

PERSONAL FINANCIAL PLANNING

FINANCIAL SELF-APPRAISAL FORM

(ASK YOURSELF THESE QUESTIONS)

(Tick As Appropriate)

	YES	NO	I DON'T KNOW
Do you know your present financial condition or net worth?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are you satisfied with your present financial condition?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are you aware of the simple ways to increase your net worth?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have enough savings to see you through six months of normal living expenses?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you save money on a regular basis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have you formed the habit of saving a part of your income every month?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have well defined personal financial goals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you reconcile your bank statements monthly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you know how much you spend specifically each month?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you keep record of your income & expenditure?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you spend less than you earn?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are you successful at managing your household budget?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you avoid major credit purchase?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you take advantage of all company sponsored savings/investment programmes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have any investments that help to reduce your taxable income? (What are they?)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you diversify your investments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are you satisfied with the contributions from your investments to your total income?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a brilliant financial adviser or team of advisers?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you feel you have sufficient permanent life insurance coverage?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have you planned for your children's college education?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you own a house?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a plan to retire in comfort?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have you prepared a will?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are you in control of your financial future?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are you satisfied with the contribution you have made to the world?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SCORING

If total number marked "No" or "I Don't Know" is between:

0-4 = you are in good shape. Keep up the good work

0-5 = on the right track, but you need to improve

11-12 = weak pulse. Urgent remedial action required

PERSONAL MONEY MYTHS

Pease respond to the following 30 Statements by writing a T (True) or F (False) in the space provided.

1. ☐ I have to work hard doing something I don't enjoy to make money.
2. ☐ If I create more wealth than my parents did, I'll make them look bad. Good children don't achieve more success than their parents.
3. ☐ If I were better educated, I'd have the training and credentials needed to make more money.
4. ☐ If I had chosen a more lucrative profession, then I'd have more money.
5. ☐ If the economy were better, I'd make more money.
6. ☐ If only I'd had better breaks, then I would be wealthy.
7. ☐ If my parents had been rich, I would have learned how to make more money.
8. ☐ I need to be in the right place at the right time to make any significant money.
9. ☐ If my boss appreciated me, then I'd get promoted and make more money.
10. ☐ If I didn't have all these family responsibility, it would be easy for me to pay all my bills and live debt-free.
11. ☐ Enjoying money is not a good thing. It's a reflection of greed and selfishness.
12. ☐ I am so far in debt that I can never get out.
13. ☐ I can't do the things I want in life because I don't have enough money.
14. ☐ If I create great abundance and prosperity for myself, then I'm hoarding resources and depriving others of their fair share.
15. ☐ There's never enough for me to get the things I really want
16. ☐ There is not enough for everybody. Some people have to do without.
17. ☐ If I had a lot of money, other people would resent me and/or try to take advantage of me.
18. ☐ If I had a lot of money, I couldn't handle the responsibility. I'm not good with numbers.
19. ☐ To make a lot of money, you have to be dishonest and do illegal things.
20. ☐ I'd feel guilty if I were one of the idle rich. I must work hard to prove that I'm worthwhile.
21. ☐ If I want something, I just buy it on credit. I can have whatever I want now and just pay it off over time.
22. ☐ If only I had a business of my own, where I'd be the boss, I'd have all the time and money I want.
23. ☐ If I were more talented, I'd have more money.
24. ☐ Meeting the "right people" would open the doors to financial abundance for me.
25. ☐ Making money is a matter of luck.
26. ☐ I'm unworthy of the "good" things in life,. Including financial abundance.
27. ☐ Staying out of debt means I'd have to rigidly discipline and deprive myself.
28. ☐ Wealth is a sign of materialism rather than spirituality.
29. ☐ Wanting to have more money is a sign of greed and selfishness. I'd rather be pure and poor.
30. ☐ With my money history and family background, it's impossible for me to get ahead.

MONEY QUESTIONNAIRE

WHAT IS MONEY?

- A means of payment
- A medium of exchange
- A store of value
- A unit of account

YES	NO

WHAT IS YOUR MONEY PERSONALITY?

- Impulsive?
- Cautious?
- Competitive?
- A show-off?
- Miserly?

YES	NO

WHAT ARE YOUR PERSONAL BELIEFS & MYTHS ABOUT MONEY?

- Money is Security
- Money is Power
- Money is Dirty
- Money is Evil
- Money determines Self-worth

YES	NO

WHAT ARE YOU TRADING FOR THE MONEY YOU NOW EARN?

- Your Time
- Your Relationship with your Family
- Your Values
- Integrity
- Happiness
- Your Dreams
- Your Personal Fulfillment

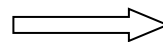
YES	NO

HOW DO YOU STAND WITH MONEY?

- Rational
- Irrational

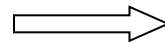
YES	NO

HOW MUCH MONEY MUST YOU HAVE TO CONSIDER YOURSELF RICH?



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HOW MUCH MONEY MUST YOU HAVE TO STOP WORKING FOR A LIVING?



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OBJECTIVE OF A FINANCIAL PLAN

To help you take charge of your finances in the present and for the future by:

1. Setting Financial Goals
2. Saving habitually
3. Investing habitually
4. Writing down and keeping track of expenses
5. Devoting at least 8 hours per month to your financial affairs
6. Seeking your dreams

USES OF STATEMENT OF FINANCIAL POSITION

1. Determine your:
 - Assets
 - Liabilities
 - Financial Health
 - Deviation from Life Goal
2. Evaluate your Assets
3. Analyse your Liabilities
4. Develop Personal Financial policies
5. Increase Return on your Investment
6. Financial Projections
7. Review your Life Style

ASSETS

1. Liquid Assets

- Cash
- Savings Account
- Current Account (Credit Balance)
- Money Market Funds

2. Investment Assets

- Certificate of Deposit
- Stocks & Shares
- Bonds
- Real Estate
- Limited Partnership
- Retirement Benefits

3. Personal Assets

- Cars, Boats
- Private Residence
- Furniture & Equipment
- Art Collection

LIABILITIES

7. Short Term Liabilities

- Consumer Credit Obligation
- Installment Loans
- Personal Loans
- Accrued Bills (NEPA, NITEL)

8. Long Term Liabilities

- Share Loan
- Lease Obligation
- Housing Loan

INCOME & EXPENDITURE STATEMENT

INCOME

Salaries

Dividend Income

Interest on Savings and other deposits

EXPENDITURE

Savings and Investments

Fixed Expenditure

 Mortgage Loan Payments

 Insurance Premiums

Variable Expenditure

 Income Taxes

 Food

 Transportation

 Utilities/Household Expenses

 Entertainment/Vacation

 Education Expenses

 Clothing/Personal Care

 Medical/Dental Care

 Miscellaneous

 Total Variable Expenditure

TOTAL EXPENDITURE

EXCESS OF INCOME OVER EXPENDITURE

HOW TO IMPROVE YOUR NET WORTH

1. Enhance your skills and have an increase in pay.
2. Cut down on your expenses and save regularly
3. Increase your investment and invest wisely
4. Reduce your debt burden by making regular payments
5. Accelerate your debt payments to reduce interest charges
6. Create other sources of income
7. Anticipate your needs and avoid impulsive buying