

# EMPOWER YOUR CHILDREN ABOUT MONEY

The Most Sensible Financial Guide for Parents

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We are excited for you to read this guide and we know you will get a lot of value from it. Spoiler alert we are going to invite you to keep learning with us throughout this value stacked e-book, but it's only because we believe we have so much more to offer families than this.

Ever noticed how kids pick up on how we handle money? They're like little sponges soaking it all in. But let's face it, navigating finances isn't always a breeze—even for us adults. That's where we come in. We're here to help you guide your kids toward smart money habits, making it less about lectures and more about practical, real-world lessons. Let's have some open, honest chats about money, armed with tips and tools that'll make it all easier. And together, we'll set your kids up for a bright financial future they can be proud of.

Children who get to create their own financial capacity to manage their cash flow effectively will be resilient in their time of adulthood for the good times and bad times. This capacity must be fostered as young as possible to make this a reality for children to grow up with a more favorable connection to money. Financial literacy for kids is an essential life skill that can set them on the path to making informed, responsible decisions throughout every season of their life. Parents who welcome and look for practical real-life opportunities/challenges help their children to develop a firm foundation for financial capacity. By instilling these values early on, we can help children develop a healthy relationship with money and prepare them for a successful financial future.

# Supercharging Your Kids' Financial Future

There shouldn't really be a need for us to make a case to say that if we want our kids to get a cutting edge on any skill, it is better to start them young. We already know and adopt this in making sure our children learn the skill of knowing how to swim. It's important so they can have fun in the water and also give them the skills to prevent them from drowning while they are in the water.

The same thought process ought to be applied in showing our kids how to manage their cash flow. So when they grow up they don't drown in debt, instead they can have a swimmingly good life.

Yet we see evidence of resistance to developing financial education in children and have experienced ourselves bumping up against opinions that teaching kids about money at a young age actually will "take away their childhood". Wow, talk about Money Trauma.

Even if it doesn't appear obvious, young kids pay attention to and take in everything you do and say. This is another reason teaching kids about financial literacy at a young age is of utmost importance. Because it helps them learn how to handle money wisely and see it realistically, so they don't develop bad money habits or unrealistic ideas about finances.

Parents often focus on teaching young children empathy, kindness, and fairness because they understand how important these values are for their entire lives. Shouldn't the same principle apply to financial literacy as well? The lessons imparted to your children early on will affect their gradual ascent into "adulthood". We want our children to have these skills right from the start and not have to struggle or learn the hard way to be financially knowledgeable in the years that follow.

Teaching your children about money may seem like a stressful undertaking. That feeling also may come from a place of not really understanding where to even start teaching your children about money and that is completely understandable. We have a solution.

# Making Financial Education a Daily Adventure

Not every conversation about money has to be a big deal or a formal discussion during mealtime. You can find many chances to incorporate intentional financial education into your daily routines.

## Here is what I did with my daughter:

When I needed help with organizing the receipts for bookkeeping, I would get my daughter to help me. In my less organized days, I would let a pile of receipts build up. So I asked her to help me put the receipts in a nice pile.

## Then one receipt at a time I got her to:

1. Circle the date of purchase - Then write in big letters the DATE in words.
2. Circle the last 4 digits of the payment, then label if it was CC, Debit, or Cash.
3. Label the receipt related to purpose of purchase.
4. Put the receipts in the monthly pile it belonged in.

All in all, I asked my daughter to do this process with me for her help and the second reason was because I wanted her to become familiar with doing this process for her own future so when it comes time to do her own recipes there is no fear attached in this process for her.

## **Ultimately, this task taught my child several things:**

- Attention to detail
- It's better to do things like this on the go rather than in one big sitting, so it's not so daunting
- No stress attached to doing a tedious task like this because she has been coached all along the way. What was what and what for?

## **Other examples of financial education every day could look like:**

1. Have your child sit with you while you pay your online bills.
2. Having them go with you to the meetings with your accountant.
3. Involve them in planning out vacations or quick trips.
4. Etc.

# Unraveling the Secrets of Money Mastery

## **SLOW is Fast.**

Simply put, there are no shortcuts to mastering anything in life.

I'm one of those nerdy parents that provided my 8-year-old with the Learners' guide for driving so she could start memorizing the street signs early on and wanted her to read all the rules. I provided her with excessive details about driving that were not relevant to her yet, so she became overwhelmed and did not take an interest in it.

Likewise, it is the same if we just one day out of the blue just start downloading random information about various savings accounts, loans, and interest rates, and investments to our children can cause them to rapidly lose interest in financial literacy.

The secret to nurturing money mastery is to begin with purpose, intention and a system that builds a firm foundation and gradually expands as they grow older and when they are ready. In a world where we also have to compete for our children's attention because of all sorts of technology, this will be one area where your involvement in helping them to master money will be a strong competitor.

In the CashSmartforLife Program, we already have a proven step-by-step process on how to engage your children about money management in a fun and interactive way.

# What's In it for the Children – Good Money Habits

It's obvious that when we have good money habits, our lives are better for it. However, let's take a moment to establish what those habits really give us back. After all, what we can do with that money matters to us. Here are just a few items we gain for having good money habits.

**1. Having Financial Security:** What this means to each person is quite subjective. For some, it's simply being able to pay all the bills each month. And for others it could mean having 2 years' worth of living expenses in the bank. Establishing good money habits is a process. It just takes time, focus, and action. When we show children the importance of cash flow management, we empower them to make smart financial choices as they grow older and increase their chances of experiencing financial security. These habits lay the groundwork for financial security, helping them weather any storms that come their way and achieve their long-term goals.

