



SurePlan
FINANCIAL

Managing your cash-flow Successfully

29th Feb 2024



What you need to know and practical things you can do



WHO ARE WE?

Oliver Stones

- Head of Corporate partnerships
- Senior financial Adviser
- Chartered Wealth Manager (CISI)
- Over 35 years of experience in finance
- Taxation and Estate Planning Council of New Zealand

SurePlan Financial

- Working with organisations to promote Financial Wellness
- Working with individuals and families to create better lives
- Co-creators with Massey University of **www.MyFinancialRoadmap.co.nz**

Legal disclaimer

No advice, personalised or otherwise, is given in this presentation, either in written or spoken form. No decisions to acquire or dispose of any financial instruments should be made or carried out without first gaining advice from a suitable professional.

You can find us on the Financial Service Providers Register at www.fspr.govt.nz by searching FSP162244

You can see our Regulatory and Privacy information at <https://www.sureplanfinancial.co.nz/regulation-and-privacy/>

SO, WHAT IS THE AGENDA FOR TODAY?

Financial Wellness. AOE

- A - Aware
- O - Organized
- E - Empowered

We are going to cover

- Your money type
- Cash flow management basics
- What are the key traits of success
- What are the two systems that are proven to work

We are going to finish with

- Q&A
- Feedback forms

What you get for free by being here today:

- MyFinancialRoadmap.co.nz
- Free personalised reports
 - Mortgage
 - 1st Home Buyer
 - KiwiSaver

1. WHY IS MANAGING CASH FLOW IMPORTANT?

Bad cash flow management can cause physical and mental problems

Financial Stress and Mental Health

Many studies cite money as the top source of stress.

Financial stress can lead to symptoms of Anxiety, depression, and decreased overall psychological well-being.

Financial Stress and Physical Health

Financial stress has been linked to poor physical health outcomes, including increased risk of cardiovascular disease and higher mortality rates.

“Journal of Epidemiology and Community Health”

2. WHY IS MANAGING CASH FLOW IMPORTANT?

Bad cash flow management can cause relationship problems

Impacts on Relationships

Financial disagreements are cited as a significant **predictor of divorce**.

The Ramsey Solutions “Money and Marriage survey” revealed that **86%** of couples who got divorced said money problems contributed to the divorce.

It is getting worse...

55% of employees report having a ‘**sinking feeling**’ about their finances, and **46%** say their **stress has increased** over the last 12 months.

“Employee Financial Wellness Survey” PWC



**Have you been taught
how to manage your
cash flow successfully?**



**Most people just start
getting paid and do
their best**



**Managing your cash flow
successfully? - A,O,E.**

**Managing your debt
successfully? -Mortgage**

**Managing your investments
successfully? - KiwiSaver**

YOUR MONEY TYPE

You are likely a combination, not just one

You may be different in different contexts

You may change or stay the same over your lifetime

YOU CAN CHANGE OLD HABITS!



Are you a big SAVER

- Focus more on future
- Just don't spend because it feels bad
- Don't spend even when they can afford to
- Prioritise saving, over spending

CATCH THE SAVINGS BUG!



Are you a PLANNER

- Focus more on future
- Methodical and detail-oriented
- Like to create goals with plan to achieve them
- Like to track progress against the plan

**WRITE \$ AMBITIONS
DOWN**



Are you a big SPENDER

- Focus on the now
- Don't feel bad about spending but feel great about having experiences or getting things
- Spend what they have then see what can be borrowed
- Prioritise spending over any and everything else

STAY ON TOP OF YOUR MONEY



Are you an AVOIDER or in DENIAL?

- Tend to focus more on immediate rather than future needs & wants
- Feel overwhelmed and or anxious when dealing with money
- Don't like to think about or talk about money

**LOOK AT YOUR BANK
ACCOUNT EVERY DAY**



BE AWARE – KNOW YOUR MONEY IN AND MONEY OUT



Know Your Income / Revenue

- Weekly take home pay
- Benefits, other government support
- Investment property rent
- Other income

