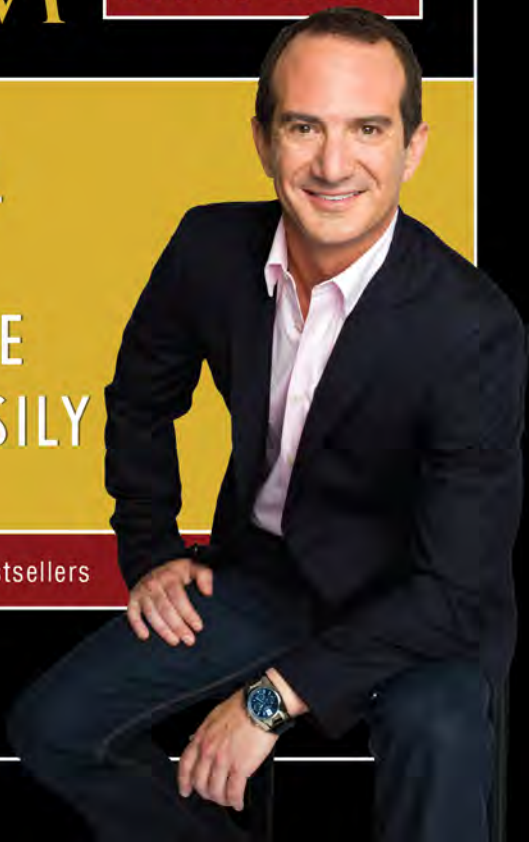


FINISHRICH QUICKSTART SYSTEM™

DAVID BACH

TAKE CONTROL
OVER YOUR
FINANCIAL LIFE
QUICKLY & EASILY

Author of **9** *New York Times* Bestsellers



FINISHRICH QUICKSTART DAVID BACH SYSTEM™

Step 1

CREATE YOUR OWN VALUE CIRCLE™

Step 2

DEVELOPING EMPOWERING GOALS

Step 3

OVERCOMING CHALLENGES!

Step 4

FIND YOUR STUFF

Step 5

FINANCIAL INVENTORY WORKSHEET
DETERMINING YOUR NET WORTH

Step 6

WHERE DOES YOUR MONEY REALLY GO?

Step 7

THE MIRACLE OF COMPUND INTEREST

This book is designed to provide accurate and authoritative information on the subject of personal finances. While all of the stories and anecdotes described in the book are based on true experiences, most of the names are pseudonyms, and some situations have been changed slightly for educational purposes and to protect the individual's privacy. It is sold with the understanding that neither the Author nor the FinishRich Media, LLC is engaged in rendering legal, accounting, or other professional services by publishing this book. As each individual situation is unique, questions relevant to personal finances and specific to the individual should be addressed to an appropriate professional to ensure that the situation has been evaluated carefully and appropriately. The Author and FinishRich Media, LLC specifically disclaim any liability, loss, or risk which is incurred as consequence, directly or indirectly, of the use and application of the contents of this work.

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Dear Friend,

Thank you for purchasing The FinishRich QuickStart System™. More importantly, congratulations on taking action to improve the financial quality of your life! The program you are about to begin is designed to truly be life-changing.



My goal in developing this system was to make the process of taking control over your finances both easy and fun. Having helped millions of people take control of their finances, I know that the system you are about to start works. Getting your financial life organized really can be fun and easy when you go about it the right way.

In the next few minutes, you will learn how to identify your values and financial goals and put them down on paper. Then you will learn how to get your finances organized quickly and easily in one easy-to-locate place—saving you time and money. Lastly, you will learn the “miracle” of compound interest.

Once again, congratulations for taking action and embarking on your journey to live and finish rich—I know you can do it!

Live Rich!

A stylized, handwritten signature in black ink. The signature is fluid and cursive, with a large loop at the beginning and a long, sweeping tail that ends in a small flourish.

David Bach

PS: For some extra inspiration head over to www.finishrich.com and read through some of the amazing success stories submitted by my readers and students. Read them and ask yourself, “If they can do it, why not me?” The answer is you can—and I can’t wait to hear about when you do. So if you have a success story to share email me directly at success@finishrich.com or post it on my Facebook wall at www.facebook.com/davidbach. I promise—if you send it we will read it.

David Bach's FinishRich Quick Start System™

INSTRUCTIONS

Welcome to the FinishRich Quick Start System! This program is comprised of the exact techniques I used as a financial advisor with my clients and it is the basis of how I started helping people live and finish rich. As you're going through this program I want you to remember that what you are doing can actually change your life and your financial destiny forever, so let's get started!

I have organized the Quick Start system into 7 simple sections that will help you create, write down, and move forward towards your personal and financial goals.

Step 1) Create Your Own Value Circle™ – In this section we will find out what truly motivates you and what you care most deeply about.

Step 2) Developing Empowering Goals – Here you will develop empowering goals and techniques, get your financial goals down on paper and make them real. We will focus on making your goals meaningful and specific – and thereby attainable.

Step 3) Overcoming Challenges – In this step you will learn a strategy to use time and time again to overcome any obstacle in your life.

Step 4) Find Your Stuff – In this step I will explain how you can get your finances together and organized. I give you a checklist to get your finances all in one place—which will save you time and money in the future.

Step 5) Financial Inventory Worksheet – In this section you will determine your net worth, get all your finances down on paper and figure out where you stand financially. This is a crucial step because until you know exactly where you stand, it's impossible to plan where you want to go.

Step 6) Where Does Your Money Really Go? – One of the most important parts of getting your financial life together is having a solid grasp of exactly what your current cash flow is. By completing this section, you'll discover where you are spending your money.

Step 7) The Miracle of Compound Interest – In this section I will introduce you to some of my favorite charts to help you understand the miracle of compound interest, how to look at investment risks, and how (when it comes to investing), the earlier you start the better off you'll be!

STEP 1 - CREATE YOUR OWN VALUE CIRCLE

Turn to the first step, take a moment, get comfortable and in a good state of mind then carefully read the first page. Keep in mind that this is part of a discovery process where we want you to get your values down on paper first, so that we will be able to use money as a *tool* to make your values real. In this step our goal is to find out what you care most about when it comes to money. Follow the directions on the first page of this section and fill out the accompanying Value Circle on the following pages.

