THE MONEYSENSE COMPLETE FINANCIAL PLAN KIT

WORKSHEET #9: YOUR FINANCIAL PLAN

SAMPLE: USE THIS AS A REFERENCE TO FILL IN YOUR FINANCIAL PLAN

FOR: Patty and Walter Berglund

DATE: January 1, 2011

CURRENT SITUATION

Patty and Walter Berglund are both 34 years old and have two daughters—Debra and Marie—ages 5 and 2. They have a household income of $110,000 and surplus cash of $20,000 a year.

TOP FIVE FINANCIAL GOALS

1 To pay off $20,000 in consumer debt in one year
2. To save $5,000 for a trip to Disney World in two years
3. To pay off the $150,000 mortgage in 15 years
4. To save for Debra and Marie's post-secondary education in RESPs
5. To ensure a comfortable retirement starting at age 60

NET WORTH STATEMENT

(January 2011)

ASSETS	
Liquid Assets	$4,000
Registered investment accounts	$3,000
Primary residence	$250,000
TOTAL ASSETS (A)	**$257,000**
LIABILITIES	
Credit card balances	$3,000
Equity line of credit	$22,000
Mortgage on residence	$150,000
TOTAL LIABILITIES (L)	**$175,000**
NET WORTH (ASSETS - LIABILITIES)	**$82,000**

THE MONEYSENSE COMPLETE FINANCIAL PLAN KIT
WORKSHEET #9: YOUR FINANCIAL PLAN

INCOME AND EXPENSES

Gross annual income is about $110,000 combined. Once expenses are paid, the couple has $20,000 annually in surplus cash. All of that will go towards paying down their consumer debt in the first year. In the second year, $5,000 will go towards the Disney World trip account, $5,000 towards their mortgage, $5,000 into RESPs and $5,000 into a spousal RRSP for Patty. They will continue using their surplus cash this way until goals change. If, because of unforeseen expenses, the surplus of $20,000 decreases slightly, they are to eliminate the spousal RRSP contribution for Patty in that year accordingly.

INSURANCE

Employers' group plans provide much of your insurance needs. Walter Berglund's life insurance should be increased by $300,000 annually.

RETIREMENT PLANNING

Walter contributes to his company's Defined Benefit Pension Plan and should continue doing so. Walter will also put $5,000 into a spousal RRSP annually for Patty. Following this strategy, Walter can retire at age 60 and the Does retirement expenses will be adequately covered. Any negative change to the pension entitlement should be addressed immediately by revising this plan and recalculating.

INVESTMENT PLANNING

(See the Investment Policy Statement.)

ESTATE PLANNING

Patty and Walter have already drawn up and executed both wills and powers of attorney, naming each other as primary executors, trustees and attorneys.

Source: Libra Investment Management (www.libra-investments.com)