VAULT MAGAZINE

BUILDING UNSHAKEABLE WEALTH FOR ACCOMPLISHED WOMEN

THE ULTIMATE Entrepreneurial Showdown:

Sole Proprietor vs Corporation

IT'S OUR TIME LADIES!

Whitney Hammond, CFP, CLU

4 Keys

to Securing and Growing Your Wealth

LOVE & MONEY

3 Secrets to a Prosperous Relatoinship

Are you an **established business owner** who feels a personal connection to the cause of **ending violence** against **vulnerable women and children**?

from Wallet to Wealth

From Wallet to Wealth is a brand created to speak to women to help, mentor, educate and inspire women to living and leading empowered lives. In 2024 our vision has expanded:

We champion women across Canada to earn more, give more, be more and prosper.

BECOME AN *Ambassador*

We're expanding across Canada to be the top fundraising team for Halton Women's Place

QUCK FACTS:

- $250,000 raised for Halton Women's Place from 2019-2023
- 5 annual Gala's with 200+ attendees
- 30+ sold out monthly events
- Growing community of 2000+ members

OUR VISION:

Our 2024 vision is to fund raise $250,000 in time for the Wallet to Wealth annual fund raiser in November 2024 in support of the Halton Women's Place.

Join the Movement:

We are determined to BUILD WOMEN UP. • www.wallettowealth.ca

For more information on how to become an ambassador!

VAULT MAGAZINE

BUILDING UNSHAKEABLE WEALTH FOR ACCOMPLISHED WOMEN

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CONTENTS

Letter from the EDITOR

Whitney Hammond, CFP, CLU

4 KEYS to Securing and Growing Your Wealth

Welcome to **VAULT**, the premier magazine dedicated to empowering women with the knowledge and tools needed to construct a robust financial future. Our mission is to demystify the world of finance, making it accessible and engaging for you, our reader. Whether you're taking your first steps into financial independence or seeking to fortify and expand your existing financial strategies, VAULT is here to guide you. Each issue delves into critical aspects of financial management, from understanding market dynamics to safeguarding your assets for generations. With expert insights, in-depth articles, and practical advice, VAULT magazine is your go-to resource for building and sustaining your financial fortress. Join us on this journey to financial empowerment and security.

I feel like a trailblazer because I started at a young age and worked tirelessly to build a significant portfolio of assets. This path wasn't common for many women, and by forging ahead, I've been able to break barriers and set new benchmarks. My deep-seated passion now lies in empowering other women to achieve similar success. I am committed to guiding you and demonstrating exactly how you can achieve these accomplishments, setting the stage for more women to lead and innovate.

As women, many of us tend to think on a smaller scale, but I believe it's crucial for us to start thinking bigger. The primary barrier to financial success is often our mindset. Truly, the main difference between having money and lacking it lies in how we perceive and approach our financial potential.

If you're reading this article, I'm going to assume you are interested in building a financial fortress. We're all striving to enhance our lives and grow our businesses. Let's explore how we can achieve these goals together.

Before we begin with the steps to building a financial fortress, I'd like to tell you a brief story that explains where I came up with this analogy.

About 20 years ago, I traveled to London with my daughter during a break between her university degrees. She was eager to see London, particularly its castles, so we planned our trip around visiting several of them. I was excited to see the old architecture, something that I think many people look forward to. When we visited the first castle, I was impressed by the protective measures, including stone walls, moats, and bridges. As we toured various castles and looked at historical artifacts, I began to wonder whether the items inside or the castles themselves were more important. Without the protective structures around them, the artifacts wouldn't have survived. This realization led me to understand why these fortresses were originally built.

In my 27 years in the financial services industry, I've come to see a common thread among people: an underlying fear of losing money. This fear reminded me of the castles' fortifications—just as the walls and moats protected valuable assets from physical threats, strategic financial planning protects our clients' assets from potential financial pitfalls.

This understanding inspired me to develop the 'Keys to the Vault', aiming to equip women with robust strategies to safeguard their financial future, much like the fortresses protected treasured artifacts. Throughout my career, working predominantly with men and their spouses, I have emphasized the importance of creating a financial fortress to secure and grow wealth with confidence.

About a year and a half ago, I reached a point where I could have easily retired, but I asked myself what I truly wanted to achieve with the next 20 years of my life. I decided that my passion is to educate women about finance, enabling them to make informed decisions independently. It's crucial to start with the right mindset. During a recent event, many women raised their hands to express their desire to build a financial fortress. If this is your goal, keep that vision firmly in mind, and you will attract the opportunities to make it a reality. This is about more than just having the intention; it's also about acquiring the knowledge and creating a solid foundation around your financial practices.

There are four crucial keys to building a financial fortress, each playing a vital role in establishing and maintaining financial stability and growth:

1. **Certainty**: This key involves having a clear understanding of your financial status and the direction you are heading. It means setting specific, measurable financial goals and developing a detailed plan to achieve them. Certainty in finance gives you the confidence to make informed decisions and stick to your financial strategies even in volatile times.

2. **Knowingness**: This refers to a deep, intuitive understanding of financial principles and the dynamics of markets. It's not just about the information you gather, but also about how well you comprehend and apply that information to benefit your financial well-being. Enhancing your knowingness involves continuous education and staying updated with financial trends and changes.

3. **Security**: Security is about safeguarding your assets and protecting your financial future. This includes everything from insurance and diversified investments to emergency funds and retirement planning. It's about creating a buffer that can withstand financial downturns and unexpected expenses.

4. **Forever**: This key focuses on the long-term growth of your wealth. It involves planning not just for your own future but also for the next generations. Strategies under this key ensure that your wealth-building efforts are not just for the short term but are sustained over lifetimes.