STEP 2 - DEVELOPING EMPOWERING GOALS

- Take a few brief moments to look through the section
- Let me ask you the question: *“In a perfect world, if you and I were sitting together three years from today, what would have to happen for you to feel you have made not just good, but GREAT financial progress in your life?”*
 - The point of answering this question is to get you to focus financially on specific goals in a specific time frame.
 - Now turn to the second page and notice that I asked you to list 10 specific goals to help answer this question.
 - Take a few minutes and come up with your top 10 goals.
- Now take the top five goals that mean the most to you and you will be using them in the chart Step 2/13. The headings of the chart are as follows. Use the examples that I have provided in the chart to help you fill out the information relevant to your specific goal.
 - *Top Five Goals:* Write your top 5 specific goals in this chart.
 - *Make Specific, Measurable, and Provable:* fill out the details of this goal so that you can measure where you are on accomplishing your goal, and when you know that you have succeeded!
 - *Immediate Action in the Next 48 Hours:* You never want to leave a goal without taking action within the next 48 hours – the point of this is to take action, any action and get moving towards your goal!
 - *Who Will You Share Your Goals With:* Share your goals with people you care about or even strangers—when you tell people, it makes your goal real and it motivates you to succeed!
 - *What Values Does it Help You Accomplish:* Hopefully your goals will help you make your values real—go back to step one and match your goal with a value. When you do this, your goal no longer becomes a task; you will be pulled towards it, instead of pushing yourself to it.
 - *What Challenges Will You Face:* The moment you write down a goal there is a part of you that thinks of a challenge and something that could block you from succeeding. But here is where you can be proactive about these challenges –think of them ahead of time so they do not blind side you on your journey to success. As soon as you make yourself aware of this challenge, the sooner you can put this down on paper and think of a strategy to overcome it.
 - *Strategies to Overcome Anticipated Challenges:* Look at the challenge and figure out a way that you think you can tackle this obstacle.

Make a daily reminder to help you work towards your goal – like a post it in the bathroom, or an alarm on your phone. Something that will keep your goals in the forefront of your mind and will keep your values subconsciously alongside these goals to pull you to success!

STEP 3 - OVERCOMING CHALLENGES!

Read through this section, then take your top financial goal and be brutally honest with yourself about all the challenges that could get in the way of you accomplishing your goal. This section can be applied to any challenge you may face—but for now just focus on the financial challenges you may have when achieving your goals.

- Use the example I have provided and mimic what I did in *your* Personal Plan for Success Designing a Specific Plan to Overcome Your Challenges.

STEP 4: FIND YOUR STUFF

Getting your finances organized is one of the most powerful keys to financial security. Why? Because until you know exactly where you stand, it's impossible to plan where we want to go. So to start, it's time to locate all of your financial information and get it organized! Although this doesn't sound extremely fun, trust me—the benefits of getting everything organized in one place will be well worth it! If you have already used my *FinishRich File Folder System™* to get organized in the past—I ask you to just double check and make sure that everything is ready and in order before we get into the meat and potatoes of this program.

STEP 5: THE FINANCIAL INVENTORY WORKSHEET

DETERMINING YOUR NET WORTH

At first glance this may seem like a lot to tackle but don't get overwhelmed! Remember, you now have everything organized—you are more than capable of filling out this information! *The FinishRich Inventory Planner* is probably the most important step you'll take in this program. It's the best way to get organized and involved with your finances and most important, determine your net worth, (this is key, since if you don't know what you are worth, you won't know where you are starting from). By the time you are done with this step you will have a better grasp of your financial situation than the vast majority of Americans. You will know not only your personal net worth but also where you spend your money and where your new found wealth is going to be built. You—not someone else—will be in charge of your financial destiny.

STEP 6: WHERE DOES YOUR MONEY REALLY GO?

You're getting organized, which is great. But you probably still couldn't tell me exactly where your money goes. One of the most important parts of getting your financial life together is having a solid grasp of exactly what your current cash flow is. By filling out this form, you will first determine what you earn and then determine what you spend.

After you figure out what you spend I ask you to add 10% (for Murphy's Law Factor) and this will equal your total expenses –then take your total income minus your total expenses – and this will equal your total cash flow.

If the number you calculate (your cash flow) is negative, don't feel bad—you're not alone. But this is a very important thing for you to know, because if you are spending more money than you earn every month, then building greater wealth in the future is going to be difficult.

STEP 7: THE MIRACLE OF COMPOUND INTEREST

In this section, I have provided you with a few of my favorite charts to drive home the importance of taking control of your finances and how you can make your money work for you. Take a look at *The Miracle of Compound Interest Chart*. It shows you how quickly the magic of compound interest can help you accumulate a significant amount of assets. You'll see that simply by putting aside a couple of dollars a day and giving your money a chance to work for you, you can become a millionaire! While it is easy to think "a dollar here, a dollar there" is no big deal, it is a big deal. Depending on how quickly you decide to make your financial future a priority, *it can be a million dollar deal!*

Now, take a look at *The Time Value of Money Chart*. This chart is one of the most powerful savings motivators I've ever seen. I wish someone had shown it to me when I was in high school. If you're older, please share it with a young person that you love. You may change his or her life forever! In this chart they compare two people Susan and Kim. Susan invested \$2,000 a year from the age of 19 to 26 in her ROTH IRA and then never invested again. Kim, however, put \$2,000 away from the age of 27 to 65. Look at these numbers—and then you tell me that it doesn't pay to invest early! The miracle of compound interest is the power tool for wealth.



