't something that they've talked about with me and my sister.

I went off to university. I remember leaving university in 1991, and any of you who were around then in the UK will know that it was general knowledge in 1991 that there were no jobs for graduates. There were no jobs. I didn't see the value of money because I thought that the only thing that mattered was to be happy, and so I went off travelling. I spent about five years living and working abroad. I did all sorts of things. I worked as a holiday rep. I worked in a factory in a kibbutz. I worked picking fruits in Australia. I worked in restaurants and bars in America.

It was only when I was nearly 27 years old that I actually returned to the UK and started creating what I would call a more conventional life for myself and got a job as a travel sales consultant, not because I wanted to be in sales but because after five years of travelling and no other job experience, that was pretty much all I could get. Plus, I love travel, so it was a perfect job for me.

Now, it turned out that I was really rather good at this sales business. I was very quickly in the top three out of 130 consultants in the company, and I was very quickly earning what for me and my family background was a huge amount of money. I was earning about £36,000 a year by my late 20's. And, oh my goodness, I loved it. I remember thinking, "Why did nobody ever tell me how amazing it is to have money?" When I got paid every month, I used to feel like I wanted to go to the bank and take it all out so I could throw it up in the air. I was still in my late 20's, I was having a lot of fun, and I was travelling a lot.

Having this money meant I could pretty much do whatever I wanted to do, and it was amazing. I also started saving to buy my first flat. I had a lot of fun. You could say that after having an upbringing that didn't value money, I fell in love with money. But worse than that, I think I actually started to become addicted to money.

After a little while, I started to think, "Well, if I'm doing this well in the travel industry, I wonder how I would do in an industry that is much more lucrative," and I moved over to work in the recruitment industry. Again, it turned out I was really rather good at this sales business and was quickly in the top two consultants of my company. I was the first consultant to bring in a million in sales for one company. I was earning a consistent six-figure salary plus, and I was consistently paying about £40,000 a year or more in tax.

I was paying more in tax in a year than my parents had earned combined. And I started to take money very seriously, so it was very important to me and for some reason I started saving. And every month, I would say £5,000 pounds would go straight into a savings account before I did anything else. I bought a property. I bought a second property, but the money stopped being fun for me. I was working incredibly hard, very long hours in a very, very tough, target-driven environment. There was a lot of stress and anxiety. I used to start having anxiety attacks on the tube on the way into work. My whole life became around these drive to earn money without necessarily an awareness of why, just that I had come to believe it was important.

What happened after a period of time was I found that the more money I had, the more stressful my life became. Now, I didn't just have to worry about myself and getting myself to work and seeing my friends and having holidays. Now, I had to worry about how to invest all of this money. Like I said, I ended up with a couple of properties, but I had this really rather large amount of money sitting in savings accounts and knowing what to do with this money caused me so much stress that for a period of my life, it really dominated and created a lot of anxiety for me because I just didn't have the education. Even when I was buying the properties, I didn't have the education. It was all a mess and I didn't know who to trust.

Finally, I took a leap. I was very unhappy in that work - it felt meaningless to me, and I realised that I had to walk away from the security and I had to walk away from earning those amounts of money. And I went off on this journey partly to find my purpose in life and what I wanted to do with my life in terms of something more meaningful to me. But also by now, the lifestyle I've been living had really burned me out and I was exhausted. It turned out that I had developed ME, chronic fatigue syndrome. It took me well over 10 years probably about 13 years before I really started to live a really normal, healthy life again.

This long "sabbatical" from working, was like a double-edged thing because I had the money to be able to explore what I was meant to do in the world, so I could go to India and train as a yoga teacher. I sold a

property and invested that money and doing a master's degree in nutritional therapy. Every time I got a calling to try something, I would go. I flew to Sri Lanka to train with an acupuncture teacher. At the same time, I was also exploring my health and my energy. And over a number of years, the savings that I had was being spent on that.

By about 2009, my health really hit rock bottom. I had a period of about 18 months where I wasn't really able to work. I was also in the early days for trying to set up my first business, and I had no clue. I knew how to sell, but I had no clue about marketing. And I didn't really have the energy that was needed to put into the business because I still wasn't very well. I was living back in the UK and I'd come back from these extended periods of time mainly in India and the savings part was like running out so fast that – again - money was the key source of anxiety in my life.

Ironically, when I look back, I had spent so many years working really hard in order to save as much money as possible. But the very act of working so hard to save the money caused me to burn out and become ill. And I then spent all of that money on seeking this alternative path for myself and on my recovery journey and on the things that were going to help me get better. By the time I set up this current business, by the time I had the aha moment, that this is what I meant to do with my life in late 2011, all of those savings were gone. I still had a property, I wasn't living in it by that time, but the rest was gone. It was as if I'd spent all these years pursuing money but the pursuit of money made me ill and the money left me again.