To comprehensively address these keys, I designed this and future editions with a variety of articles in mind. Each focusing on different aspects of these keys, providing insights and strategies that cater to various interests and needs. These articles are crafted to guide you through the process of building a robust financial fortress, ensuring that each reader can find relevant and actionable information.

Let's grow massive amounts of wealth together!

Energy flows where FOCUS GOES

“Save your pennies for a rainy day.” -- How many of us heard that expression growing up?

Is there any importance today in an old proverb such as this? And how is this possible when I am running a business that seems to be feast or famine? How much of this money is mine between taxes, HST, invoices and accounts receivable? I love the proverb, but how realistic is this in today’s world?

The more you know how to manage those “pennies”, the more you will have at the end of the day.

Business isn’t always predictable. But when you learn how to manage your money, you can feel secure during a rainy day -- or splurge when you want to! (Your choice!)

Understand your numbers so you can increase your profitability.

SUSTAINABLE, PROFITABLE BUSINESS

Energy flows where focus goes. To get what we really want in life, we need to have a clear goal that has purpose and meaning behind it. As an example, one of my goals is to have a sustainable and profitable business so that I can service and help people for the next 2 decades. When you become focused and obsessed about your goal, amazing things will happen and your penny pile will grow!

Entrepreneurs make 5 common mistakes which will rob their longevity in business. Follow these simple templates which will help any business owner to build a sustainable business and understand to focus on their numbers. “What gets measured, gets done!” ▶

5 TIPS

1
Build a business plan

I hear you, "Sigh, why do we always have to do this?" Because what we measure grows. Where focus goes, energy flows! Write your business plan for YOURSELF!!

We want to have a business plan laid out to ensure:
- What are the costs of our goods or services?
- Are we profitable?
    - What are our overhead costs?
    - How can we create a buffer for error?
    - How can we create some retained earnings for future growth?

I've designed a simple template that will set the framework for anyone who wants to start a business, to an established business owner who has been running their business for quite some time. Every business owner needs a template to model out costing and to model out growth.

What you measure grows

GOAL: sell 100 units at $1,000 Each = $100,000
(Gross Revenue)

How do I get 100 units sold?

↓

Use the 7:3:1 Ratio
Speak to 7 prospects, to get 3 appointments, to close 1 sale
(7x 100 = 700 prospects + 300 appointments to sell 100 units)

↓

Build a Sales Funnel to reach 700 prospects
Brainstorm who you can reach out to

2
Revenue – Expenses = Profit

There are 2 kinds of expenses:

Cost *(implies a return on money spent)*

Waste *(implies no return on money spent)*

Cost is an expenditure where there is a return. "The cost of doing business."

Waste is an expenditure with no return. "Lavish employee perks drain the bank account." $1,000-$350=$650 Remember this model, how much of the $350 is used to make money?

To keep top of mind in order to understand your money and see your actual profits.

From business model plan to profit

3

Profit Margin = Percentage of Revenue

Stay inspired by the impact and ripple effect you want to create -- AND do the simple math to make sure you're actually making money. When your business isn't generating a healthy profit, you aren't actually able to serve people.
In this example, each time an item is sold, this business owner will make 65% profit. Establish your profit margin.

$1,000 *(product/service price)*
- $350 *(expenses/overhead)*

= $650 profit/sale

$100,000 *(gross revenue)*
- $35,000 *(expenses/overhead)*

= **$65,000 profit**

Your package, service or product is priced at $1,000. Your overhead is $350. The remaining profit is $650. An annual goal $100,000 in sales, less $35,000 in expenses = $65,000 profit.

Now let's take this a step further and create a ratio model to retain some earnings and organize a steady pay cheque.

4

Ratio model

Retained earnings is the money left over in your company after all expenses have been paid (net profit). They can be used for cash savings, paying down debt or reinvesting back into the company to make it grow.

Once there is a cash flow, how do I create retained earnings? Money coming in and out can be confusing. What is mine? What is owed to bills? Do I have profit? This is all too confusing. Build this ratio model and the confusion will end.

Here is a ratio model to follow: 40/35/25

(Keeping with our example from step 3) Build a monthly excel spreadsheet where all your numbers are summarized into these categories:

40% *Owner Revenue*
35% *Overhead (Cost to do business)*
25% *Retained Earnings*

$100,000 ($40,000 to owner, $35,000 to overhead and $25,000 to retained earnings) Instead of having 65% profit and 35% overhead, we want to split the 65% to retain some earnings. You can work with whichever amount works with you to start. BUT DO START NOW. Even if it is 10%.

5

Retained Earnings and Personal Savings

By working with a ratio model, savings will occur. If you do not see retained earnings, review step 1-4 and increase your prices if need be.

There is no sense in running your business, if no wealth is accumulating. Business is not only about serving, it is about growth and profits. Once this nest eggs starts, some of these retained earnings can be transferred to your own personal RRSP or TFSA. Always take chips off the table. Keeping all your money in your business puts the owner at risk.

Building this discipline creates an automatic CFO template. Once you understand the numbers, you can increase your profitability and net worth. There is a cost to doing business. We need to factor in overheads and retained earnings when pricing contracts or products for sale.

Be a conductor, do not erode yourself: Build a Sustainable Profitable Business.