THE VALUE CIRCLE™

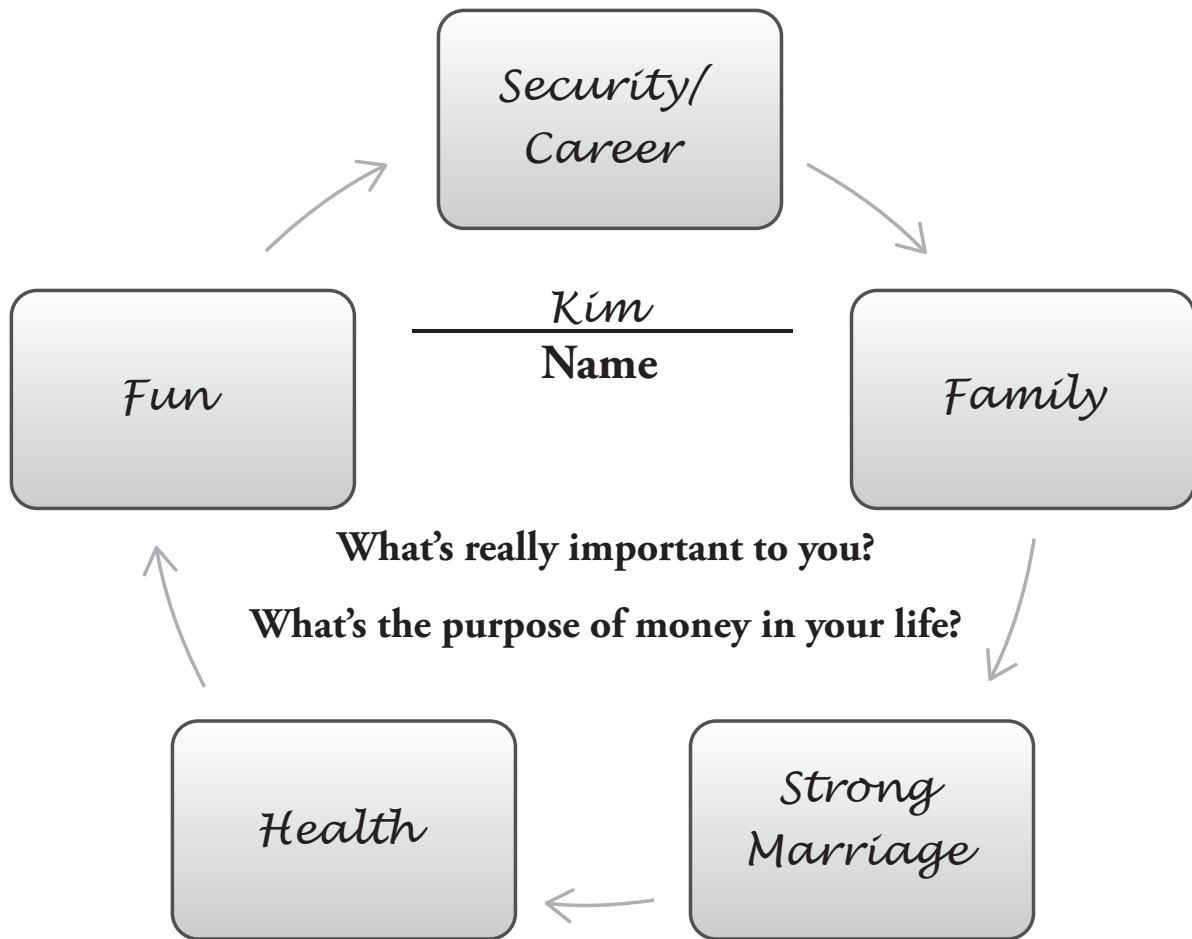
Let's get started. Imagine that you are arriving at my office in New York City. You are going to meet with me in order to create your own personal Value Circle. On the desk in front of you is a blank Value Circle sheet, (found on Step 1/7), waiting for you to tell yourself—and me—what matters most to you.

Here are some simple tips to get you through the process.

1. **Relax.** This is not a test. It's meant to be fun. The objective here is simple honesty. Write down only what feels right at a gut level. Don't list a value just because you think it "looks" good. If it doesn't reflect how you feel in your gut, it won't really mean anything to you, and you won't focus or act on it.
2. **Start with the simple question,** what is really important to you? When you think about your life and things that really matter, what value is most important to you? What's the purpose of money in your life?
3. **Remember to stay focused on values**—not goals, not things, not stuff to do or buy. If, say, you worry a lot about money, you may be tempted to list as a value "having a million dollars." But that's not a value; it's a goal. The underlying value in this case would probably be security or freedom. The million dollars is just a way to fulfill one of those values. Similarly, many people say they want to travel. But "travel" is not a value; it's a thing to do. The value that travel promotes might be fun, excitement, or personal growth. See the charts on the following pages entitled "some examples of values" and "some examples of goals." These will demonstrate the difference between a value and a goal.
4. **As they occur to you, write down values in the Value Circle until you have listed five core values that you can commit to focusing on over the next 12 months.** You might find out that there are more than five values that you want to focus on. Some of my clients and students have come up with as many as 10 values. There's nothing wrong with that, if you are serious about your commitment. It's just that in my experience most people find it difficult to focus on more than five at a time.

That's it. You have completed the Value Circle. Give yourself a pat on the back!

EXAMPLE: KIM'S VALUE CIRCLE



While you're doing this exercise...

ASK YOURSELF:

- **Is This a Value or a Goal?** If it's a goal, put it aside for now. You want to focus on values only.
- **What Does This Value Mean To Me?** Think in concrete terms—for example "Security [a value] means to me that I can live my life without financial fears."
- **How Important Is This Value to Me?** Remember: You're working to find five core values. If a value occurs to you, but it isn't one that you'd stand or fall on, take it out of the circle and keep thinking.

Name

What's really important to you?

What's the purpose of money in your life?

ASK YOURSELF:

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TAPPING INTO YOUR VALUES

For those of you who may be having trouble figuring out what is a value vs. what is a goal-and many people do—I've listed some examples in the boxes that follow. By studying the lists, you'll get a better idea of the difference between the two. Don't cheat, though, and borrow some values from my list just because they sound good and you're having trouble filling out your circle. If the values you write down don't truly reflect what you feel in your heart, then they won't work to motivate you.

SOME EXAMPLES OF VALUES

Freedom	Connection with others
Security	Independence
Happiness	Fulfillment
Peace of mind	Confidence
Power	Being the best
Helping others	Making a difference
Helping family	Fun
Realizing my true potential (self-actualization)	Growing
Greater spirituality	Adventure

What follows are examples of goals that people come up with when they do the values-circle exercise. Remember, we are not looking for goals. We are looking for values. (We'll get to goals in Step Two.)

SOME EXAMPLES OF GOALS

Pay down debt

Have \$1 million

Not run out of money

Pay for college

Buy a house

Travel (Travel is a goal; what traveling does for you is the value. I bring this up because travel is mentioned quite often in values conversations.)

Get a new car

Redecorate

Retire rich

Donate money

Tithing (As with travel, the reason you give to charity is a value; what or how much you give is the goal.)

Put money in my retirement account

Not work

Start my own business

Put my child through college

Get divorced

Get married

Stay married (Money affects marriages-no question about it. But contrary to what many people believe, it's not how much money you have that matters. It's how you communicate and make decisions about your money that determines whether financial issues will bring you together as a family or drive you apart.)