Know Your Spending / Expenses

Inelastic - Rent or Mortgage

- Fares & Petrol
- Utilities, Power, Water, Internet, Rates

Elastic - Investments, KiwiSaver, Insurance

- Groceries & Take Outs
- 'Wants' - Hobbies, Sports, Holidays, Treats

KNOW YOUR NET INCOME

ADVICE - WHAT REALLY WORKS

The 6 Step budget

1. Know your **net income** (income minus expenses)
2. Have a way to **track your spending** (Write it down!)
3. Set realistic **goal** (pay off debt?)
4. **Write a PLAN** (involve partners)
5. **Adjust your spending** to your budget (identify surplus or deficit)
6. **View and review** frequently (update it, track spending)

Keys to success

- Make it simple. Use categories that make sense to you
- Stick with it. You won't get it right immediately, but you will get better

The supercharger

- Be accountable to someone you respect
- Structure your bank account

BEING ON TOP OF YOUR MONEY IS SO EMPOWERING

CREATE YOUR OWN BUDGET

Download 3 months of your bank statements and work out exactly what you earn and spend

- Excel – google personal budget excel
- Apps – your bank may have one
- Online programme – Sorted.org.nz / Interest.co.nz
- **MyFinancialRoadmap.co.nz**
- Pen and Paper!
- **Use categories that you are comfortable with and make sense to you.**

PERSONAL MONTHLY BUDGET

PROJECTED MONTHLY INCOME	Income 1	\$4,300.00	PROJECTED BALANCE (Projected income minus expenses)	\$3,405.00
	Extra income	\$300.00		
	Total monthly income	\$4,600.00		
ACTUAL MONTHLY INCOME	Income 1	\$4,000.00	ACTUAL BALANCE (Actual income minus expenses)	\$3,064.00
	Extra income	\$300.00		
	Total monthly income	\$4,300.00		
			DIFFERENCE (Actual minus projected)	(\$541.00)

HOUSING	Projected Cost	Actual Cost	Difference
Mortgage or rent	\$1,000.00	\$1,000.00	\$0.00
Phone	\$54.00	\$100.00	-\$46.00
Electricity	\$44.00	\$56.00	-\$12.00
Gas	\$22.00	\$28.00	-\$6.00
Water and sewer	\$8.00	\$8.00	\$0.00
Cable	\$34.00	\$34.00	\$0.00
Waste removal	\$10.00	\$10.00	\$0.00
Maintenance or repairs	\$23.00	\$0.00	\$23.00
Supplies	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$0.00	\$0.00
Subtotal			-\$41.00

TRANSPORTATION	Projected Cost	Actual Cost	Difference
Vehicle payment			\$0.00
Bus/taxi fare			\$0.00
Insurance			\$0.00
Licensing			\$0.00
Fuel			\$0.00
Maintenance			\$0.00
Other			\$0.00
Subtotal			\$0.00

FOOD	Projected Cost	Actual Cost	Difference
Groceries			\$0.00
Dining out			\$0.00
Other			\$0.00
Subtotal			\$0.00

ENTERTAINMENT	Projected Cost	Actual Cost	Difference
Video/DVD			\$0.00
CDs			\$0.00
Movies			\$0.00
Concerts			\$0.00
Sporting events			\$0.00
Live theater			\$0.00
Other			\$0.00
Other			\$0.00
Other			\$0.00
Subtotal			\$0.00

LOANS	Projected Cost	Actual Cost	Difference
Personal			\$0.00
Student			\$0.00
Credit card			\$0.00
Credit card			\$0.00
Credit card			\$0.00
Other			\$0.00
Subtotal			\$0.00

SAVINGS OR INVESTMENTS	Projected Cost	Actual Cost	Difference
Retirement account			\$0.00
Investment account			\$0.00
Other			\$0.00
Subtotal			\$0.00

