

Personal Analysis Plus

For the period ending 12/31/2007

Provided By



THE DASH GROUP

DASHKEWYTCH ACCOUNTING – CGA
BUSINESS CONSULTING

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Personal Financial Report

Client ID: Michael Scott
Financial Goals: Buy a House and Reduce Debt
Occupation: Sales, paper and paper products and Account executive

Age: 35 and 25
Marital Status: Married
Location: US PA

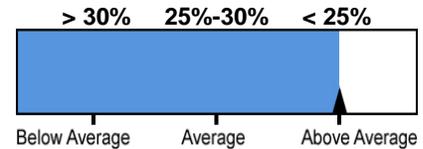
INCOME & EXPENSES



Generally, how do my personal and household earnings look?

You have a very pleasing situation here, as income and expense ratios look to be in line. It is quite impressive to see that you and your spouse are both earning high salaries compared to others in your respective lines of work and area of the country. Given your good earnings potential and the discretion you have used towards debt, it seems like you are in a good position for the years to come.

Housing Expense Ratio
 Mortgage or Rent Payment / Gross Income
 \$1,600 / \$14,000 = 11.43%



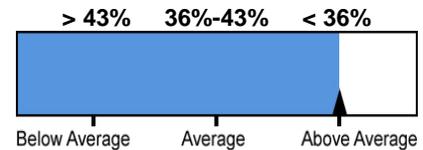
CASH FLOW



Is my household budget reasonable and how can I improve?

It is pleasing to see your strengths in the wealth and savings area at this time. You have kept your spending fairly low, as you have a great amount of your income left each month after all expenses have been paid. Having this disposable income can certainly help you enhance your situation as a whole. It looks like it may have been a factor in your ability to assemble a good bit of cash. This is also a strength for you here -- even if you lost your income, you have enough cash on hand to remain liquid for a pretty good amount of time. Thus, you have some level of safety, which is certainly a plus.

Recurring Expense Ratio
 Recurring Expenses / Gross Income
 \$2,200 / \$14,000 = 15.71%



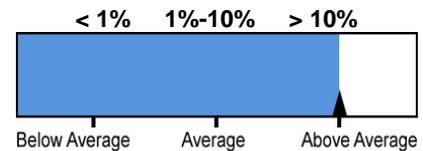
WEALTH & SAVINGS



What is my financial situation, with respect to assets and liabilities?

Generally, things look to be in line here. You have taken on some debt but have shown the ability to easily service payments on this debt. Hopefully, this debt is invested in assets that will go up in value, as this can continue to build your savings over the years. Since you already have a great net worth, you seem to be doing well and are probably making good investment decisions.

Net Profit Margin
 (Gross Income - Total Expenses) / Gross Income
 \$3,810 / \$14,000 = 27.21%



INVESTING TIPS

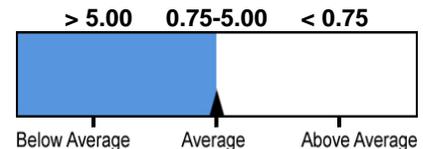
What are some simple things I can do to improve my financial situation?

💰 Since credit card debt typically carries a higher interest rate, a good strategy might be to pay all credit card debt down.

💰 Based upon where you are in life, here are some investments you might consider:

- **Mutual funds:** The volatility of these funds will depend on the aggressiveness of the manager, so you may want to do your research before selecting a particular fund. Small-cap funds, which invest in companies with smaller market values, may be a good choice for you.
- **Well selected individual publicly traded securities:** Be careful here, as you may only want to invest in companies with simple to understand products. Also, be sure to invest in companies that are consistently

Debt To Equity
 Total Liabilities / Total Equity
 \$320,000 / \$182,966 = 1.75

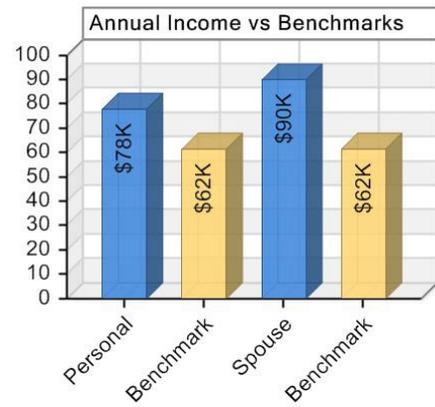


profitable. Few people are good at buying individual stocks, so caution is advised.