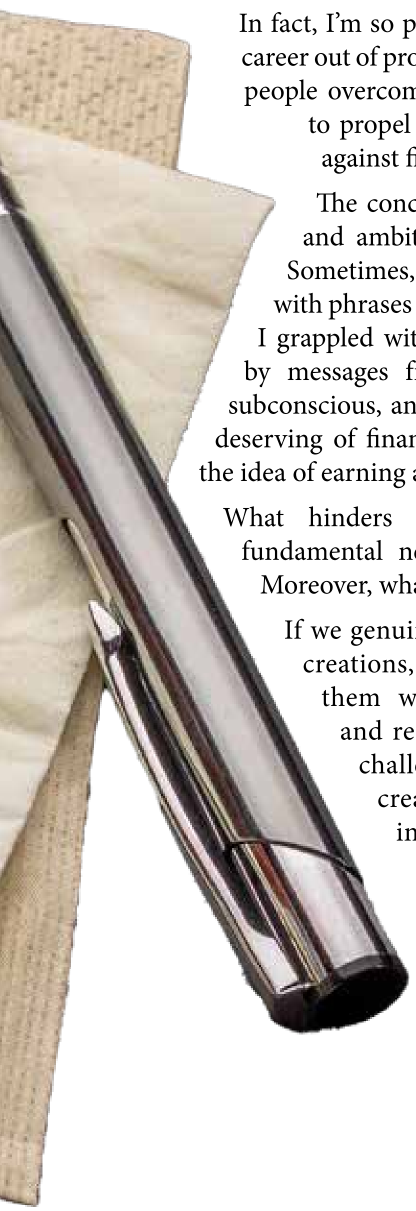
INVESTMENT OPTIONS Pros & Cons

OPTIONS:	PROS:	CONS:
STOCKS	Potential for high returns, Ownership in a corporation, Dividend income	High volatility, Potential for loss, Requires market knowledge
BONDS	Regular income through interest, Lower risk than stocks, Return of principal at maturity	Lower returns than stocks, Interest rate risk, Default risk
REAL ESTATE	Potential for high returns, Regular rental income, Real asset that often appreciates	Requires significant capital, liquid investment, Management and maintenance required
MUTUAL FUNDS	Diversification, Professional management, Variety of fund options	Fees and expenses, Less control over individual investments, Potential for loss
WHOLE LIFE POLICIES	Provides a death benefit, Potential for cash value growth, Can provide lifelong coverage	More expensive than term life insurance, Returns may be lower than other investments, Less flexibility compared to other investment options


invest
in
yourself

"I have a strong affinity for safety and security"

Whitney Hammond, CFP, CLU



In fact, I'm so passionate about it, I have made a career out of providing security solutions, helping people overcome their fears, devising strategies to propel them forward, and safeguarding against financial pitfalls.

The concept often associated with wealth and ambition carries various perceptions. Sometimes, ambition is viewed negatively with phrases like "Money is the root of all evil." I grappled with this notion myself, influenced by messages from religion, society, my own subconscious, and the internal struggle of feeling deserving of financial gain. I even struggled with the idea of earning a commission from clients.

What hinders us from fulfilling our most fundamental needs for security and survival? Moreover, what keeps us from truly thriving?

If we genuinely believe in our services and creations, we have the freedom to share them with the world, foster growth, and receive in return. This is how we challenge the misconception that creativity and financial success are incompatible.

SHIFT YOUR THINKING

Money brings up deep emotions because it is linked to messages we picked up along the way from intergenerational to societal morals. Have you heard the adage 'Money changes people' or 'Rich people are greedy'? These underlying messages can prevent us from earning and charging our worth.

Money is an energy. It is a tool to help us along the way. When money is earned, it is used to provide a standard of life for ourselves, our families, to create change and build legacies.

Let's talk about balance. Talent is rare. Being gifted is rare. These gifts have been bestowed upon us to be fruitful. Let's put our thoughts into balance and make the most of what we've been given.

Adopt these ideas instead:

- Recognize your value. As a unique resource, price your service at ten times its cost.
- Understand that there are more clients out there than you can possibly serve.
- Embrace your purpose. Let your passion drive you to serve as many as you can.
- Be prepared. You are the steward of your gift. Make the most of it.
- Creativity, not competition, shapes success. You need to be active in the game to succeed. Many will pay premium prices for your services, and these clients will lead you to even more opportunities. The more we attract, the more we can create legacies based on our vision.
- Start with a vision. Those who have created change or wealth began with just a vision and passion. Build momentum!

KNOW YOUR BURN RATE

Everyone has a specific dollar amount they need to live each month. KNOW THIS NUMBER. This is your burn rate—the amount you spend monthly to cover your living expenses.

Let's consider two examples: an entrepreneur who needs $5,000 per month and another who requires $10,000 per month due to higher overhead costs. See the breakdown here:

The $5,000/month Entrepreneur Needs to Know:

- **Sales Targets**: How many products or services must be sold each month to net $5,000 after expenses.
- **Cost Analysis**: The cost to produce or acquire each item.
- **Inventory Management**: The amount of inventory required to consistently generate $5,000 per month after expenses.
- **Tax Planning**: How much income tax to set aside each month for the $5,000 income after expenses.
- **Emergency Fund**: The amount of savings needed to cushion against slow months and prevent stress—mindset is crucial.
- **Savings Contribution**: Add 10% of this amount to a savings bucket for future security.

The $10,000/month Entrepreneur Needs to Know:

- **Fixed Costs**: Understand that "bricks and mortar" expenses are fixed and must be factored into your sales targets.
- **Profit Margin**: Your profit ratio on services, e.g., a $100 sale yielding $70 profit with $30 covering overhead.
- **Tax Separation**: Set aside taxes and HST in a separate account; never mix these funds with operational money.
- **Pricing Strategy**: Remember, you are in business to make money, so charge accordingly.

