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Preface

Having achieved financial freedom, I was liberated and was free to pursue my passion that had been shelved in my subconscious memory. One of my passions is kid development.

Financial Freedom

→ Total Passive Income received > Total Basic Expenses Spent

While I was thinking what to teach kids, the story below inspired me to start teaching my kids money management skills early, to avoid the unnecessary pain they may have to go through, like me or the son of the richest man in Babylon who lived some 5,000 to 8,000 years ago.

Here is a short summary of the story:



The richest man in Babylon had one son. When his son was grown up and married with a wife and two children, Babylon's richest man

gave his son ten years to prove himself a worthy successor to inherit the wealth from his father.

On the day the son set off, the richest man gave his son three bags of gold and a tablet carved with the Money Laws (*refer to chapter four*).

Within two months, the richest man's son lost all three bags of gold.

The son, being well educated, was able to find a job quickly to earn a simple living for his family while saving money to return his father, the richest man.

Luckily, the son learned from the Money Laws in the tablet his father carved for him. He followed and practiced the Money Laws and was able to earn many times more than the gold he lost and became a respectable wealthy man.



The above story suggests that wealth goes to the one who knows how to effectively manage it, and not to the one with the money.

The fundamental of money management skill is the discipline to manage money effectively, so that we have money to work for us and produce an endless stream of passive income for us.

The latest brain development research suggests that our kids can avoid the painful lessons the richest man's son went through, if our kids master the fundamental of money management skills when they are young and highly receptive.

Based on research results, the best time to teach a discipline and develop it into habit is before ten years old or preferably at six years old.

On the other hand, teaching pre-school kids and pre-teens about money is a challenge. Kids at eighteen months old have not fully

mastered numbers and counting; and their attention span is too short for them to be educated through formal teaching.

Many modern educators are suggesting a better way to teach young kids, through play and personal experience.

This book introduces a money management training program to teach kids money management skills through daily use of the workbook included at the back of this book.

Parents and teachers can take the workbook at the back of this book to start training their kids.

Kids will enjoy this training program because this program empowers them to decide what, where, and how their money is spent and saved, with the use of stickers

Empowered to manage their own money stickers, kids will gradually develop money management skills through direct exposure to handling money and perfect the skills through correcting their own mistakes.

Parents are also likely to save money and be released from the need to guess the toys or related items kids truly want.

The money management training program provides opportunities for parents and teachers to encourage kids to take up additional homework that will benefit the kids.

Readers will be able to get more information from **<http://www.FinancialFreedomKids.com>**, and get Money Champ training materials from **<http://www.FinancialFreedomKids.com/Tools>**.

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About This Book

The key objective of this book is to groom our new generation to be money masters, gain financial freedom, be free to choose what they like to pursue, be happy, and enjoy abundant success. The best thing is that they can become rich or another millionaire for doing work they enjoy.

This book introduces a system that can teach kids to master money management, which is fundamental to acquiring and growing wealth. As highlighted in chapter four, wealth is power.

With wealth, things that brought happiness and contentment are magnified. This is the reason why I highly emphasize gaining financial freedom.

Here's a story of a real kid that most parents would like to have.

Once upon a time there was a girl who was pretty, sensible, intelligent, and kind. Her parents never had to worry about her. She worked hard and was usually in the top ten highest scorers in school, even in renowned schools. Over the years, the girl had never disappointed her parents despite the parents hardly spending any time with her on studies. She moved on to university and graduated with good marks.

Then the girl got a job in a local company. Her work performance was good, so she was promoted quickly to be one of the youngest managers in the organization of more than 1,000 employees. Everything was smooth for her until she set up a family with her husband and was retrenched after she gave birth to her daughter. Due to the economic crisis, she was not able to find another job.

The matter become worse when the girl's husband lost hundreds of thousands in the stock market, and it was critical for her to contribute to the family income. She applied for lower positions, but was not accepted, as her qualifications were higher than her direct report. Despite being hardworking and never in debt, the girl went into a financial crisis and did not have enough money. To make ends meet, the girl took a position that was lower than her qualification and experience and worked for supervisors who were demanding. All her prior confidence was gone, and she lived life miserably.

One evening she received an e-mail that invited her to a seminar. After that, everything was a history. She mastered money management, learned to invest smartly, and gained financial freedom. Now, even though she is again retrenched, she was not worried as her passive income can pay for the basic expenses.

Now, she really lives her life happily ever after.

The above story is actually me. My personal experience confirms that good academic result does not assure happy lives. To me, to be happy means the ability to do what I like without worrying about money.

Parents should develop children early on money management, along with the other training emphasized in our education system.

