

TEEN EDITION

FIN LIT KIT

Create your own financial plan!



Your Guide to Financial Literacy



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WHAT IS A FINANCIAL ADVISOR?

A financial advisor is someone who helps people make sure that they have enough money to take care of themselves and the people they care about. This means that a financial advisor helps people take care of their families, their close friends, and sometimes even the other people who work with them.

As a financial advisor, your job is to give people advice and help them plan for how they make money, save money, spend money and much more.

In this book, you will complete activities that can help you figure out your own finances, and who knows? You might end up becoming a financial advisor yourself!



SECTION ONE:

Making & Saving Money



ACTIVITY #1: GET TO WORK!

Most people **make money** – also known as **income** – by getting a **job** in which a person or a company **gives you money** in exchange for **work**. Every job is different! Some may require you to go to a special kind of **school** or have a certain amount of **experience** before you can get it.

Fill out the space below with some of the jobs you might like to have someday. You can also do some research into what you'll have to study to get that job – and how much money it will pay!

Job	How many years of school do you think it takes?	How much money do you think it pays?

Another way to make money is by **starting your own business.**

The main difference between the two is that owning a business will allow you to make money based on how well the business **performs**. This will depend on how many customers you have, how happy they are with what your business provides, and how it compares to other people who have similar businesses – also known as **competition**.

In the space below, list some of the things you like to do for fun and why (or why not) it might be something you could turn into a business!

[illegible]

SAVING AND INVESTING

The third way you make money is by **saving** and **investing**. Believe it or not, money can be used to make more money!

People who are not legal adults cannot make complicated investments, but by putting your money into a **savings account**, you are giving it to the bank to make investments for you! When you make money this way, it is called **earning interest**.

ACTIVITY #3: COMPOUND INTEREST

The best way to understand how you can make a lot of money by saving a lot of money over a long period of time is to learn about **compound interest**. Here are a few sites to visit:

<https://www.thecalculatorsite.com/articles/finance/compound-interest-formula.php>

<https://www.getsmarteraboutmoney.ca/calculators/compound-interest-calculator>

TIPS FROM THE PROS:

Making & Saving Money

Use technology to learn more - safely!

Financial education from a young age will play a pivotal role in Canada's economic recovery – the more we do now, the more we can safeguard ourselves in the future.

– Robyn K. Thompson, CFP

President, Castlemark Wealth Management Inc.

Toronto, ON





SECTION TWO:

Buying and Budgeting

UNDERSTANDING NEEDS AND WANTS

As you grow up, you'll need money for two different kinds of things: stuff you **need**, and stuff you **want**.

The things you **need** to spend money on have to do with taking care of your health and well-being, as well as your family and friends. This includes eating, drinking, shelter, transportation and medical care. You might also need to spend money on things like education, which can help you make more money in the future.

The things you **want** to spend money on are the things that are fun! This includes tech, designer clothes, vacations and other purchases that can make your life easier, more convenient or more stylish!



ACTIVITY #4: NEEDS AND WANTS

In the list of words below, try to circle things that you believe are **needs** and underline things that you believe are **wants**.

Food

**Video
Games**

Clothes

Private Jet

Shelter

Swimming Pool

Medicine

Jewelry

Education

Netflix

Car

Magazines

Bed

Restaurants

Internet

Haircuts

Water

Tattoos

Cellphone

Vacations

ACTIVITY #5: TAX TIME!

Do you ever wonder who spends money to build things like **roads, power lines,** and the **pipes that bring water into your house?** The answer is: **Everyone!**

When you buy things in stores (at least in some provinces) – and later on, when you start making money – you will start paying **taxes**. Taxes are when the **government** takes a portion of what you spend and earn in order to pay for the things that everybody needs and shares with each other.

What do you think taxes pay for? Fill out the chart below and then take a guess at how much money you think it costs in Canada every year.

I think taxes pay for...	...And I think the Government spends this much of our money put together on it every year.

ACTIVITY #6: BUILD A BUDGET & REACH A GOAL!

To make sure you can save up enough money to buy the things you need and want, you'll have to make sure that you are always **making more money than you spend**. Your **income** should always be bigger than your **expenses**.

You can use the sheet below to write out your income – maybe your allowance, or money you earn from a part-time job – as well as things you might spend money on (like toys or candy!) and then figure out if something needs to change.

Income	Amount	Expense	Amount
Total		Total	

AMOUNT LEFT OVER FOR SAVINGS (INCOME MINUS EXPENSES):

AMOUNT SAVED PER YEAR:

What would you want to buy with your savings, and how many months or years would you need to save to buy it?

.....

.....

.....

.....

TIPS FROM THE PROS:

Buying and Budgeting

When it comes to budgeting, sticking to it is always easier when you have a goal.