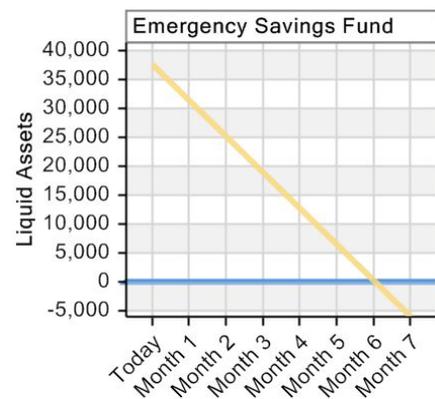
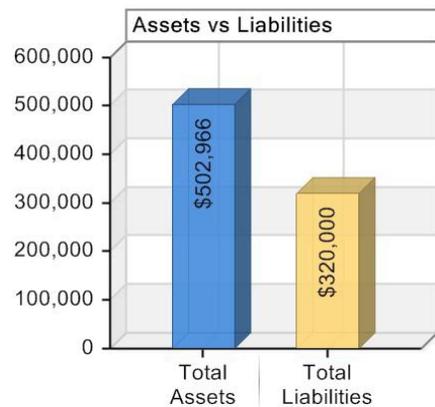
- If you are an employee of a company, see if you can get automatic deductions for savings plans, like 401 K plans and such. The best way to save is to automate the process - have your savings deducted each pay period. It may be a good idea to max out your 401 K or IRA each year, as this is one of the best ways to save for your future. As with any other investment, you do need to carefully watch your portfolio and make wise investment choices.

\$ Here is a good and basic financial checklist that you should review (this is not a complete list but it is a good start):

- Who are the financial professionals you need in life to help you make good decisions generally? Most people need a good accountant, a banker, and an insurance representative.
- Do you have a valid will? Be sure that a licensed attorney has reviewed it.
- What would happen if you were disabled - do you have disability insurance in place? It might be a good idea to see your insurance representative so you can go over all the policies you have in place and those you might require.
- Is your life insurance policy appropriate for where you are in your life? Many times, people don't take the time out to be sure they have adequate life insurance in place. Keep in mind that estate taxes can be quite high when considering how much insurance you really need.
- Try the following books to learn more about investing, generally: The Best Investment Advice I Ever Received by Liz Claman, One Up on Wall Street by Peter Lynch and John Rothchild, and The Total Money Makeover: a Proven Plan for Financial Fitness by Dave Ramsey. If you are a financial professional, two must-read investing books include The Intelligent Investor, by Benjamin Graham and Extraordinary Popular Delusions and the Madness of Crowds by Charles Mackay. Both of these are classics because of their common-sense approach to understanding financial markets and people.



* Industry Benchmarks from US Bureau of Labor Statistics



RAW DATA

Household Income (12/31/2007)

	Amount	Percent
Personal Gross Wages	\$6,500	46 %
After-Tax Income	\$4,650	33 %
Spouse Gross Wages	\$7,500	54 %
Spouse After-Tax Income	\$4,800	34 %
Total Gross Income	\$14,000	100 %
Total After-tax Income	\$9,450	68 %

Funds used for Housing and Recurring Debt Payments (12/31/2007)

	Amount	Percent
Credit Cards	\$200	9 %
Automobile Loans	\$400	18 %
Mortgages/Rent	\$1,600	73 %
Sum of Recurring Debt Payments	\$2,200	100 %
Gross Profit	\$7,250	52 %

Monthly Cash Flow Analysis (12/31/2007)

	Amount	** Average	% Difference
Food	\$420	\$1,046	-60%
Utilities	\$600	\$430	40%
Household Expenses	\$1,000	\$481	108%
Apparel (clothing and services)	\$500	\$459	9%
Transportation	\$100	\$1,526	-93%
Gasoline	\$100	\$214	-53%
Healthcare	\$120	\$382	-69%
Entertainment	\$350	\$548	-36%
Personal Care	\$250	\$119	110%
Education	\$100	\$365	-73%
Insurance	\$500	\$125	299%
Other	\$0		
Total Monthly Household Expenses	\$4,040		
Total Monthly Net Profit	\$3,210		
Regular Retirement / Investment payments	\$600		
Discretionary Income	\$3,810		

** Annual Household Gross Income between \$150,000 and \$99,999,990

Assets (12/31/2007)

	Amount	Percent
Cash / Checking / Savings / Money	\$4,522	1 %
Public Company Stocks / Bonds	\$15,222	3 %
Mutual Funds or Pooled Securities	\$16,000	3 %
All other liquid or semi-liquid assets on hand	\$2,000	0 %
Total Liquid Assets on Hand	\$37,744	8 %
Retirement Accounts	\$22,000	4 %

Approximate Value of Primary Residence	\$350,000	70 %
Automobiles	\$75,222	15 %
Furniture / Fixtures	\$5,000	1 %
Jewelry	\$13,000	3 %
Total Personal Assets / Belongings	\$465,222	92 %
Total Assets	\$502,966	100 %

Liabilities (12/31/2007)

	Amount	Percent
Balance of all Credit Cards	\$4,000	1 %
Total Current Liabilities	\$4,000	1 %
Automobile Loans	\$20,000	6 %
Loans on Primary Residence	\$296,000	93 %
Total Liabilities	\$320,000	100 %
Total Net Worth	\$182,966	