CREATE MONEY BUCKETS

To create safety and wealth, it's essential to divide your money into specific buckets. By having separate buckets with clear goals, you give your money a place to land. If there is no designated place for it, money will not flow in. Money flows to the extent that we ask for it. If we only ask for enough to cover our bills, we are merely surviving, and that is all we will receive. However, if we ask for abundance to fill our buckets and make us good stewards of this wealth, that is what we will attract.

To support you in diving with passion, not fear or mere survival, create at least 4 buckets:

Short-Term Bucket: This bucket is for immediate needs and short-term goals.

Long-Term Bucket: The long-term bucket is for savings that will be used for major expenses in the future.

Dream Bucket: This bucket is reserved for your aspirations and dream.

Retained Earnings Bucket: This refers to the funds remaining within your corporation after expenses and taxes have been paid.

(For more about the 'Bucket Method', see page 22)

SET UP SYSTEMATIC WITHDRAWS

Establish a consistent savings routine by setting up systematic withdrawals. Start with a small, manageable amount of money and make sure to save it every month. The specific amount isn't as crucial as the consistency of your savings habit.

- **Money Attracts Money**: Over my 35 years of experience, I've seen that those who start by saving pennies can build mountains of savings.

Consistency is key to building wealth, regardless of your annual income.

- **Start Now, Don't Wait**: Don't wait to pay off all your debt before you start saving. "Pay yourself first" should be a priority. Many people have some level of debt, and waiting to pay it off could delay your wealth-building by decades. Start saving today—just do it!
- **Go Broke by Saving**: If you're going to spend your money anyway, why not pay into your savings buckets each month before paying any other bills? This ensures that you prioritize your future.
- **Seek Professional Help**: Regardless of how small your investment is, research shows that seeking the advice of a financial advisor helps accumulate more wealth over time.
- **Be Proud of Your Profitability**: A bright self-esteem attracts more customers than any sales pitch or ad. Be proud of your financial achievements and let that confidence shine! Beam and build.

INVEST IN YOURSELF

Investing in yourself is crucial for both personal and financial growth. Just as there is good debt and bad debt, there is also good spending and bad spending. When considering any purchase, ask yourself if it will bring you a return on your investment.

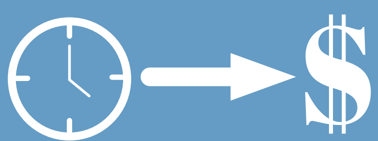
- **Evaluate Returns**: Before making a purchase, consider whether it will provide a return on your investment. Good spending should enhance your skills, knowledge, or business in a meaningful way.
- **Seek Mentorship**: Mentorship is invaluable. Many successful individuals are eager to share their knowledge and experiences. Always have a mentor who is ahead of you to guide you, and someone behind you whom you can help along the way.
- **Value Industry-Specific Coaching**: Invest in a reputable coaching program, preferably from someone within your industry. Many so-called coaches may take your money without delivering value. Industry leaders have proven their worth over time and can offer the most relevant and practical advice.
- **Pursue Knowledge**: Knowledge is power. Commit to continuous learning by reading, attending workshops, and seeking education wherever possible. This dedication will help you build a sustainable business that positively impacts those you serve.
- **Be Driven by Passion**: The most successful individuals are driven by passion, not fear, anger, or greed. Combine your passion with sustainable practices to provide exceptional service.
- Change the Narrative: It's time to reverse the stigma that creativity and financial success cannot coexist. Embrace your creative talents and use them to achieve financial prosperity.

Many of us are driven by fear, anger, or greed, but the best among us harness passion and sustainability to offer unparalleled service. It's time to reverse the stigma that passion and financial success can't coexist.

By blending your entrepreneurial spirit with sound financial practices, you can achieve extraordinary success. Embrace your vision, invest in yourself, and build a legacy that showcases the power of passion and financial abundance working hand in hand. The future is yours to shape—let your drive and determination lead the way to greatness.

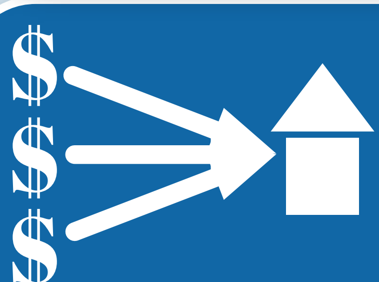
3 WAYS TO MAKE MONEY

In the realm of financial independence, understanding the various methods to make money is pivotal. Business owners and savvy investors alike recognize that the key to financial success lies in the ability to generate income from multiple sources. While exchanging time for money is a common starting point, the ultimate goal is to transition to a model where money works for you, not the other way around.



TIME FOR MONEY: This traditional approach involves exchanging your time and expertise for a paycheck. Whether you're employed full-time, part-time, or on a contract basis, this method provides a steady income stream. However, it also has limitations, as your earnings are directly tied to the hours you work. Eventually you'll run out of hours.

MONEY FOR MONEY: Investing your money to make more money is a cornerstone of wealth building. This approach includes investing in stocks, bonds, mutual funds, real estate, whole life insurance policies, or other financial instruments. By leveraging your capital wisely, you can potentially earn passive income and see your wealth grow over time.



MULTIPLE SOURCES OF INCOME: Diversifying your income streams is a smart strategy to increase your overall earnings. This can include having a side hustle, rental income from properties, dividends from investments, or royalties from creative works. By having MSI's, you're less dependent on a single source and can weather financial uncertainties more effectively.

SUCCESS
LOOKS GOOD ON YOU

EXPERT ACCOUNTING FOR EMPOWERED WOMEN

About us:

Our team of tax specialists prides itself on providing personalized service to a diverse clientele which includes freelancers, entrepreneurs and small businesses of every size and description.