Setting up a budget is the no-brainer of financial security. Simply put, budgets are important so that you have the money to buy what you need when you need it. It enables you to avoid things such as ridiculous credit card interest rates, and to be prepared for the unexpected – car repairs, for example.

– Taivi Tayler, CFP

*President, Tayler Insurance & Estate Planning
Barrie, ON*





SECTION THREE:

Insurance

ACTIVITY #7: A FEW OF YOUR FAVOURITE THINGS

Do you have a favorite device or piece of clothing? When you become an adult, you'll be able to protect the things that are most valuable to you by purchasing **insurance** on them.

Insurance is when you pay money to someone in exchange for the promise that they will fix or replace things if they become broken or go missing. Other types of insurance can even protect you if you get hurt or sick by providing you with the money that you need to look after yourself.

How much do you care about your favourite things? List your five most important possessions below, take a guess at how much money they are worth, and then guess at how much it might cost to buy insurance for them every month.

Favourite thing	How much money I think it is worth	How much I would pay every month to insure it

TIPS FROM THE PROS:

Insurance

Take care of your things!

Protect yourself and the people you love most!

Insurance may not be on your mind right now but understanding the importance of it will help you to be better prepared for when you get your first full time job, when you purchase a home or when you start a family. Think of insurance as a seat belt for yourself, your loved ones, your income and your hard-earned savings. Insurance can provide a financial cushion if have an unexpected illness or if you get hurt and can't go to work. It can also provide financial protection to your family if you were to pass away. The younger you are, the cheaper it is so be sure to look into insurance sooner rather than later.

– **Delta Sciur**, *BMgt Finance*

Financial Services Group

Leduc, AB





SECTION FOUR:

Retirement

ACTIVITY #8: WHAT DO YOU LIKE TO DO AFTER SCHOOL?

As a teen, **retirement** is not something you will be doing for a long time. Retirement is when older adults stop working because they can afford to live on the money they have already made over the course of their life. You might have a parent, grandparent or other family member who is retired, or who will be retiring soon.

In retirement, many people have more time to do the things that are important to them. By planning for your retirement, you can retire earlier – and with more money to enjoy!

What would you do if you could retire right now? This would mean not even going to school! List some of the things you like doing in your free time below, and how many hours a day you wish you could spend doing them.

I like to...	If I could, I would spend this many hours doing it every day...

TIPS FROM THE PROS:

Retirement

Healthy body, healthy money!

Retirement won't be something you need to think about in the near future, but you can start getting ready for it by looking after your health!

Taking care of your body by following the advice of doctors and other experts on nutrition and exercise can make a big difference in how enjoyable (and expensive!) your retirement can be.

– **Naunidh S. Hunjan (Nona)**, *CLU, CHS, EPC, CPCA, CSE*
President, Hunjan Financial Group Inc.
Brampton, ON





SECTION FIVE:

Estate Planning

ACTIVITY #9: WHAT DO YOU WANT TO SHARE WITH OTHERS?

The saddest part of life is when the people we care about pass away. Before they do, they can write down who they want to give their money and possessions to in a document called a **will**.

A will is an important part of making sure that your possessions are shared with friends and family so that they can remember how special you were. In fact, you may already be in the will of a family member or other adult and not even know it!

What are some possessions that you would like to share with your family and friends? Fill them out in the boxes below!

**Social Media
Accounts**

**Guardianship
of Pets**

Jewelry

TIPS FROM THE PROS:

Estate Planning

Who are your most important people?

Estate planning probably won't be something you need to think about right now, but it might be something that adults in your family will discuss with you as you get older. Always remember that if people leave gifts for you, it is because they want the very best for your future - and this may even include the people who you will pass your things on to next!

– **Elke Rubach**, LLB, LLM, CFP, CLU, FEA, MFA-P

*President, Rubach Wealth: Holistic Family Advisors™
Toronto, ON*





SECTION SIX:

Sharing Your Plan!

ACTIVITY #10: SHARE YOUR PLAN!

Congratulations! If you've completed the activities in this book, you now have your very own jFA Financial Plan. Your next step is to present and share it to a family member, teacher or other adult who can talk to you about it.

After discussing the plan with them, make sure to keep this plan in a **safe place** so that you can look at it again whenever you need to. Try setting a goal of returning to it **once per year** to see if you still feel the same way, and feel free to make changes to it as you go.

As you get older, your attitude about money will change as you learn more about it and become experienced with the adult responsibilities of having it. By learning more about saving, investing, working and beyond, you can start making smart decisions about money that can help you achieve a secure and happy life when you become an adult and start to make your own way in the world.

GOOD LUCK!

Check out the



game on

ROBLOX

roblox.com/games/7343676471