When I started this business, I was effectively starting out from scratch both financially and in terms of my money habits. In 2013, things really took off for me. I had finally found my thing, the thing that I was really passionate about and where I could make the biggest difference in the world. Remember, I already had the sales skills. I knew how to sell and I was lucky because I found the right business mentor at just the right time for me and I followed the process that I was taught. And my business in 2013 went from £7,000 turnover in 2012 to £118,000 in 2013, which was crazy fast.

I had no infrastructure in place. I had one part-time PA who was very young and very inexperienced. We had no processes and systems. What we actually did in 2013 was completely crazy and I wouldn't recommend it to anybody. I tend to try and encourage my own clients to grow in a more organic sustainable way than that and if clients come to me with very big financial goals, I would want to make sure that they're thinking about those systems and those processes and those teams well in advance.

By early 2014, I knew that I needed to get my money house in order and I knew that I needed to do it differently than when I was working in corporate or I would repeat the same patterns. I invested in working with Ann Wilson for six months of coaching and I kicked it off by flying to Paris for a one day VIP day with her. One of the first things that Ann identified with me, she said, was the opposite to what she does with most of her clients. Because most people she works with need to stop paying down debt rather than saving.

In my case, what she spotted really quickly was that I needed to learn how to enjoy my money again because money for me had come to be associated with stress, anxiety, exhaustion. It was almost as though money didn't have positive connotations anymore or freedom or fun or joy or flow or any of those wonderful qualities to money. Ann's recommendation to me was not to stop saving but to have a period of time where I stop prioritising saving. Instead, she had me set up a separate bank account which was actually named my juicy living account and every month before I invested or saved or did anything sensible, I was to divert money into this bank account and everything in this account was to be spent every single month just on enjoying life. It was a real turning point for me. I started to spend money on things that up until then I had denied myself because I would always try to save and I was always being frugal.

That year, I worked with a personal stylist. I bought an entire new wardrobe. I put a new habit in place that whenever I travel, I don't stay anywhere less than four stars. I started upgrading on aeroplanes to extra leg room. I've never been a first class or business class type of a gal, but I started upgrading to extra leg room. I started spending money on really good hairdressers, the things that mattered to me actually but that I had been denying myself. I moved house. I moved back to London which I had wanted to do for a very long time and I didn't make any compromises on my living environment. I moved into a house. It was just me but I moved into a two-bedroom house with a garden and I really learned that money was for enhancing my life. Money was for improving the day-to-day quality of my life and that I shouldn't be afraid of a flow of money going out as long as there was a flow of money coming in.

I did this for two years. And then, towards the end of last year, the end of 2016, I revisited Ann's course Financial Freedom University. By then, I wasn't working one-to-one with Ann. She'd by then stopped taking on one-to-one clients. But I revisited the programme and I set a new intention that now I'd sort of healed my relationship with money and no longer saw it as a source of anxiety and exhaustion and hard work and all these negative connotations, that it was time for me to start making really concerted effort

to build towards my actual financial freedom. And financial freedom typically is defined as the point where you don't need to work for money, because your assets and your investments are paying you what you need to live off every month.

I've cut back on a lot of the luxuries. I have cut back significantly on my juicy living accounts and there's a lot more of that money now being diverted into my savings and investment accounts. I've reduced my lifestyle costs. I've actually moved home as a result. I've moved somewhere that's not as extravagant for me, shall we say, and I'm now focused on building towards my future financial freedom. Thanks to Ann and her programme, I know I have a realistic idea of how long that's going to take me which feels really manageable and exciting for me because I love my business and I love working, so I'm more than happy to work for the time that I'm going to need to work to achieve financial freedom, and hopefully, well beyond that as well.

That sort of brings us up to present day really and like I said, I will be speaking with Ann on Thursday evening. We're going to be exploring what financial freedom means to us both because in the technically correct term of the word, Ann is financially free. I'm not, but I feel financially free. We're going to be talking about how we manage our money and some of the things that we do on a day to day, month by month basis.

We're also going to share some of the mistakes we've made in our businesses when it comes to money because we have both made our share of pretty big financial mistakes but I think all of us do on this journey in business because sometimes, we need to take a leap. We need to take a risk. When I reflect back and I look back at my earlier life and I look at what I was earning in my 30's, what I know is that if I knew then what I now know because I've now had that financial education, I'm pretty sure that I would have been financially free by the age of 35. If I wasn't, I certainly would have done the right things with my money that I would definitely be financially free by now.

I'm not somebody who has regrets because I believe that the life journey we have is the life journey we have, and that I've learned these lessons now and there's something exciting about having this money journey now and putting these things into place. I just wanted to share that with you. It's a bit of a fast snapshot really because, of course, there's so much more to a person's money journey than can be shared on a video of 20 minutes. But I hope you found this useful and have taken something useful from it anyway.

Now, you've had the background to my money story, I look forward to seeing you on Thursday if you'd like to join me and Ann and find out more about our stories, how we managed our money and some of the mistakes we've made. I look forward to seeing you then. Bye-bye.