Whether you are just starting out, or have been in your industry for many years; whether you are up-to-date or years behind in filing, the tax team at Ross Professional Corporation will work with you to save your money and make filing your taxes a smooth process.

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3 Secrets to a Prosperous Relatoinship

In the realm of romance, the dynamics of love and money often intertwine, shaping the course of our relationships in profound ways. Money can be a source of tension or harmony, depending on how couples navigate its complexities. Differences in financial values, spending habits, and goals can strain even the strongest relationships. However, when approached with mutual respect and open communication, money can become a tool for building a stronger bond. Couples who align their financial goals and values often find that their relationship grows deeper as they work together towards a shared vision for their future.

Listen up, everyone! By the time I turned 36, I had been through three divorces and have since remained single for 21 years. But let me be clear—it's not because I don't love men; in fact, I greatly admire them. I aspire to embody their ability to think big, which has helped me expand my own horizons and ambitions.

Being a tomboy at heart, I recognize that some traits are innate. As a woman, I naturally seek the 'nesting and safety' of my family, driven by intuition, compassion, and a fierce maternal instinct that protects my loved ones at all costs. This instinct extends to my approach to finance, where I, like many women, prioritize financial safety to feel complete and secure in my relationships. The importance of financial stability is paramount, as money has the potential to either strengthen or break down even the best of relationships. Hence, I live by three secretss:

Secret #1. Make the money

Secret #2. Keep the money

Secret #3. Build the family empire.

Now, let's delve into each of these secrets to understand how they can shape our approach to creating healthy financial relationships.

I *love* CO-CREATING *with you*

Secret #1

It's often said that 'women will marry for money,' but in reality, most women seek love, affection, and the establishment of a family in a marriage.

Look at both incomes and add them together.

- **Establish your budget**: Determine your monthly budget based on your joint income. For example, if your combined income is $8000/month and your budget is $6000/month, you'll need to decide how to allocate the remaining $2000.
- **Be mindful of your spending**: While it may be tempting to spend the extra $2000, doing so can lead to financial stress, lack of savings, and potential conflicts over money. It's important to prioritize long-term financial stability over immediate gratification.
- **Set joint financial goals**: Collaborating on goals can reignite passion in your relationship, as couples often find joy in achieving milestones together. Remember, wealth is built steadily over time, not through get-rich-quick schemes. Focus on making wise investments and building your wealth gradually.

Secret #2

How do families achieve financial stability and enjoy luxuries like a family home, cars, and vacations? The answer lies in planning and unity. In my 25 years of financial practice, I've seen that families who plan together tend to stay together. By setting clear financial goals and working as a team, families can avoid financial stress and stay connected.

- **Manage your finances wisely**: Allocate your income towards specific family goals.
- **Invest in RRSPs**: Decide on an annual contribution to your Registered Retirement Savings Plan (RRSP).
- **Create family buckets**: Establish separate funds for different purposes, such as trips, saving for a house, and short-term expenses. *(See page 22)*
- **Make decisions together**: Marriage is a partnership, and major financial decisions should be made jointly.
- **Develop a family business plan**: Outline your family's goals, net income, and annual savings targets.
- **Stay focused on your family's future**: Similar to aviation, staying on course requires a clear plan and joint effort. Falling off course can lead to financial instability and strain on your relationship.

Secret # 3

Women, it's time to embrace the building mindset that comes so naturally to men. Men are wired to take chances, build, fail, and rebuild—an ability that often leads to substantial success. However, women tend to focus more on financial security, sometimes avoiding the risks necessary for significant growth. It's essential to find a balance between building your nest egg and taking calculated risks to achieve your empire.

- Review and upgrade your family goals as needed.
- Focus together on the desired outcome, aligning your visions.
- Dare to dream big and agree on calculated risks.
- Be wary of opportunities that seem too good to be true, as they often are.
- Pursue long-term wealth through hard work, real estate, and stock market investments.
- Seek mentorship from successful individuals.
- Consider hiring an investment planner with a proven track record.
- Accumulate wealth for future generations, mentoring them to be financially responsible and dedicated to building a family legacy.

Achieving financial harmony in a relationship requires adherence to three fundamental secrets: make the money, keep the money, and build the family empire.

By establishing a clear budget, making wise investments, and working together towards shared financial goals, couples can strengthen their bond and secure a prosperous future. Remember, financial stability is not just about wealth accumulation; it's about creating a legacy that lasts for generations to come. Embrace these secrets, and watch as your relationship and your family empire flourish.

FILL YOUR BUCKETS

The fear and confusion surrounding money can be overwhelming, leading to feelings of powerlessness and stress. If you resonate with any of the following statements, you're not alone:

- Feeling fearful or powerless over money
- Constantly worrying about making ends meet
- Stressing about financial security in the future
- Believing you'll never afford certain things
- Comparing your financial situation to others
- Feeling restricted from enjoying life due to financial constraints
- Worrying about financial stability amid rising costs

You're in the right place to address these fears and gain control over your financial future.

Many people find themselves trapped in these negative thought patterns, but it's important to recognize that they can be changed. The list above represents the darker aspects of our financial worries, but it's possible to transform this mindset. Just as the saying 'Rome wasn't built in a day' teaches us about patience, so too does it apply to building wealth. It's crucial to understand that true wealth is not built overnight. Quick windfalls, such as lottery wins or sudden inheritances, can disappear rapidly if not managed wisely. Developing good financial habits and a patient approach are key to lasting financial success.

I've written numerous articles for various publications, and a common theme runs through all of them; Wealth is built systematically; Wealth is built over time; Consistently following a plan

Do you notice the trend?

