

# The Advisor Series

Considerations for your interest prepared by Robin Kingsmill and the Kingsmill Wealth Management Group



## Cash Flow

There was a time when it was easy. You bought a GIC. It provided a Guaranteed Income of something like 5 or 6% which was enough to handle your monthly needs, and it kept your certificate [your Principal] intact. Guaranteed Principal and Income. Nice.

But times have changed. Now, that Guaranteed GIC Income at 1-2% is not enough to live on. How can you replicate those good old days??

The Kingsmill Wealth Management Team specialises in Fixed Incomes & Cash Flows for our Clients. We search out solid investments that will also produce a Cash Flow that is consistent and reliable; a Cash Flow that is fixed and not dependent on the fluctuations of the Market. It is not as simple to do as getting the yields of the old GICs, and **we are not saying this is guaranteed, but we look to provide reliability.**

How do we do it? In a perfect world, you have a secure and direct Cash Flow payment that is adequate for your needs *without touching your principal.*

Why is that important?

Because by respecting your Principal you are well positioned to **Own your Future™**. Although asset values will go up and down as the Market dictates, our strategy is to keep your holdings intact and *still working for you going forward.* **That's a guiding principle that gives our clients confidence.**

For example think of your assets, the Principal in your portfolio, like owning an apartment building.



Each unit in that building provides you an income: a CASH FLOW.

That Cash Flow is a regular payment to you. It is a spendable income that does not require the sale of any of the units to provide you that Cash Flow.

Your Principal, the building, remains separate and could continue to generate future income. It could grow or decline in value in the future.

The valuation of the building is one thing. The rents paid are another. They are inherently separate.

That's how you **Own your Future™**. It's a lot better than having to sell off apartments in that building to create your monthly payments. How would you have anything left to repeat this payment and generate this income if you 'ate' your principal each month for cash flow? That's not the trend we want for you.

What you want then, is that cash flow to be generated by an investment with an independent commitment to you for a payment. And *that* is our 'Secret Sauce'.

**The  
Advisor  
Series**

*Own Your  
Future*

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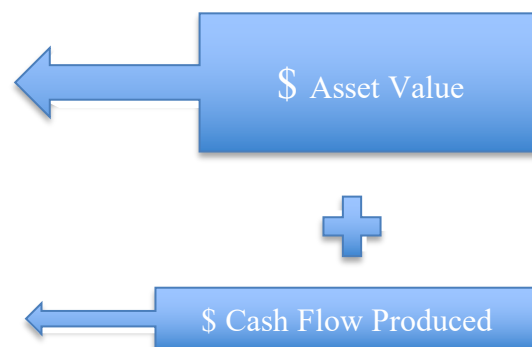
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It is such a ‘Secret Sauce’ that we *actually can provide* our Clients a *second* report so that they may see the results of how we manage their portfolios.

Report 1: The regular report that we know everyone just dives in to see, “Did my values go up or down this month?” Because Markets will move the value of your Principal.

PLUS

Report 2: ANOTHER report that will show you how much and when all the *additional payments are coming to you* in addition to that value of your Principal.  
Your Cash Flow Report.



Key to that income or Cash Flow is its consistency. Day to day. Month to month. Year to year. It may be dull but it is solid, regular and reliable.

We research and select the investments that will contribute to that Cash flow with a number of criteria:

- ✓ How worthy is that security?
- ✓ How will that investment asset generate your Cash Flow?
- ✓ We want to see that it is a strong investment with a solid future and evaluate its capital appreciation or growth potential as an asset.
- ✓ Is it a sustainable commitment to the Investor?
- ✓ A sustainable DIVIDEND payout?
- ✓ Is there an expectation of EARNINGS GROWTH?
- ✓ Does the payment rely upon drawing from your Principal?  
[Some fund payments are based on that]
- ✓ Is it a PREFERRED or COMMON share distribution?
- ✓ How does this fit into the construction balance or mix of the Portfolio and your strategy?
- ✓ Will it benefit you with a Canadian Dividend Tax Credit?
- ✓ Are there other Tax considerations unique to you?
- ✓ What is your Risk Tolerance?
- ✓ Will this distribution be affected by fluctuations in the Market?



We understand and know how to navigate these questions and design strategy effectively. We have been doing it successfully for over 30 years.

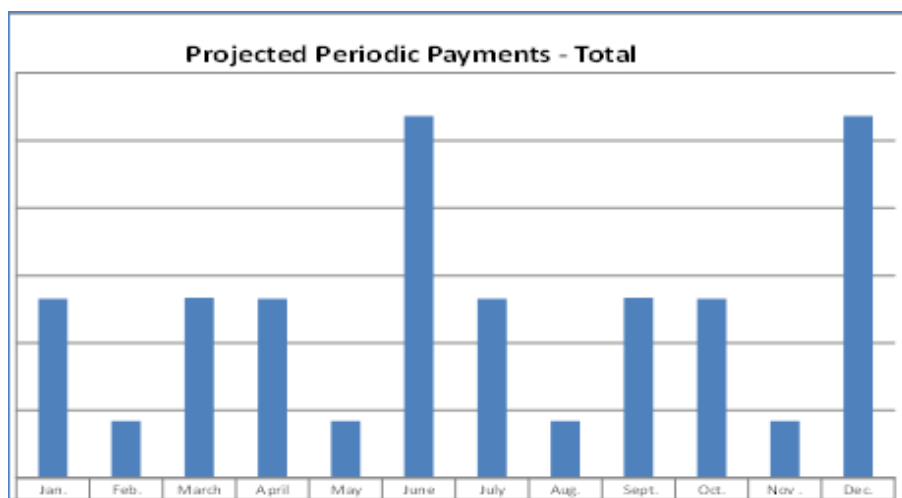
These complex considerations are of many levels and important to how we ensure your Portfolio works for you.

Our strategy to provide you investment returns is more than finding investments that we hope will skyrocket and grow big and valuable. Looking for a flyer? That's not what we are talking about.

To replicate the good old days, our strategy is to find good, solid investments with a potential to grow, looking to *provide a regular and reliable income in the target range of 5 - 6%.*<sup>1</sup>

And unlike those that believe that they only need to report to you on the current value of your principal, we believe that what your Portfolio *earns* for you is just as worthy of your consideration. **Because you can plan on it.**

This is what your Kingsmill Group's Cash Flow Report will look like:



We know all this reads like, 'just common sense' but anyone who has requested a Cash Flow Report from virtually anyone else will know that's just not so!

<sup>1</sup> Bank of Montreal

So, what makes us so different? It's details like that Cash Flow report.

Our commitment to you is straight forward:

- ✓ We aim to provide you that dependable Cash Flow.
- ✓ We aim to protect your holdings, leaving them intact as your legacy

And our guiding principle is to do that in a repeatable and reliable fashion, carefully looking after your hard earned dollars.

We are the Kingsmill Wealth Management Group. Let us help you to **Own your Future™**

We would love to talk more about this. 1-800-387-9314

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