

Financial Review Checklist

1. Budget

- Calculate your monthly income - wages, salary, side gigs, businesses
- Calculate your monthly expenses
 - Fixed costs - rent/mortgage, insurance, travel, groceries, debt repayments
 - Discretionary costs - eating out, entertainment, shopping

2. Cash Flow Analysis

- Calculate **income - expenses**. Check whether it is positive or negative. It should ideally be positive, i.e. income higher than expenses.
- Make a note of any categories that are higher than you expected
- See which categories are priorities:
 - Make a note of any high-spend category that is not a high priority, you may want to cut back or modify.
 - If you have priorities you are not able to spend on as you like, you can use what you've cut back on to support these goals. Make a note.

3. Assets and Debts

- Assets - savings, emergency fund, investments, property, RRSP, TFSA
- Debts - credit cards, personal loans, car loans, payday loans, lines of credit, mortgages
- Add up each side and calculate your net worth: **Assets - debt = your net worth**
- If your number is negative, use the analysis above to pinpoint which areas are affecting you negatively. Make a note.
- Tip: Look into the interest rates on all your debt products and make sure you're not paying very high interest. Look into ways to reduce your interest charges by looking for different products or debt repayment avenues.

4. Financial Goals

- With everything in place, set or review your financial objectives
 - Clarify short-term and long-term goals
 - Consider avenues you want to invest more time and money in - like education, professional development, saving for a downpayment, or debt repayment.
 - Incorporate these into your financial goals. Set goals for allocating funds for these avenues that are important to you.
 - See if you're on track to meet these goals, or if you need to revise your existing budget and cash flow to make it fit.

Bonus:

- Build an emergency fund
- Check your insurance coverage
- Check your credit score and credit report
- Make a plan for dealing with debt