Treating your savings like a monthly utility bill, such as your hydro bill, is a crucial mindset shift. Just as you prioritize paying your bills, 'PAY YOURSELF FIRST' should be a top priority. By making yourself a payee each month and starting a 'pay yourself' fund, you'll gradually build your wealth over time. This consistent approach will eventually show significant results.

Just as financial challenges can lead to despair, those who manage their finances responsibly often experience:

- Increased optimism and joy
- More doors open to multiple opportunities
- The ability to travel and enjoy enriching experiences
- Greater confidence stemming from their responsible actions.

To start feeling lighter and begin building your wealth, consider the following steps:

- Believe in and envision the life you desire.
- Establish four savings buckets: a short-term savings bucket, a long-term savings bucket, a dream bucket for your aspirations and a retained earnings bucket.
- Don't hesitate to ask for help. Seek out a mentor, talk to individuals who have achieved financial success, and engage with a certified financial advisor.

Recall the boundless imagination of your childhood, where big thoughts and brilliant ideas brought joy. Back then, the world was a place of curiosity and creativity. It's time to reintroduce this childlike thinking into your life:

- Envision the positive emotions associated with money flowing into your life.
- Imagine your ideal home, savings, car, or anything else you desire to manifest in your life.

This is the first step in attracting opportunity into your life. When you speak with individuals leading responsible or affluent lifestyles, they often attribute their success to a single thought or belief, coupled with the determination to live according to that belief.

Recall how, as children, we organized our toys and games, meticulously arranging and categorizing them. We separated Barbie's clothes into categories like gowns, sportswear, and sleepwear, while our Tonka vehicles were grouped into trucks and cars. Apply this same creativity and organization to your financial planning. Begin by setting up four savings buckets:

Short-Term Bucket: This bucket is for immediate needs and short-term goals. It could include funds for vacations, home improvements, or unexpected expenses.

Long-Term Bucket: The long-term bucket is for savings that will be used for major expenses in the future, such as buying a home, funding education, or retirement.

Dream Bucket: This bucket is reserved for your aspirations and dreams, whether it's starting a business, purchasing a cottage or rental property.

Reap the rewards of these behaviors. Opportunities will arise when funds are set aside in an organized fashion.

Retained Earnings Bucket: This refers to the funds remaining within your corporation after expenses and taxes have been paid. Strategic tax planning (see page 28) can accelerate the growth of your retained earnings. Retained earnings can be transferred into one or more holding companies which are creditor protected.

Set a monthly pre-authorized deposit into each of these buckets, no matter how small the amount may seem at first. Even starting with $25 a month can make a difference over time. The key is to consistently contribute to these buckets, building your nest egg and laying the foundation for your financial future.

Step two: Money attracts money!! Reap the rewards of this behavior. See 'Buckets & The Laws of the Universe on page 25.

Step Three: What have others done to get where they are? We will always grow in spades when we ask for help! Seeking guidance and learning from those who have achieved the success we desire is a powerful strategy. By studying the paths of successful individuals, we gain insights, strategies, and inspiration that can propel us toward our own goals. Whether through mentorship, networking, or studying success stories, asking for help and learning from others' experiences can provide us with valuable knowledge and direction on our journey to success.

Believe me, I've been there. I've personally experienced the incredible change that comes from:

- Believing in what's possible
- Setting up the Bucket Plan
- Asking for Help

Following these steps has transformed my life in ways I never imagined. Let your innate curiosity and creative spirit lead the way, silencing the inner critic. Trust me, this approach works wonders if you stick with it.

> "Compound interest is the eighth wonder of the world. He who understands it, earns it—he who doesn't, pays it."
>
> **Albert Einstein**

Sample Compound Interest Calculation

Starting Balance:	$10,000
Annual Return Rate (%):	7%
Duration (years):	5 yrs
Periodic Additions ($):	$1,000
Compound (Additions) Frequency:	Monthly
Investment Value:	**$85,769.15**
Contributions Total:	**$70,000.00**
Interest/Profit:	**$15,769.15**

**Calcultions from the 'Compound Interest Calc' app, IOS App Store.*

BUCKETS
& THE LAWS OF THE UNIVERSE

In the realm of financial abundance, the universal laws governing energy play a profound role. These principles guide the flow of financial energy, suggesting that our actions and intentions can significantly impact our financial outcomes. By understanding and aligning with these principles, we can effectively harness the power of the Laws to attract greater abundance and prosperity into our lives. Here is how the 'Bucket' concept works with each of the 7 Laws:

1. **Law of Perpetual Transmutation of Radiant Energy**: This law suggests that all energy, including money, is in a constant state of flux and can be transformed into different forms. By creating specific savings buckets and consistently depositing money into them, you are directing your financial energy towards growth and abundance. This focused intention can attract more financial opportunities and resources to you, as you are aligning your energy with the vibration of prosperity.
2. **Law of Relativity**: According to this law, everything is relative and your financial situation is relative to how you perceive it. By organizing your finances into specific savings buckets, you are creating a frame of reference for abundance. This shift in perception can lead to a greater awareness of the financial opportunities available to you, ultimately attracting more wealth into your life.
3. **Law of Vibration**: This law states that everything in the universe vibrates at a certain frequency. By setting up savings buckets and regularly depositing money into them, you are aligning your financial energy with the frequency of abundance. This alignment can attract more financial opportunities and resources that resonate with your vibration of prosperity.
4. **Law of Polarity**: The law of polarity suggests that everything has an opposite. By organizing your finances into specific savings buckets, you are creating a polarity between lack and abundance. This shift towards abundance can attract more opportunities for financial growth and prosperity into your life.
5. **Law of Rhythm**: This law states that everything in the universe operates in cycles and rhythms. By consistently depositing money into your savings buckets, you are establishing a rhythm of financial growth and abundance. This consistent action can attract more opportunities for financial success that align with your financial rhythm.
6. **Law of Cause and Effect**: According to this law, every action has a corresponding reaction. By creating specific savings buckets and depositing money into them, you are causing a positive financial effect. This positive financial action can attract more opportunities for financial growth and success into your life.
7. **Law of Gender**: The law of gender suggests that everything has masculine and feminine qualities. By organizing your finances into specific savings buckets and taking action to grow your wealth, you are embodying the masculine qualities of initiative and action. This proactive approach can attract more financial opportunities and resources to you, as you are demonstrating your readiness to receive abundance.

