

Name: _____ Period: _____ Date: _____

Study Notes: Managing Your Finances

A financial plan involves three steps:

- 1.
- 2.
- 3.

Seven component of a financial plan to build a solid future

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.
- 7.

_____ is the process of forecasting future expenses and income.

Net worth = _____ - _____

_____ may come from many sources such as allowance, wages, child support, interest earned on assets and monetary gifts.

_____ refers to readily available cash. If cash is not available, many people use credit.

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Typically people cannot pay cash for homes or cars so they purchase these items by _____ them.

The most common plan for _____ management is insurance. Common things that people insure are:

- 1.
- 2.
- 3.
- 4.
- 5.

_____ may be done to accumulate funds for liquidity or with the intention of earning money. Common investments include:

- 1.
- 2.
- 3.
- 4.

The _____ provides ways to save for retirement that allows you to accumulate wealth without paying taxes until you retire.

At the point of your death _____ of your finances will be important to your heirs.