THE CASH ENVELOPE SYSTEM

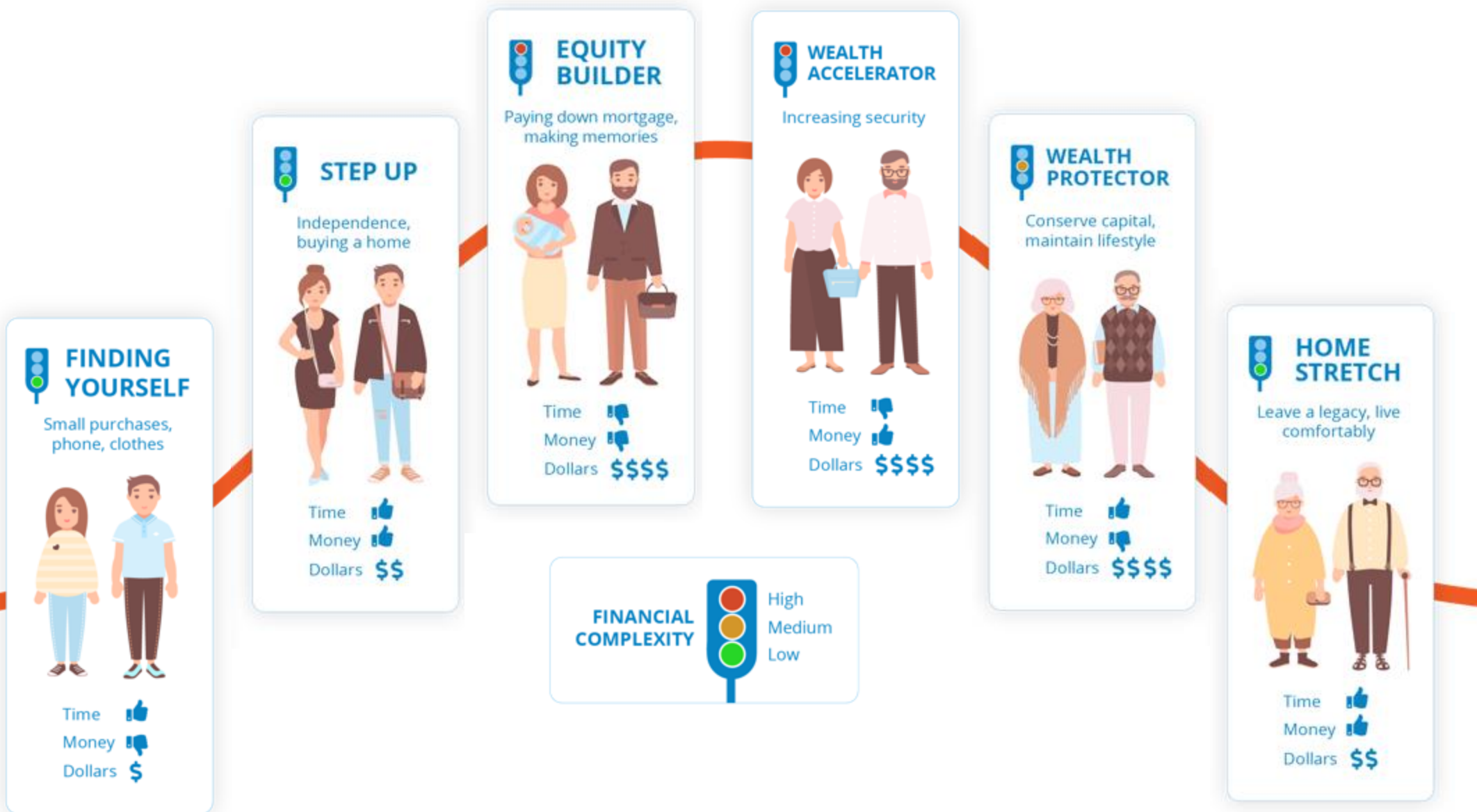


- Work out what you spend in each spending category
- Get some envelopes or jars
- Put your pay and all income in each envelope or jar in cash
- Only spend money from the correct envelope or jar / try not to transfer \$
- Money left over can go in any envelope you choose (treats jar!)
- Note: leave some money in your account for automatic payments, especially utilities

