

My 1,000 Dollar Challenge

After receiving 1,000 CAD to spend freely, my goal is to use this money in the most effective way. I aim to focus on my values in Christianity, as well as how to utilize this amount of money to reap the most amount of benefits while facing any form of unexpected declines. When asked what to do with this money, this is my take.

To start, I used the 50/20/30 rule from the book, *All Your Worth* by Elizabeth Warren, and built on that idea. Given my age as well as preferences I'll begin with putting 50% into savings and investing. I'll divide the \$500 in half for each. I'll put \$250 into a savings account at TD as it's the bank I use regularly. With the remaining \$250 for investing, my strategy will focus on my age advantage in the long term. Because of the fact that I'm 13. I'll begin by investing in a steady source over time and set my sights for a more stretched out financial plan through compound interest. By focusing on the long term, I'll be making a steady increase in money. Let's say I invest in the S&P 500, which would earn me around 10%. If I were to continue this cycle beginning at the age of 13 along with adding \$50 monthly all the way to 65 (assuming less negative economic impact occurs), I would have around \$881,000. With this profit, along with the money I have in my savings account I would be in a firm position financially. This may seem very positive, however I would simply be naive to assume crashes would be non-existent. Accounting for this, I'll put \$100 from my savings into an emergency fund in case any problems arise and progressively add more throughout each month.

In the world of spending, I'm left with \$200 for any goods I'd buy. Recently I broke my tablet due to my clumsiness. Now buying a new tablet has become a desired purchase despite owning a phone. I could simply wait on greater profits in upcoming years to buy a new tablet if desires don't change. Another main part of what I spend goes towards fast food, but mainly McDonald's. Sometimes, I may spend too much in one place, so to combat this I would set up a budget for spending up to \$50 per day.

Finally, we move on to the most personally valuable aspect of all, giving. I would like to focus on giving the most through donating my \$300, with equally towards the Salvation Army, and the Canadian Foodgrains Bank. In the Bible, it focuses on the importance of giving to others as Acts 20:25 states, "In all things I have shown you that by working hard in this way we must help the weak and remember the words of the Lord Jesus, how he himself said, 'It is more blessed to give than to receive.'"