WHAT IF I CAN'T COME UP WITH ENOUGH VALUES?

This almost never happens. Everyone has lots of values—more than you might think at first. Give yourself some time for them to occur to you. But don't turn it into a marathon. The whole exercise should not take more than 15 minutes! Usually, the average values conversation lasts less than 10.

Also, there are no right or wrong answers here. The only mistake you can make is to be less than honest. In my classes, I always jokingly tell the audience, "Don't look at your neighbor's paper. Those are their values, not yours."

GO ALL THE WAY!

The reason our Value Circle™ is designed to elicit at least five personal values is that we are trying to get you to look deep within yourself—so deep that you will come away with a really intense awareness of what is most important to you. Understanding this, you should be able to stop wasting your time, energy, and money on things that don't really matter to you—and begin focusing your resources on the things that do!

As should be clear by now, although we are focusing on the question of money, what we really are getting at in our values conversation is the essence of what matters to you about life in general. That's what makes the technique so powerful. It enables you not only to lay out your values but to define who you are and what direction you want to take your life.



DEVELOPING EMPOWERING GOALS

Both in my office and in my class, I always ask my clients and students the same question to elicit their goals.

“In a perfect world, if you and I were sitting together three years from today, what would have to happen for you to feel you have made not just good, but GREAT financial progress with your life?”

The point of this question is quite simple. Before you get into investment strategies, what you need to do to become financially secure is be clear about exactly what it is that you want and feel you need.

Think back to Step One, in which you worked out what was important to you about money. The point of writing down your values then was to make it easier for you now to articulate a series of goals that can help you put your values into practice.

So based on what you said in Step One, and how you feel now, what is it that you would like to see happen in your life over the next three years that will require money? Do you want to see yourself get out of credit card debt? Do you want to own a home? Is your goal to be able to afford to retire in three years? Maybe you would like to move to Paris and study art. Or start your own business. Or expand a business that you already own. Whatever the case may be, use the values you came up with in Step One and write down, on the chart that follows, what would have to happen for you to feel three years from now that you have made successful progress.

GOALS

DESIGNING A PROACTIVE LIFE!

THERE ARE TWO PARTS TO THIS EXERCISE:

- Ten blanks for writing down your goals between now and three years
- A form in which you specify your five most important goals over the next three years

STEPS:

- On this page below, fill in the ten blanks with as many goals as possible that you want to accomplish during the next three years.
- On the next page, specify:

1. Five Most Important Goals
2. Make Specific, Measurable, and Provable (i.e.: How much will it cost?)
3. Immediate Action in the Next 48 Hours
4. Who Will You Share Your Goals With
5. What Values Does It Help You Accomplish
6. What Challenges Will You Face
7. Strategies to Overcome Anticipated Challenges

- | | |
|----|-----|
| 1. | 6. |
| 2. | 7. |
| 3. | 8. |
| 4. | 9. |
| 5. | 10. |

TOP 5 GOALS	MAKE SPECIFIC, MEASURABLE, AND PROVABLE	IMMEDIATE ACTION IN THE NEXT 48 HOURS	WHO WILL YOU SHARE YOUR GOALS WITH	WHAT VALUES DOES IT HELP YOU ACCOMPLISH	WHAT CHALLENGES WILL YOU FACE	STRATEGIES TO OVERCOME ANTICIPATED CHALLENGES
EXAMPLE	I will purchase a vacation home in Tahoe, California by January 2015. It will cost between \$500,000 to \$600,000. I will make a down payment of 25%.	I will go on the Internet and research the cost of homes in Tahoe in my price range.	I will discuss my dream with my wife Alatia, my CPA, my financial advisor and my attorney	The value of happiness. I am my most creative and at peace when I am in Tahoe.	Saving enough money for the down payment.	I will put 5% of my paycheck per month into a Tahoe house fund (money market).
1						
2						
3						
4						
5						

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



OVERCOMING CHALLENGES!

Guess what? It's possible that you could do this entire exercise and still not stay on track and reach your desired goals. Why? Because life is filled with "challenges" both financial and personal, and unless you prepare for them, you could get stopped dead in your tracks.

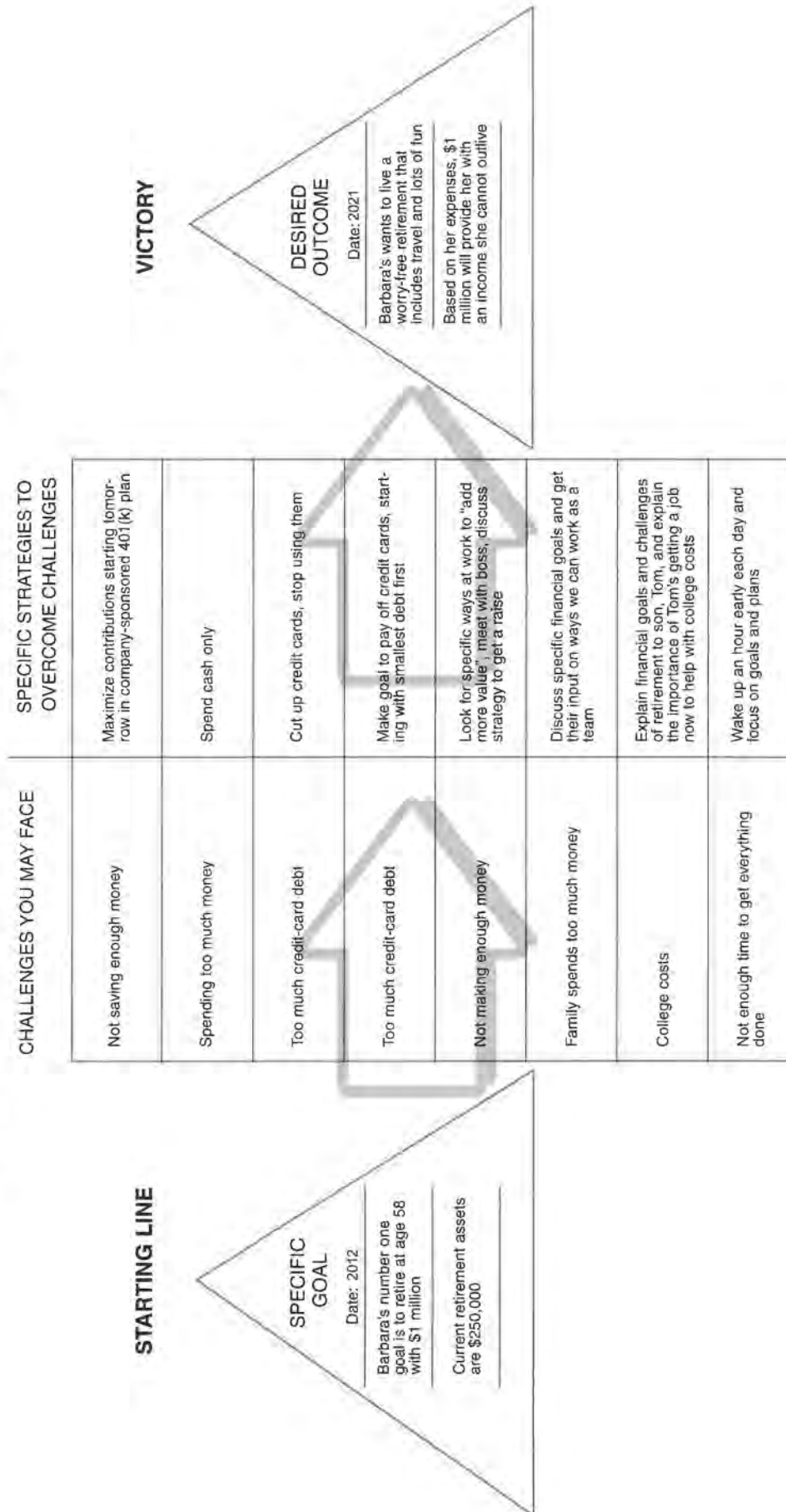
So here is what I want you to do. After you write down your goals, I want you to list in detail all the potential challenges that could derail you from attaining them. Notice I don't call them "problems" I want you to wipe that word out of your vocabulary. Short of death (which is the only permanent problem I know of), there are no problems. There are only challenges.

