

Projected Cash Flow

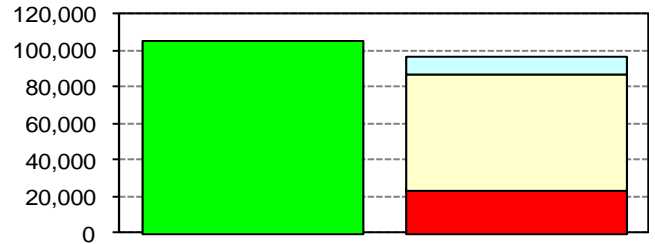
Projected after-tax income compared to income needs

Prepared for: **Bill and Mary Smith**

Prepared by: **Ken Power, MBA**

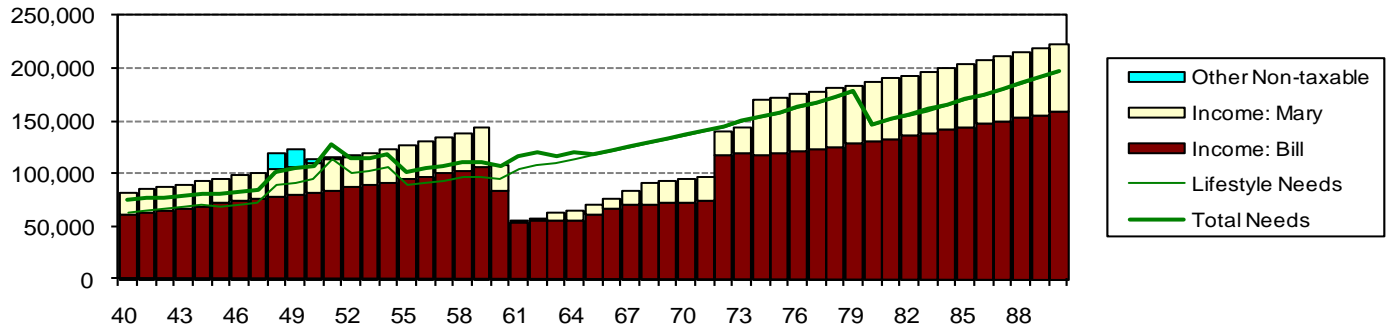
Cash Flow

Total Income	105,400	
Tax Payable	22,827	21.66%
Reinvested Growth	240	0.23%
Lifestyle Needs	63,600	60.34%
Investment Activity	10,600	10.06%
Excess / (Deficiency)	8,133	7.72%



The chart above compares your current total income from all sources to your needs including income taxes, investment activity and your lifestyle. The chart below compares your future projected lifestyle needs and investment activity to your after-tax income from all sources.

Investing excess income in the earning years helps ensure that there is sufficient capital to provide for a secure retirement. To correct a projected shortfall in the retirement years, you can invest more during the earning years, invest more efficiently, plan on working longer, or reduce your expectations for retirement income.



The chart below illustrates any excess income after taxes and lifestyle needs, but before investment activity. Normally referred to as disposable income, this is the amount annually that you have to invest for the future.

Also presented are income deficiencies, these after-tax amounts are needed in addition to your after-tax income to meet your lifestyle needs. In a successful financial plan, there will be a minimum amount of income deficiencies that will be offset by non-taxable principal withdrawals from non-registered investments.