The workbook included at the back of this book is a sticker book for pre-school kids to practice and master money management skills using their one of their favorite things, stickers!

The workbook integrates kids' daily activities to develop the discipline to allocate their money appropriately, so that the kids will have money to work for them for life.

The workbook is based on a system I created by simplifying the proven wealth-handling methodology taught by the richest man in Babylon some 5,000 to 8,000 years ago and integrating it into kids' worlds.

A patent on this system was filed in early 2009 and is now pending approval.

The key difference between this book and most other financial education books is the inclusion of the activity book. The activity book is based on the patent-pending system that enables young users to start the practice of money management without any prior understanding or knowledge of financial education.

The system introduced here is also applicable for older kids and adults, but the reason for introducing it to pre-school kids first is that I want to take advantage of the high learning abilities of young kids, as well as the opportunity to develop lifetime subconscious habits within the kids.

I introduced this system to my two pre-school kids when they were

three and five years old. The results were so encouraging that I was inspired to introduce it to benefit more young kids in the world.

In chapter two, I will highlight some of the key findings of brain development, which stressed the importance of developing our kids with foundation skills, preferably before ten years old. The skills can be mastered quickly and developed into habits and mindsets, bypassing the kids' conscious minds.

I prefer to develop our kids with important foundation skills by ten years old, because of the following reasons:

- Between the age of zero to ten years, kids' learning ability is the highest.
- Between the age of zero to ten years, kids typically learn with their right brain. The activities they do repeatedly tend to go to subconscious memory and become habits.
- During this period, kids tend to be dependent on and obedient to parents, with minimum influence by their friends. They also have little reference to rebuke any teaching we introduce.
- It is best to introduce foundation skills before the kids start to be pressured by exams.

In chapter three, I stress the importance **of introducing money management as the sixth foundation skill** parents should introduce to kids when they are young. This is especially critical for smart and intelligent kids who are likely to perform well in school and command a high income.

Having lots of money without money management skills is like driving on a main road without passing a driving test. The driver may risk getting into trouble or endanger others, especially the passengers in the car. Someone could even get killed.

By grooming kids to have high earning capability but no money management skills, parents are endangering our kids to be subject

to temptations from advertisements and friends. They are likely to splurge and eventually lost all their hard-earned money or money they inherited from the parents.

The bad spending habits may also affect their families. I have a friend whose husband comes from a rich family, but the husband spent so much money that the family had to disown him, and he now mainly relies on his wife (my friend) to support him and the family. Such stories are not uncommon.

With credit cards easily accessible by most graduates, our kids are subject to even more temptation to borrow future money and get into bad debt, just like the recent government statistics I share in chapter three.

The good news is money management skills are just a discipline of handling money by following a series of simple activities.

In chapter five, I introduce the three main money laws introduced in the classic book *The Richest Man in Babylon*, by George S. Clason.

In the worksheets I included in this book, I modified the series of activities to kids' learning activities, for kids to execute constantly and frequently. Over time, kids will develop good habits with handling money, and the habits will tend to stay with the kids throughout their lives.

Once kids master the system to allocate money effectively, commonly known as money management, the kids will be assured of happiness and prosperity. They will gain financial freedom quickly and be free to pursue their preferred work and lifestyle.

I am proud to introduce the many success stories I see with my children and students. Come to our Web site where I share firsthand results experienced by existing users of Money Champ.

In chapter five, I share some of the success stories that explain how

- The system introduced in this book has helped my family and me achieve financial freedom within two years.
- Kids understand and experience the value of money.
- Existing users developed more confidence and abilities to resist temptations from ads and peers.
- Kids help better control on their expenses, which directly reduced wastage and promote green environment.

The work book is included after chapter six. Kids, with the guidance of educators, which I used in this book to represent parents or teachers, will be able to start practicing money management using the workbook.

However, before you start using the workbook, read through chapter six, Getting Started. There is planning and agreement required before you start your kids on the series of activities to practice money management.

Money management is a discipline. It is important for educators to follow the rules and agreements set jointly between them and users. The educator can review and refine the rules, but the educators should NEVER break the rules for any occasions.

Our intelligent kids will try their luck again and again, and it will hinder their progress to become Money Champs.

If you have more than one kid at home you want to start developing money management skills, or if you want to continue the practice beyond the six calendar months included in this book, go to our Web site to buy the workbook and the money stickers. You may also want to join as members to Money Champ Club to participate in Money Champ Challenge. Get more details from our web site at the end of Preface.

By mastering money management skills, our kids are not likely to get into bad debt. They are likely to quickly get out from the rat race, become Money Champs, and enjoy financial freedom. They are free to choose to pursue the passions and be successful, wealthy and happy.