Now, with that in mind, I want you to put down on paper everything you can think of that possibly could prevent you from achieving your goals. You may be thinking that I'm being pessimistic, but trust me on this-I'm not being pessimistic, I'm being realistic. By highlighting all the potential challenges on paper, you are acknowledging two very important realities: that there are challenges, and that you can come up with ways to overcome them.

In fact, that is the next step. Once you've listed all the challenges you can come up with (and I'll bet that right now without realizing it you are thinking subconsciously of all the reasons why you might not be able to make your goal a reality), I want you to write down a specific "solution" for each of them. And don't despair-all challenges have solutions.

I call this process drafting your "Personal Plan for Success" An example of a Personal Plan for Success that I used with a client when discussing retirement planning follows. Take a look at it and then create one for yourself and your number-one goal.

A Personal Plan for Success Designing a Specific Plan to Overcome Your Challenges



A Personal Plan for Success ***Designing a Specific Plan to Overcome Your Challenges***

STARTING LINE	CHALLENGES YOU MAY FACE	SPECIFIC STRATEGIES TO OVERCOME CHALLENGES	VICTORY	
<div> <div>SPECIFIC GOAL</div> <div></div> <div></div> <div></div> </div>			<div> <div>DESIRED OUTCOME</div> <div></div> <div></div> <div></div> </div>	

[illegible]

FIND YOUR STUFF

Completing the Financial Inventory Worksheet is probably the most crucial homework assignment you'll get in the course of this book. But don't start working on it yet. At this point, all I want you to do is begin finding your "stuff." Doing this now will make it much easier to fill out Step 5. So let's get going. I want you to get yourself a dozen or so hanging folders and a box of at least 50 file folders to put inside them. Then, I want you to label the hanging folders as follows.

- ☐ 1. Label the first one "**Tax Returns.**" In it, put eight file folders, one for each of the last seven years plus one for this year. Mark the year on each folder's tab and put into it all of that year's important tax documents, such as W-2 forms, 1099s, and (most important) a copy of all the tax returns you filled for that year. Hopefully, you've at least saved your old tax returns. If you haven't but used a professional tax preparer in the past, call him or her and ask for back copies. As a rule, you should keep old tax records for at least seven years because that's how far the law allows the IRS to go when it wants to audit you. I recommend hanging on to them even longer, but that's up to you.
- ☐ 2. Label the second hanging folder "**Retirement Accounts.**" This is where you're going to keep all of your retirement account statements. You could create a file for each retirement account that you and your partner have. If the two of you have three IRAs and a 401(k) plan, then you should have a separate file for each. The most important thing to keep in those folders are the quarterly statements. You don't need to keep the prospectuses that the mutual-fund companies mail you each quarter. However, if you have a company retirement account, you should definitely keep the sign-up package because it tells you what investment options you have - something you should review annually.
- ☐ 3. Label the third hanging folder "**Social Security.**" You should put your most recent Social Security Benefits Statement in this folder. If you haven't received one in the mail, get online and go to www.ssa.gov to request one. If you don't have internet access, telephone your local Social Security office (the number is listed on the front of most phone books under "Federal Government").
- ☐ 4. Label the fourth hanging folder "**Investment Accounts.**" In this folder you put files for each investment account you have that is not a retirement account. If you own mutual funds, maintain a brokerage account, or own individual stocks, each and every statement you receive that is related to these investments should go in a particular folder. If you have both individual and joint accounts, create separate files for them as well.
- ☐ 5. Label the fifth hanging folder "**Savings and Checking Accounts.**" If you have checking and savings accounts, create separate file folders for them. Keep your monthly bank statements here.
- ☐ 6. Label the sixth hanging folder "**Household Accounts.**" If you own your own home, this one should contain the following file folders: "House Title," into which you'll put all your title information (if you can't find this stuff, call your real estate agent or title company); "Home Improvements," where

you'll keep all your receipts for any home-improvement work you do (since home-improvement expenses can be added to the cost basis of your house when you sell it, you should keep receipts for as long as you own your house); and "Home Mortgage," for all your mortgage statements (which you should check regularly, since mortgage companies often DON'T CREDIT YOU PROPERLY). If you're a renter, this should contain your lease, the receipt for your security deposit, and the receipts for your rental payments.