**2. Confidence:** The ability to feel we can stand on our own 2 feet financially is an essential part of feeling capable and competent. Take a moment to think about 5 people in your circle and focus on how they go about their world according to their ability to handle their finances. Money management is a crucial life skill that children need to learn early on.



By instilling good money habits from a young age, we ensure that our children won't have to relearn good money habits over bad ones.

We equip them with the tools they need to thrive in the real world (creating that confidence). Whether it's understanding the value of a dollar, learning to differentiate between needs and wants, or making responsible decisions with their money, these skills will serve them well throughout their lives.

**3. Capacity to Build & Sustain Wealth:** Most North Americans are directed to invest before they really build and solidify their ability to manage their cash flow. So in my humble opinion, it's putting the cart before the horse. A person will just have more to lose if they lack the ability to truly keep it. Establishing good money habits FIRST is all about managing day-to-day finances. When one has that down, there is a lot more room to build & keep wealth for the future. We help parents lay the groundwork to help their children for long-term financial success. These habits set them on the path to building wealth and achieving their dreams.

# The REAL Magic behind the Habit of SAVING

We have said repeatedly that the sooner parents instill good money habits in their children, it will increase the success rate of having those great money habits automatically stick with your child for life.

The Habit of SAVING is no different.

Because the actual Magic in the experience of Saving is what we call "Delayed Gratification". It is the answer to solving one of the biggest judgments we hear uttered among adults against the young people today. This judgment is "They don't appreciate me. Kids do not know what the value of a dollar is. They are just spoiled and have no clue how hard it can be."

In order for us to help our children develop this habit, you need to STOP buying things for them they don't need and make them save, wait, and purchase it for themselves when they have the money.

Y'all know it. It's just that often it's the parents, grandparents, aunts, uncles, and whoever gives in to appease the child.



**STOP IT.**



**MAKE THEM SAVE FOR IT.**

Here is an analogy. Ever had a beef brisket that YOU just finished cooking for hours versus having a fast food burger? If you haven't, you're missing out. Either way, saving is like having a beef brisket.

You waited and had patience versus just running out to a fast-food joint to get a burger. The way you Savor and Treat your food is different.

It's no different here. Give your child the environment they need to practice over and over on how to save, wait, and purchase.

There is nothing quite like it.

# What Money Activities is your child exposed to?

Interesting Question to ponder, isn't it? This question can open a pretty big can of worms. We are just going to crack open the can a wee bit.

What you deem age appropriate differs from the next parent.

To answer this question productively and without judgment and reservation - simply remove what YOU feel "should be" appropriate and hyper focus on:

***What is my child being exposed to?***

**Here are some areas to consider getting your thoughts going on about what money activities are surrounding your child:**

- Contact the school your child attends to inquire about any available financial literacy programs they might provide.
- How do you conduct yourself around money?
- How do you talk about money to your child?
- How do you talk about money with your partner in front of your kids?
- How do you physically organize your paperwork at home?

- What money messages are they receiving on social media, the movies they watch, the games they play?
- Who do your kids hang out with the most and when they go over to their friend's house, what do you think they are exposed to that is related to money?

Chances are there is room for improvement in what Money Activities you would rather your child be exposed to.

In the CashSmartforLife Program, we help you (the parents) take control of your children's Financial Activities. So that no matter what your child is exposed to OUTSIDE your home, INSIDE your home is where you can help them develop their money habits with the values and principles you feel are appropriate. Ultimately, this is the only thing you can control.

# Financial Confusion we create for our Children

When you receive earned income, it is because we are being paid for the tasks that have been completed within a specific time period. However, when children receive an allowance, regardless of their completion of chores or household work, it does not convey the same message. Then we wonder why they don't understand the value of a dollar. Or why don't they understand the importance of the money they have received and spend it freely without considering its value or the time to get that allowance?

It especially does NOT convey the same message if a parent **pays** a child to do regular household chores. Like cutting the grass, doing the dishes, doing the laundry, cleaning their room. Parents who do this will create financial confusion in their child and make it challenging for them to grasp the idea of what they will get money for when they are older and move out. Children should only get paid to do these items if it is not their own bedroom to clean, if it is someone else's grass to cut, if it is someone else's laundry. Capiche?!

A Confused mind cannot make excellent decisions. Help you and your family get the ability to make better & educated decisions about money.

The biggest contributor to what creates financial confusion is **the lack** of intent, conversation, and habit around finances in the home.

The main reason many households stay this way is because most parents don't know where to start or how on earth they are qualified to lead their own children. Don't worry, we are not big fans of having you stew in the problem and not offering a solution. The CashSmartForLife Program is a great way to pave a CLEAR Financial Path for you and your family.

# Equip our Kids with Money Management Magic (MMM): Becoming CashSmartForLife

The MAGICAL ingredient to make this all come together is YOU, the Parent. Do Not Wait. This is something you and your child will show loads of gratitude for.

This will actually make parts of your parent-ING life easier!!

**Here are just a few things the (MMM) Energy will do:**

1. THRIVE rather than just Survive
2. Increase their success rate for moving out and staying moved out
3. Empowers them and increases their self confidence.

Cash Smart for Life makes financial education enjoyable for you, the Parents and for your children.

Discover more about what the Cash Smart For Life Program is all about.





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ISBN 9781778229176



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