By creating specific savings buckets and regularly depositing money into them, you are aligning your financial energy with the universal laws of abundance. This focused intention and action can attract more financial opportunities and resources into your life, ultimately leading to greater prosperity and wealth.

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SOLE PROPRIETOR OR CORPORATION?
A Tax Planning Example

Sole Proprietor Income	Corporation Income
$500,000	**$500,000**
47% Average Tax Rate	**12.5%** Average Tax Rate
$265,000 Retained Earnings	**$437,500** Retained Earnings

This example has been simplified for illustration purposes. For exact savings consult a professional Accountant.

MONEY MASTERY

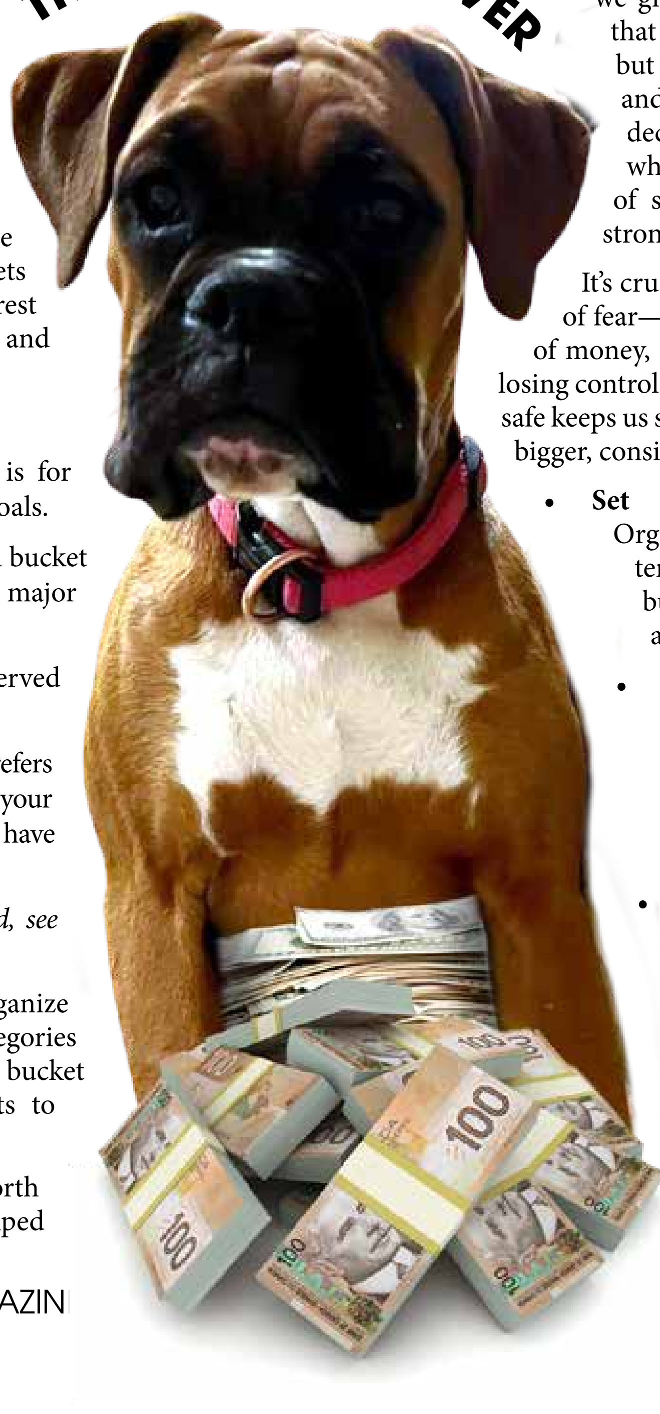
ARE YOU A HOARDER OR A SPENDER?

Money can be a source of both security and stress, often revealing contrasting attitudes towards saving and spending. Some individuals are natural savers, diligently stashing away every dollar for a rainy day. Others are more inclined to spend, viewing money as a means to enjoy life's pleasures in the present. Both approaches have their merits and drawbacks, and understanding the psychology behind these behaviors can lead to better financial management.

Chronic savers, often praised for their prudence, can sometimes struggle to enjoy the fruits of their labour. Their diligent saving habits can lead to a reluctance to spend, even when it's appropriate or beneficial. On the other hand, chronic spenders, while more inclined to enjoy life's luxuries, can sometimes find themselves in financial turmoil due to overspending.

In this article, we'll explore the psychology behind both chronic saving and chronic spending. We'll discuss the motivations behind these behaviors, the impact they can have on financial well-being, and strategies for finding a healthy balance between the two. Whether you're a chronic saver or spender, understanding your money mindset is the first step towards achieving financial mastery.

THE 'CHRONIC' SAVER



Let's explore my personal journey of recovering from the "chronic saver" mindset, a common trait I've observed among many women, whom I affectionately refer to as "nest eggers." We often pass up opportunities because we are reluctant to part with our hard-earned money, which we see as our nest egg or cocoon fund. The comfort of knowing our money is safely tucked away in the bank can make the idea of moving it into investment accounts seem like a daunting leap. I understand this hesitation because I've experienced it firsthand.

