



THE ABC OF MONEY MANAGEMENT

Proprietor of H&L Balen and Co, **David Balen** provides basic steps to managing money matters

DEFINED recently in an interview by American investment guru and billionaire, Ken Fisher: *Money is "Love" or "the work of the Devil"*. The 'new age' view however, can brand money as benign, or simply a form of energy, coloured by our motives and intention.

What are thoughts on money? Are you highly motivated to earn more, to give yourself more freedom, more choice and power in your life? Do you want money to "spread the love"? Whatever your philosophy on money, you still have to get to grips with how to manage it.



Do you take a cheap shortcut or choose a more expensive, quality option? For me the word 'practice' embodies brand, image, style, therapeutic and personal development, whereas 'business' embodies

other skills, often learnt the hard way by novices. No matter how many books you read and people you speak to, ultimately, it is the build-up of day-to-day decision-making, audit trails and management that, over time will feed back to you your progress. Friends and colleagues can help of course, but wherever possible seek advice from people who are

successful in what you want to do, (rather than theorists) trust your own hunches and intuitions – Back yourself in business!

Having said that, there is no substitute for getting as much professional support as you can pay for. Good accountants will help you with tax-saving ideas, and dealing with HMRC. However, you don't necessarily need one in the very beginning. Contact the HMRC and let them know you are starting a new business. Make sure your record-keeping system is regular, effective and simple to maintain.

Your system (written or digital) should record Expenses broken by category on one side, with Income recorded on the other. Always record money received (break it down if necessary) so that it matches your patient appointment diary, your bank statements and your accounting records. If the Revenue does decide to look into your tax affairs – you will stand up to close scrutiny!

A) ADVISOR Get an Ethical Independent Financial Advisor. An IFA will help you with strategy, support you in financial decision-making to achieve your stated goals, and help you make sense of financial matters. They will also help you protect your business and family from financial problems in the event of death, total disablement, accident or illness – Sadly an area that many therapists tend to overlook. Advisors can also source loans and mortgages, guide you on investment and help facilitate later life planning.

B) BANK Set up a separate bank account for the business and take your drawings from that into a personal account – an audit trail is therefore established. Make sure you remember that all money received is 'gross' – you may have to pay tax on a proportion.

C) COLLECT & CONNECT Keep your receipts for tax relief, and record all your purchases in connection with the business. If the money isn't there, then make sure that you resist the temptation to splash out on that desired new piece of equipment. Investment in your business, whether it is learning new skills; giving spare time; or buying equipment that will solidly translate into income, is a wise option.

I would like to conclude this very brief ABC of Money Management with my golden rule... *"Don't spend more than you earn, instead own more than you owe!"* Obvious really, but it is surprising how a lack of planning, sustained determination, and focus in managing the day-to-day detail causes many therapy businesses to fail in the first few years – Don't be one of them! ■

OWN MORE THAN YOU OWE

Those of you who are newly qualified or close to qualifying, need to think about your day-to-day business life, your strategies, and strengthening your will to succeed. Money and success are often confused and conflated. Success for you may be achieving targets in the number of people you have helped, improving your qualities and abilities as a person and/or as a therapist, whereas financial success is something different. It will require you to focus in a sustained way, to micro-manage, as well as macro-manage, and to develop skills in action and the best use of resources available.



THE CAM COACH

This issue, we have reviewed **Mark Shields'** book, co-authored with Simon Martin; it is said to be helping holistic practitioners and their businesses all over the world... Mark tells us more about The CAM Coach

When we decided to write this book, we had five key objectives in mind:

1 To create a practitioner business bible, unlike anything else available today for holistic practitioners. This would be focused on the different stages of setting up a holistic wellbeing practice, including setting up your practice; the first six months; six to eighteen months; and finally, the future, i.e. sustaining the performance of a successful holistic practice.

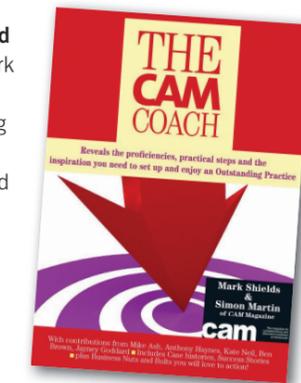
2 To share the secrets of our own success, by allowing our industry audience to benefit and model the success of the Life Practice UK, together with the lessons learned from coaching hundreds of holistic practitioners over the last ten years.

3 By sharing top sales and marketing tips, that Mark had learned as a corporate sales director, and explaining and demonstrating how those same set of skills could be transferred successfully into the CAM Industry.

4 To gather the holistic industry's best known leading experts, to join together and have their tips, advice and secrets all found together within the single business bible.

5 Having successful practitioners as contributing authors, sharing their own success stories and tips and advice for holistic wellbeing practitioners to model.

I hope you enjoy this short extract of the book, on one of the most challenging topics facing holistic practitioners >



Charging your Clients

"So many practitioners have challenges with charging their clients especially when they are just starting out.

I am glad to say nearly all of them move forward from this and realise the value they put on themselves is reflected in their charges and a lot of clients know this.

What client would want to work with a practitioner that charged middle-of-the road prices and came across as an average practitioner or therapist?

Clients associate ability with money. The more expensive you are, the better you are, and within reason, who doesn't want the best? Your client most definitely will.

I have coached many practitioners over the years that approach me for help, as business is far from booming and they only have a few clients.

The first thing I always do is review their pricing structure, and normally increase their prices by at least 50%, sometimes more.

In every case they see an enormous, immediate improvement in client footfall. People want the best – don't ever forget it.

Three years ago I worked with a struggling team of nutritional therapists based in Harley Street. They were on the verge of closing shop, as they were averaging, between six of them, just over £1500 per month.

The first thing I did was double their prices. The very next month I had a phone call from the Managing Director, telling me they had had their best ever month since they started trading some years before, and had grossed over £6000 for the month.

They were delighted. This change to their pricing structure had increased their business by 400%.

When I met them, they were seriously considering reducing their prices as they believed this was the reason why they weren't getting enough clients.

I have seen this a number of times with different practitioners. Never reduce your prices. It is the beginning of the end if you do. Remember that"