

## Debt Network Academy Financial Analysis Form Instructions

To ensure a proper analysis it is mandatory that all the numbers be correct. Because math does not lie it is important that interest rates, income amounts, monthly bills, etc. are all taken from real-time bills, not from speculation or guesstimates.

With that in mind before filling in the form gather the following information. It will help in the organization of your bills if you create a couple of physical folders to collect the following information within:

1. **Get the most recent copy of all of your bills that represent your overhead.** Such as your electric bill, your water bill, cell phone bill. In other words, any bills that you pay per month that do NOT have an interest rate associated with them.
2. **Collect one month's worth of statements from everything that you pay that is charging you interest.** Such as your Mortgage, Equity loan, Car loan, Student loan, Credit card, etc. Plus, for the Mortgage, you will need the interest rate, the original date the loan was created, the term of the loan, the monthly mortgage payment amount (this is the amount that the mortgage company requests you pay each month. Not the amount that you actually pay because you may be paying more per month than is required. For purposes of this analysis, we need to know the amount that the mortgage company requests.) The same sort of information will be needed for car loans and student loans.

However, for credit cards, we will need to know the minimum amount due as requested by the card, not what you actually pay. The current balance. The interest rate. And if the card is in some promotional period where you get a lower interest rate for six months or a year and then it goes to a higher rate.

3. **Income.** Again, for purposes of this analysis, we need to know your net take-home pay. Not the gross amount that you make but what you have in your pocket to spend out of your check after all taxes are taken out. If you work as a 1099 person you know you will need to pay taxes on those dollars, so you'll have to calculate what your net is. This will need to be for anyone contributing income to this analysis. And we will need to know if each person is being paid weekly, biweekly, monthly, etc.
4. **Discretionary income.** Now having amassed all the above information you will need to calculate your best guesstimate as to what your discretionary income is. This particular analysis will determine exactly what your discretionary income IS but to start you will use your best guesstimate. To determine your discretionary income merely take the total of your net income and subtract all the bills from number one and number two. And whatever that number represents your discretionary income.

Now with all of this information assembled you are ready to complete the financial analysis form in a printed format. Once you've printed out the form transfer all the information to the

various fields. Most importantly make sure there are no blank fields because you're going to be entering this into an online version and this way the information can be entered online in its entirety in a single pass.

When the online version is completed, submit by saving it to a new folder that you create for your digital documents related to this and then sending it off to us to initiate the analysis.

Look for a follow-up from us to set an appointment to review the analysis and see if you'd like to begin the trial period. Have all of your materials ready for this first call as the beginning part of it will be spent reviewing all the data you entered to make sure that everything is in fact correct.