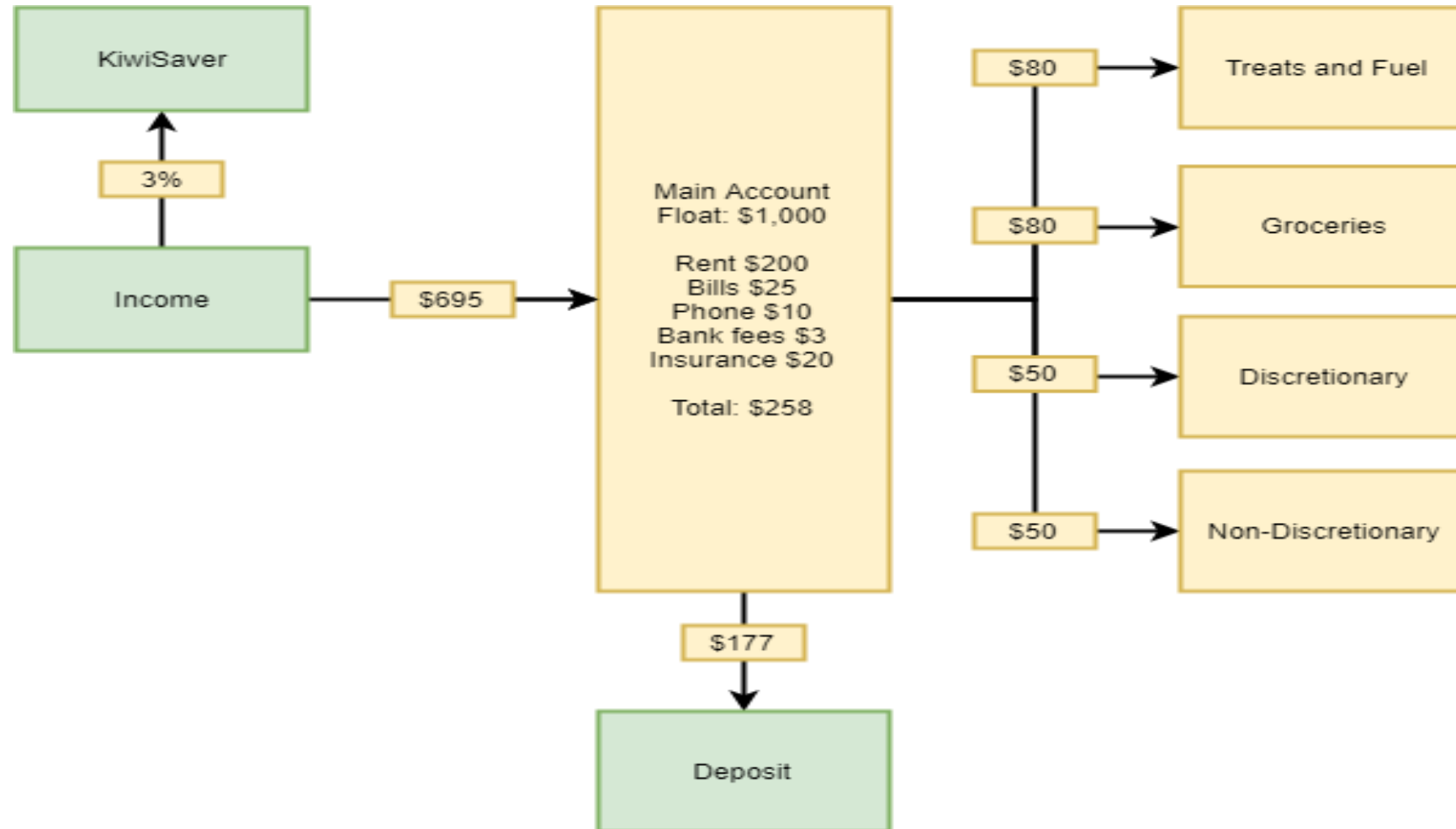
Now your spending plan is better organized...