Rather than fight against this chronic saving mindset, I used it to my advantage by opening different accounts. By creating 'buckets' for play, opportunities and long term savings, I gave myself permission to spend. To activate the Law of Reciprocity (more to come on this in a moment). The key to remember is that these buckets are set up to make money themselves. There was a certain comfort in knowing that I could still see the balance grow in all of my buckets and I also knew that I had interest accumulating to be spent on fun and opportunities.

Here are the buckets I created:

Short-Term Bucket: This bucket is for immediate needs and short-term goals.

Long-Term Bucket: The long-term bucket is for savings that will be used for major expenses in the future.

Dream Bucket: This bucket is reserved for your aspirations and dream.

Retained Earnings Bucket: This refers to the funds remaining within your corporation after expenses and taxes have been paid.

(For more about the 'Bucket Method, see page 23)

Again, the "chronic saver" can organize their savings buckets into these categories and invest accordingly so that each bucket makes money, spilling out profits to spend!

It's a shift in thinking and really worth a try. I've done it myself and helped others do it too. Once the buckets are set up, more money flows in. It's an energetic phenomenon. You want more money? Try this!

Earlier in this article I mentioned the Law of Reciprocity, let's see how this Universal Law applies in this scenerio.

An important aspect for the big saver is understanding and applying the Law of Reciprocity. This principle emphasizes that adding balance to your money mix through giving can enhance the flow of money into your life. This practice is known as philanthropy. While it might feel uncomfortable for savers to part with their money, giving can actually lead to receiving more in return.

Money needs to flow in balance. When we give, we create a positive energy that not only supports worthy causes but also gives us a sense of freedom and reduces our fears. Fear-based decisions lead to small results, while decisions made from a place of strength and generosity attract stronger, more positive outcomes.

It's crucial to recognize that saving out of fear—whether it's fear of running out of money, fear of the unknown, or fear of losing control—limits our potential. Playing it safe keeps us small and restricts growth. To go bigger, consider these steps:

- **Set up your savings buckets**: Organize your finances into short-term, long-term, and dream buckets, and allow each to grow and generate interest.
- **Engage in philanthropy**: Choose a cause you care about and start giving. This act of generosity can open up new opportunities and create a flow of abundance in your life.
- **Invest with confidence**: Become an investor who sees the potential for growth and isn't afraid to make bold moves.

When we are enriched and fulfilled, more happiness comes to us, and reciprocity becomes a powerful path to financial and personal success.

THE 'CHRONIC' MIS-SPENDER

Now, let's shift our focus to the "chronic mis-spender." Just as saving can become an obsession, so too can spending money unwisely. Chronic mis-spenders often find themselves living for the moment, using money impulsively and without considering long-term financial consequences. While this behavior can lead to immediate gratification, it often results in financial instability and regret.

The psychology behind chronic mis-spending is complex and multifaceted. For many, spending money impulsively is tied to emotional satisfaction. It can serve as a way to cope with stress, boost self-esteem, or fulfill a need for social acceptance. The thrill of purchasing new items or experiences provides a temporary high, making it easy to overlook the long-term financial impact. Additionally, societal pressures and aggressive marketing strategies play significant roles in encouraging these spending behaviors. Understanding these psychological drivers is crucial for chronic mis-spenders who wish to regain control and find a healthier balance in their financial lives.

However, not all large spenders are mis-spenders. There are those who spend big because they have strategically built their financial foundation. By incorporating the concepts we discussed earlier—creating and managing savings buckets—they ensure that their money is making money. These individuals spend primarily from their *return on investment*, allowing them to enjoy a high standard of living without jeopardizing their financial security.

This approach aligns with the laws of the universe, particularly the principle of reciprocity. By spending wisely and strategically, these individuals create a positive influx of money. They invest in appreciating assets, which in turn attract more financial abundance. Understanding and applying these principles can transform poor spending habits from impulsive and detrimental to thoughtful and beneficial, ultimately bringing the energy of money back to you.

How do we do this?

- Spend your money on assets that appreciate
- Invest your money into ideas that bring returns

Only buy appreciating assets!

It's a mind shift. Invest until you make yourself broke. Want to continue seeing the money flow though your hands? Flow it into solid foundation items.

Balance is the solution. It is important not to let the pendulum swing too far on either side -playing too small or playing too big. Both can be a losing game.

We hope you win!

5 STAR Service

Alexis Duncan

★★★★★

I am so happy that i have my Investments with Sovereign Wealth. Whitney Hammond and her entire staff have provided outstanding service. I love watching my money grow and I feel so confident that I am being taken care of by a trusted company. I highly recommend this company and I really with that I came on board sooner!

Lisa Rodwin

★★★★★

I am so incredibly grateful to have found Whitney and Sovereign Wealth. Whitney has provided sound financial advice and diversified our investments to help us reach our retirement goals.

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from Wallet to Wealth

From Wallet to Wealth is a brand created to speak to women to help, mentor, educate and inspire women to living and leading empowered lives. In 2024 our vision has expanded:

We champion women across Canada to earn more, give more, be more and prosper.

EVERY LITTLE BIT *Counts*

QUCK FACTS:

- $250,000 raised for Halton Women's Place from 2019-2023
- 5 annual Gala's with 200+ attendees
- 30+ sold out monthly events
- Growing community of 2000+ members

OUR VISION:

Our 2024 vision is to fund raise $250,000 in time for the Wallet to Wealth annual fund raiser in November 2024 in support of the Halton Women's Place.

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For more information on donation options!

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