



## Getting a Lump Sum? ...save some

**It** is not often we receive windfalls or sums of money that come from one-off circumstances. Any lump sum income is always welcomed. Money outside our ordinary earnings can however be a tricky and easily misused blessing. Lump sums always seem big until you start spending them. The confidence and the urge to spend increase from the time we know we have a sum coming our way. Of course it's wonderful to enjoy the fruits of your hard work, but in order to really reap the benefits of any money even a small bit of planning can go a long way.

Whether it's back pay, an inheritance, winnings, earnings from investments, VSEP or retirement money, these windfalls, for the most part, come along just once in a lifetime. Can this money bring a quick fix or can it improve the quality of life for you and yours over the long term?

Of course the uses we have and find for new money depend on the circumstances of our life at the time when these strokes of good fortune meet us. We may finally have the ability to liquidate bills and debts that have been hanging over our heads for years - home improvements, a new car, education.

### How much is it

The size of the windfall is definitely the biggest factor in defining what you can do. Larger, more significant sums call for a higher degree of planning and prioritisation than smaller amounts.

### Think before you spend

Resist the desire to start spending immediately. Remember this money can have a profound impact on your future and it can be either positive or negative. It is recommended that you put your money aside in a bank account for a "cooling off period". This

will buy you time to responsibly budget for the whole amount. Don't be embarrassed to seek the professional advice of a financial advisor or planner. You can hire the services of these professionals, or your bankers can provide enough free guidance to get you on track.

### Savings

- Savings Accounts
- (Fixed) Deposits Account
- Treasury Bills
- Money Market Funds
- Credit Union Shares

### Investment

- Stocks and shares
- Bonds (in an actively traded market)
- Equity-based Mutual Funds
- Income-generating real estate

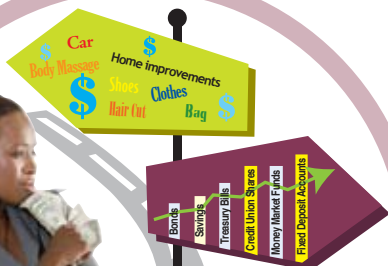


No two individuals are subject to identical circumstances and accordingly how they use resources will differ. Your age, for instance, may dictate your needs and spending priorities to a great extent. At 25 what we spend on or plan for is quite different from what you may prioritise at 50.

The ultimate objective is to use your lump sum to create and add another component to your list or portfolio of assets which, through time, will contribute to your financial independence.

### Savings and Investment Vehicles

When budgeting for your windfall you need to put aside some of it for savings and investment. While the lump sum may come at a time when you have very clear and present needs, ALWAYS put something aside. Consider any or a combination of some of the following vehicles:



**Your MONEY... Know It To GROW It!**

For further information contact us at:  
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