- ☐ 7. Label the seventh hanging folder "**Credit Card DEBT.**" Make sure to capitalize the word DEBT so it stands out and bothers you every time you see it. I'm not kidding, I'll explain later how to deal with credit card debt. For the time being, my hope is that this won't be one of your larger hanging folders. You should create a separate file for each credit card account you have. If you are part of a couple, this folder may contain more than a dozen files. I've actually met couples with as many as 30. However many files you have, keep all your monthly statements in them. And hang on to them. As with tax returns, I keep all my credit card records for at least seven years in case the IRS decides to audit me.
- ☐ 8. Label the eighth hanging folder "**Other Liabilities.**" In here will go all of your records dealing with debts other than your mortgage and your credit-card accounts. These would include college loans, car loans, personal loans, etc. Each debt should have its own file, which should contain the loan note and your payment records.
- ☐ 9. Label the ninth hanging folder "**Insurance.**" It will contain separate folders for each of your insurance policies, including health, life, car, homeowners or renters, disability, long-term care, etc. In these folders put the appropriate policy and all the related payment records.
- ☐ 10. Label the tenth hanging folder "**Family Will or Trust.**" This should have a copy of your most recent will or living trust, along with the business card of the attorney who set it up.
- ☐ 11. If you have children, put together a folder labeled "**Children's Accounts.**" It should hold all statements and other records pertaining to college savings accounts or other investments that either or both of you have made for your kids.

As you dig into this assignment, the first thing you probably will notice is that you don't have all of these documents. In some cases, you may have lost them or thrown them away. In others, you may never have had them in the first place. For example, chances are you've never bothered to order your Personal Earnings and Benefit Estimate Statement from the Social Security Administration. Or maybe you don't have disability insurance. Whatever the case, it does not matter at this point. All I want you to do now is create the above-mentioned files, whether you have anything to put in them or not. It shouldn't take very long. After all, there are only 11 of them.

Once you're done, put the folders in a file cabinet and feel good about yourself. You are already more organized than you were when you first started and are better prepared to complete the financial inventory worksheet.



FINANCIAL INVENTORY WORKSHEET

DETERMINING YOUR NET WORTH

STEP ONE: FAMILY INFORMATION

Client Name _____ Date of Birth _____ Age _____
Nickname _____
Spouse's Name _____ Date of Birth _____ Age _____
Nickname _____
Mailing Address _____
City _____ State _____ Zip Code _____
Home Phone# _____
Work Phone# _____ Fax # _____
Spouse's Work # _____ Spouse's Fax # _____
E-mail _____ Spouse's E-mail _____
SS# _____ Spouse's SS# _____
Employer _____ Job Title _____
Spouse's Employer _____ Job Title _____
Are you retired? Yes _____ Date Retired _____ No _____ Planned Retirement Date _____
Is your spouse retired? Yes _____ Date Retired _____ No _____ Planned Retirement Date _____
Marital Status: Single _____ Married _____ Divorced _____ Separated _____ Widowed _____

Children

Date of Birth

SS#

	Date of Birth	SS#
Name 1) _____	_____	_____
2) _____	_____	_____
3) _____	_____	_____
4) _____	_____	_____
5) _____	_____	_____

Dependents

Do you have any family members that are financially dependent upon you or could be in the future?
(i.e., parents, grandparents, adult children, etc.)

Yes _____ No _____

Name	Age	Relationship
1) _____	_____	_____
2) _____	_____	_____
3) _____	_____	_____

STEP TWO: PERSONAL INVESTMENTS

(DO NOT INCLUDE RETIREMENT ACCOUNTS HERE)

Cash Reserves

List amount in banks, savings & loans, and credit unions

Name of Bank Institution	Type of Account	Current Balance	Interest Rate
Example: Bank of America	Checking/Savings/Money Market	\$10,000.00	2%
1.) _____	_____	_____	_____
2.) _____	_____	_____	_____
3.) _____	_____	_____	_____
4.) _____	_____	_____	_____
5.) _____	_____	_____	_____

Fixed Income

List fixed income investments

Example: C.D., Treasury Bills, Notes, Bonds, Tax-Free Bonds, Series EE Savings Bonds	Dollar Amount	Current %	Maturity Date
1.) _____	_____	_____	_____
2.) _____	_____	_____	_____
3.) _____	_____	_____	_____
4.) _____	_____	_____	_____

Stocks

Name of Company	Number of Shares	Price Purchased	Approximate Market Value	Date Purchased
1.) _____	_____	_____	_____	_____
2.) _____	_____	_____	_____	_____
3.) _____	_____	_____	_____	_____
4.) _____	_____	_____	_____	_____
5.) _____	_____	_____	_____	_____

Do you have stock certificates in a security deposit box? Yes _____ No _____

Mutual Funds and/or Brokerage Accounts

Name of Brokerage Firm/Mutual Fund	Number of Shares	Cost Basis	Approximate Market Value	Date Purchased
1.) _____	_____	_____	_____	_____
2.) _____	_____	_____	_____	_____
3.) _____	_____	_____	_____	_____
4.) _____	_____	_____	_____	_____
5.) _____	_____	_____	_____	_____
6.) _____	_____	_____	_____	_____

Annuities

Company	Annuitant/Owner	Interest Rate	Approximate Market Value	Date Purchased
1.) _____	_____	_____	_____	_____
2.) _____	_____	_____	_____	_____
3.) _____	_____	_____	_____	_____

Other Assets (i.e., business ownership, etc.)

Approximate Market Value

1.) _____	\$ _____
2.) _____	\$ _____
3.) _____	\$ _____

STEP THREE: RETIREMENT ACCOUNTS

Are you participating in an Employer Sponsored Retirement Plan? (These include Tax-Deferred Retirement Plans such as 401(k) Plans, 403 (b) Plans and 457 Plans) Yes ____ No ____

Name of company where your money is	Type of Plan	Approximate Value	% You Contribute
-------------------------------------	--------------	-------------------	------------------

1.) _____	_____	_____	_____
2.) _____	_____	_____	_____
3.) _____	_____	_____	_____

Spouse:

1.) _____	_____	_____	_____
2.) _____	_____	_____	_____
3.) _____	_____	_____	_____

Do you have money sitting in a company plan you no longer work for?

Yes ____ No ____ Balance _____ When did you leave the company? _____

Spouse:

Yes ____ No ____ Balance _____ When did he/she leave the company? _____

Self-Directed Retirement Plans

Are you participating in a retirement plan? (These include IRAs, Roth IRAs, SEP-IRAs, SAR-SEP IRAs and SIMPLE PLANS)

Name of institution where your money is	Type of Plan	Approximate Value
---	--------------	-------------------

You:

1.) _____	_____	_____
2.) _____	_____	_____
3.) _____	_____	_____
4.) _____	_____	_____
5.) _____	_____	_____

Spouse:

1.) _____	_____	_____
2.) _____	_____	_____
3.) _____	_____	_____
4.) _____	_____	_____
5.) _____	_____	_____

STEP FOUR: REAL ESTATE

Do you rent or own your own home?