FINANCIAL LIFE STAGES

STARTING OUT



STRUCTURE – SETTING UP YOUR ACCOUNTS



STEP UP

Independence,
buying a home

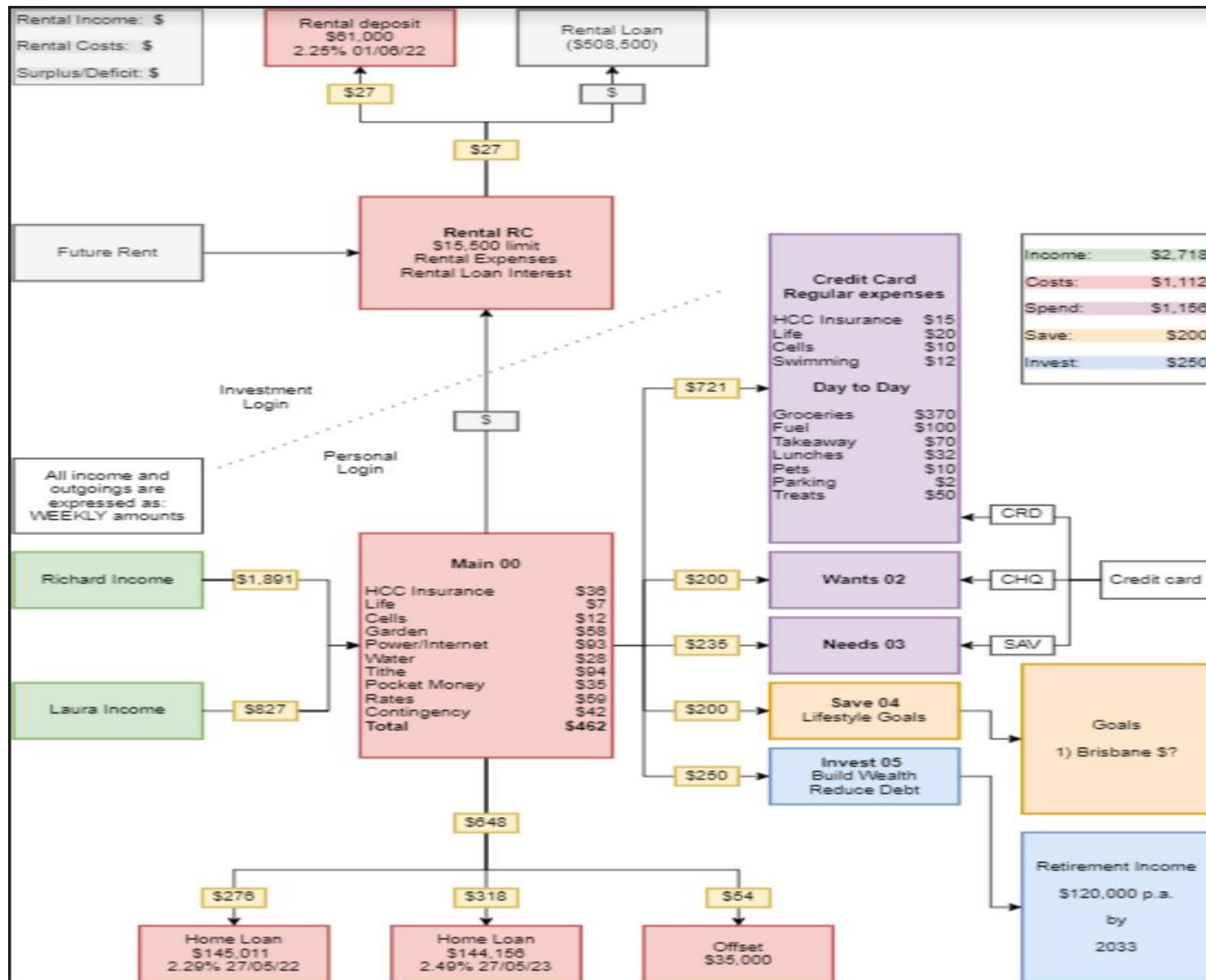


Time 
Money 
Dollars 

FINANCIAL LIFE STAGES

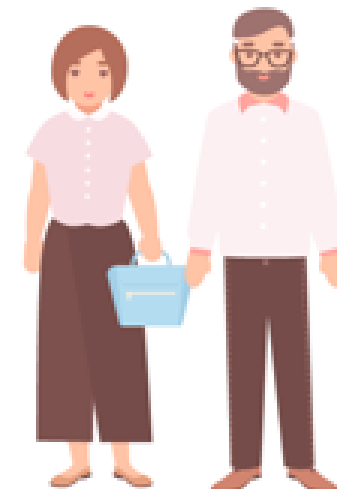
STARTING OUT





WEALTH ACCELERATOR

Increasing security



Time 
Money 
Dollars \$\$\$\$

THE KEY TAKE HOME LEARNINGS

Know your self

- Your money type
- How to be motivated
- Have a money plan
- What you want, what is important to you
- Where it goes wrong

Have a plan

- Set goals
- Follow up on your goals
- Set up processes that support you
- Remove things that make you fail

IF YOU DON'T TAKE A SINGLE STEP, YOU STAND STILL

THREE LAST THINGS

MyFinancialRoadmap.co.nz

Your Free KiwiSaver report

Your free Mortgage report / First Home Buyer



YOUR FREE MORTGAGE REPORT or a First Home Buyer Report

Who is this free mortgage report for?