Own _____ /Monthly mortgage is _____

Rent _____ /Monthly rent is _____

Approximate value of primary home \$ _____

-Mortgage Balance \$ _____

=Equity in home _____

Length of loan _____

Interest rate of loan _____ Is loan fixed or variable? _____

Do you own a second home?

Approximate value of second home \$ _____

- Mortgage balance \$ _____

=Equity in home _____

Length of loan _____

Interest rate of loan _____ Is loan fixed or variable? _____

Any other real estate owned?

Approximate value \$ _____

- Mortgage balance \$ _____

=Equity in home _____

Length of loan _____

Interest rate of loan _____ Is loan fixed or variable? _____

STEP FIVE: ESTATE PLANNING

Do you have a will or living trust in place? Yes _____ No _____

Date it was last reviewed? _____

Who helped you create it? Attorney's name _____

Address _____

Phone Number _____ Fax _____

Is your home held in the trust or is it held in joint or community property? _____

Risk Management/Insurance

Do you have a protection plan in place for your family? Yes _____ No _____

Life Insurance Company	Type of Insurance (i.e., Whole Life, Term, Variable, etc.)	Death Benefit	Cash Value	Annual Premium
------------------------	--	---------------	------------	----------------

1.) _____	_____	_____	_____	_____
-----------	-------	-------	-------	-------

2.) _____	_____	_____	_____	_____
-----------	-------	-------	-------	-------

3.) _____	_____	_____	_____	_____
-----------	-------	-------	-------	-------

Tax Planning

Do you have your taxes professionally prepared? Yes _____ No _____

Name of Accountant/CPA _____

Address _____

Phone Number _____ Fax _____

What was your last year's taxable income? _____

Estimated tax bracket? _____ %

STEP SIX: CASH FLOW

Income

Your Est. Monthly Income _____ Estimated Annual Income _____

Spouse's Estimated Monthly Income _____ Estimated Annual Income _____

Rental Property Income: Monthly _____ Annually _____

Other income (partnerships, social security, pension, dividend checks, etc.)

Type of Income	Monthly	Annually
1.) _____	_____	_____
2.) _____	_____	_____
3.) _____	_____	_____

Expenses

Use the where does your money really go form to figure your estimate

Monthly Estimated Expenses _____ Annual Estimated Expenses _____

STEP SEVEN: NET CASH FLOW

What do you earn a month after taxes? \$ _____

What do you estimate you spend? - \$ _____

Net Cash Flow = \$ _____

STEP EIGHT: NET WORTH

Net Worth

Total Assets \$ _____

- Total Liabilities - \$ _____

= **Estimated Net Worth** \$ _____

STEP NINE: FINANCIAL OBJECTIVES

What are your current financial goals and objectives? _____

Is there anything in particular that you are currently concerned with regarding your financial situation?

Are you anticipating any major life style changes that could require money (i.e., retirement, divorce, inheritance, children going to college, etc.)?

What is the best financial decision you have ever made? _____

Have you made any financial decisions that you regret? _____

Do you own any investments or real estate that you are planning to sell or want to sell in the near future? _____

If you were to hire a financial advisor, what are the three most important things you would want your advisor to do for you? _____

Any additional comments? _____

WHERE DOES YOUR MONEY REALLY GO?

First, determine how much you earn . . .

One of the most important parts of getting your financial life together is having a solid grasp on exactly what your current cash flow is. To do this, use the worksheet below.

Your Income

Wages, salary, tips, commissions, self-employment income	\$ _____
Dividends from stocks, bonds, mutual funds, savings accounts, CDs, etc.	\$ _____
Income from rental property	\$ _____
Income from trust accounts (usually death benefits from an estate)	\$ _____
Alimony, child support, social security widows benefits	\$ _____
Social Security benefits	\$ _____
Other income	\$ _____
TOTAL MONTHLY INCOME	\$ _____

Second, determine what you spend monthly

Your Expenses

Taxes

Federal income taxes	\$ _____
State income taxes	\$ _____
FICA (Social Security Taxes)	\$ _____
Property taxes	\$ _____

TOTAL TAXES \$ _____

Housing

Mortgage payments or rent on primary residence	\$ _____
Mortgage payment on rental or income property	\$ _____
Utilities	\$ _____
Homeowners or renter's insurance	\$ _____
Repairs or home maintenance	\$ _____
Cleaning service	\$ _____
Television cable	\$ _____
Home phone	\$ _____
Landscaping and pool service	\$ _____
Monthly Internet service	\$ _____
Condo or association dues	\$ _____

TOTAL HOUSING \$ _____

Auto

Car loan or lease	\$ _____
Gas	\$ _____
Car Insurance	\$ _____
Car phone	\$ _____
Repairs or service	\$ _____
Parking	\$ _____
Bridge tolls	\$ _____

TOTAL AUTO \$ _____

Insurance

Life insurance	\$ _____
Disability insurance	\$ _____
Long term care insurance	\$ _____
Liability insurance (umbrella policy)	\$ _____

TOTAL INSURANCE	\$ _____
------------------------	----------

Food

Groceries	\$ _____
Food outside of home	\$ _____

TOTAL FOOD	\$ _____
-------------------	----------

Personal Care

Clothing	\$ _____
Cleaning/drycleaning	\$ _____
Cosmetics	\$ _____
Health club dues and/or personal trainer	\$ _____
Entertainment	\$ _____
Country club dues	\$ _____
Association memberships	\$ _____
Vacations	\$ _____
Hobbies	\$ _____
Education	\$ _____
Magazines	\$ _____
Gifts	\$ _____

TOTAL PERSONAL CARE	\$ _____
----------------------------	----------

Medical

Health care insurance	\$ _____
Prescriptions and monthly medicines	\$ _____
Doctor or dentist expenses	\$ _____

TOTAL MEDICAL	\$ _____
----------------------	----------

MISCELLANEOUS EXPENSES

Miscellaneous

Credit card expenses	\$ _____
Loan payments	\$ _____
Alimony or child support	\$ _____
Anything you can think of that I missed!	\$ _____