- You have a mortgage currently or intend to get one
- You are planning to purchase your first home in the next few years
- Raising your Deposit
- You are not quite sure how you could:
 - Save interest
 - Get debt free faster
 - Be protected against rising interest rates

What you get in your 10-page report

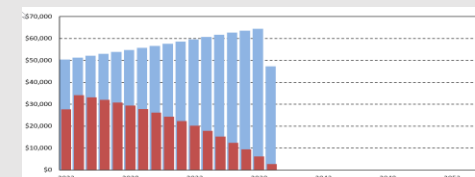
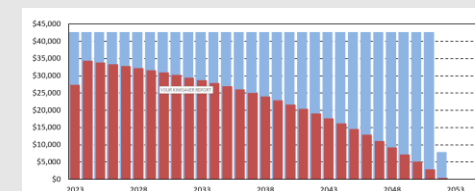
- A personalised analysis of your current lending
- Custom-built debt strategy
- A clear idea of what you could be achieving

Current				Proposed				
Loan	HL-01	HL-02	Total	HL-01	HL-02	HL-03	Offset	Total
Year	\$579,919	\$8,501	\$588,420	\$191,205	\$191,205	\$191,205	\$14,805	\$588,420
2024	6.39%	6.39%	6.39%	6.89%	6.59%	6.29%	3.01%	6.50%
2025	6.39%	6.39%	6.39%	6.29%	6.59%	6.29%	3.01%	6.31%
2026	6.39%	6.39%	6.39%	6.29%	6.29%	6.29%	3.01%	6.21%
2027	6.39%	6.39%	6.39%	6.29%	6.29%	6.29%	3.01%	6.21%
2028	6.39%	6.39%	6.39%	6.29%	6.29%	6.29%	3.01%	6.21%

Costs								
2024	\$37,057	\$543	\$37,600	\$13,174	\$12,600	\$12,027	\$446	\$38,247
2025	\$37,057	\$543	\$37,600	\$12,027	\$12,600	\$12,027	\$446	\$37,100
2026	\$37,057	\$543	\$37,600	\$12,027	\$12,027	\$12,027	\$446	\$36,526
2027	\$37,057	\$543	\$37,600	\$12,027	\$12,027	\$12,027	\$446	\$36,526
2028	\$37,057	\$543	\$37,600	\$12,027	\$12,027	\$12,027	\$446	\$36,526
			total:				total:	\$184,927

ERC	\$0
Legal	\$1,000
Cash	\$3,000
Savings	\$5,073

Making \$5,073



Saving 7 years

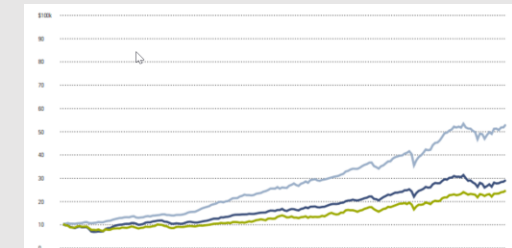
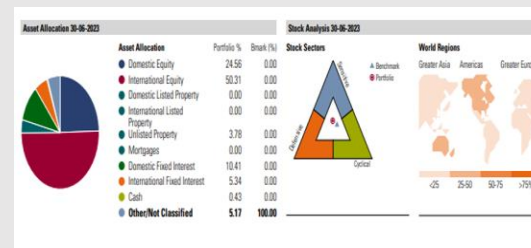
YOUR KIWISAVER REPORT

Who is this free report for?

- If you have or plan to get KiwiSaver
- If you don't know why you chose your current fund
- If you don't know if how well your fund is performing against its peers
- If you are not quite sure how to get your money working harder to build wealth for you

What you get in your 7-page report

- A personalised risk analysis to identify your correct risk category.
- An analysis of your current fund, its performance against its peers and the benchmark
- Identification of the best-performing fund in your category based on MorningStar Analytics



What is in your fund, and how is it performing?

THANK YOU, IT'S BEEN A PRIVILEGE

Please take a minute to fill out your feedback form