TOTAL MISCELLANEOUS EXPENSES	\$ _____
-------------------------------------	-----------------

TOTAL MONTHLY EXPENSES	\$ _____
-------------------------------	-----------------

Murphy's Law Factor

Take the total expenses and increase by 10 percent	\$ _____
--	----------

Total Income

Minus total monthly expenses	\$ _____
------------------------------	----------

Net cash flow (available for savings or investments)	\$ _____
--	----------

THE MIRACLE OF COMPOUND INTEREST

BUILDING A MILLION-DOLLAR NEST EGG

HOW TO ACCUMULATE \$1,000,000

**Regular Deposits Required to Accumulate \$1,000,000
by Age 65 at Stated Rate of Return**

Starting Age	\$1,000,000 12% Annual Interest Rate		
	Daily Savings	Monthly Savings	Yearly Savings
20	\$ 2.00	\$ 61	\$ 730
25	\$ 3.57	\$ 109	\$ 1,304
30	\$ 6.35	\$ 193	\$ 2,317
35	\$ 11.35	\$ 345	\$ 4,144
36	\$ 12.77	\$ 388	\$ 4,660
37	\$ 14.37	\$ 437	\$ 5,244
38	\$ 16.18	\$ 492	\$ 5,904
39	\$ 18.22	\$ 554	\$ 6,652
40	\$ 20.55	\$ 625	\$ 7,500
41	\$ 23.19	\$ 705	\$ 8,463
42	\$ 26.19	\$ 797	\$ 9,560
43	\$ 29.62	\$ 901	\$ 10,811
44	\$ 33.52	\$ 1,020	\$ 12,240
45	\$ 38.02	\$ 1,157	\$ 13,879
46	\$ 43.19	\$ 1,314	\$ 15,763
47	\$ 49.14	\$ 1,495	\$ 17,937
48	\$ 56.05	\$ 1,705	\$ 20,457
49	\$ 64.08	\$ 1,949	\$ 23,390
50	\$ 73.49	\$ 2,235	\$ 26,824
51	\$ 84.58	\$ 2,573	\$ 30,971
52	\$ 97.75	\$ 2,973	\$ 35,677
53	\$ 113.53	\$ 3,453	\$ 41,437
54	\$ 132.64	\$ 4,035	\$ 48,415
55	\$ 156.12	\$ 4,749	\$ 56,984

The figures shown above represent the amount of money you would have to save (i.e. daily, monthly, yearly), at the stated interest rate, in order to accumulate \$1,000,000 by the time you reach age 55. These figures DO NOT take into account any federal or state taxes that may be incurred. Monthly and yearly figures are rounded to the nearest dollar.

Source: "The Wise Investor: Ten Concepts You Need To Know to Achieve Financial Success" by Neil Elmouch (Dunhill & West Publishing)

IT'S NEVER TOO LATE

There's no question that the sooner you get started paying yourself first, the better off you will be. The following chart shows it plainly.

TO BUILD WEALTH . . . PAY YOURSELF FIRST AND DO IT MONTHLY

Your monthly investment	Your Age	Total amount of monthly investments through age 65	At a 4% rate of return	At a 7% rate of return	At a 9% rate of return	At a 12% rate of return
\$100	25	48,000	118,590	264,012	471,643	1,188,242
	30	42,000	91,678	181,156	296,385	649,527
	40	30,000	51,584	81,480	112,953	189,764
	50	18,000	24,691	31,881	38,124	50,458
\$200	25	96,000	237,180	528,025	943,286	2,376,484
	30	84,000	183,355	362,312	592,770	1,299,054
	40	60,000	103,169	162,959	225,906	379,527
	50	36,000	49,382	63,762	76,249	100,915

THE TIME VALUE OF MONEY

Invest Now Rather Than Later

SUSAN <i>Investing at age 19 (10% Annual Return)</i>			SEE THE DIFFERENCE	KIM <i>Investing at age 27 (10% Annual Return)</i>		
AGE	INVESTMENT	TOTAL VALUE		AGE	INVESTMENT	TOTAL VALUE
19	\$2,000	2,200		19	0	0
20	2,000	4,620		20	0	0
21	2,000	7,282		21	0	0
22	2,000	10,210		22	0	0
23	2,000	13,431		23	0	0
24	2,000	16,974		24	0	0
25	2,000	20,871		25	0	0
26	2,000	25,158		26	0	0
27	0	27,674		27	\$2,000	2,200
28	0	30,442		28	2,000	4,620
29	0	33,486		29	2,000	7,282
30	0	36,834		30	2,000	10,210
31	0	40,518		31	2,000	13,431
32	0	44,570		32	2,000	16,974
33	0	48,027		33	2,000	20,871
34	0	51,929		34	2,000	25,158
35	0	56,322		35	2,000	29,874
36	0	61,256		36	2,000	35,072
37	0	66,780		37	2,000	40,768
38	0	72,958		38	2,000	47,045
39	0	79,854		39	2,000	53,949
40	0	87,540		40	2,000	61,544
41	0	96,094		41	2,000	69,899
42	0	105,603		42	2,000	79,089
43	0	116,163		43	2,000	89,198
44	0	127,880		44	2,000	100,318
45	0	140,868		45	2,000	112,550
46	0	155,255		46	2,000	126,005
47	0	171,180		47	2,000	140,805
48	0	188,798		48	2,000	157,086
49	0	208,278		49	2,000	174,094
50	0	229,806		50	2,000	194,694
51	0	253,586		51	2,000	216,363
52	0	280,845		52	2,000	240,199
53	0	311,830		53	2,000	266,419
54	0	346,813		54	2,000	295,261
55	0	386,094		55	2,000	326,988
56	0	430,003		56	2,000	361,886
57	0	478,904		57	2,000	400,275
58	0	531,194		58	2,000	442,503
59	0	588,314		59	2,000	488,953
60	0	649,745		60	2,000	540,048
61	0	716,020		61	2,000	596,253
62	0	787,722		62	2,000	658,078
63	0	865,494		63	2,000	726,086
64	0	949,043		64	2,000	800,895
65	0	1,039,148		65	2,000	883,185

**EARNINGS BEYOND
INVESTMENT
\$1,019,148**

**EARNINGS BEYOND
INVESTMENT
\$805,185**

SUSAN EARNS	\$1,019,148
KIM EARNs	\$805,185
SUSAN EARNs MORE	\$213,963

Susan invested one-fifth the dollars but has 25% more to show

START INVESTING EARLY!

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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