

# The Excellent Advisor

## Personal Financial Planning

### Financial Planning, Points to Consider!

Determining what your financial goals are, let alone achieving them, can be overwhelming for most people. Seeking support and professional advice from a Certified Financial Planner is a smart decision if you don't have expertise in this particular area or the time needed for this considerable task.

Some people are unaware of the services a Certified Financial Planner provides. Others may not believe they need the assistance provided by a team of trained professionals.

A Certified Financial Planner begins by completing an analysis for your financial situation. With that assessment, the planner can create a comprehensive plan of action to help you meet your goals. A good planner will include a review of many things including, investments, retirement savings, tax planning, life insurance, disability coverage, critical illness protection, wills and estate planning.

#### **Why do you need a Certified Financial Planner?**

From a personal point of view:

**Personal attention:** Your planner will get to know you, your concerns and your goals so that the solutions proposed are tailor-made for you.

**Sounding board, educator, and coach:** Your planner will be a sounding board and will listen to your concerns. He will explain concepts and strategies and can help you achieve your goals by keeping you focused.

**Peace of mind:** Having peace

of mind means being confident that you've made the right decision. By working with a professional planner, you will take an important step towards financial peace of mind.

From a purely financial angle:

**Goal setting:** Accurately defining your goals is the first step towards making them real and a planner can help. Retiring early becomes retiring at 57. Buying a new home becomes accumulating 25% for the down payment. With clearly defined goals, it's easier to plan the steps to meet them.

**Planning:** A financial plan is the road map to your destination. Financial planning can be as simple or complex as you need it to be, and can involve investments, taxation, insurance, estate planning, and retirement planning.

**Asset allocation:** A key factor in investing success is asset allocation. The proportion of cash, equity, and fixed-income investments that you hold - and is determined by the amount of risk that you're

comfortable assuming and the time frame over which you're investing. Your planner can evaluate your current holdings and help you revamp your portfolio to boost returns and reduce risk.

**Risk Management:** All of us dream about what tomorrow will bring. While we're pretty certain that tomorrow will bring a sunrise and sunset,

what will happen is not always certain. That is why risk management is so important.

Seeing overall satisfaction:

**Professional investment selection:** Sorting through all the investment choices available can be overwhelming, but a skilled planner can narrow the field and help you make an informed choice based on your approach to risk.

**Proactive management:** With a thorough understanding of your objectives, your planner can bring opportunities to your attention. He can keep you abreast of issues that may affect your plans and then recommend necessary adjustments.

### **Protecting tomorrow:**

Risk management is an important corner stone in any financial plan. The right dollar amount and the right type of coverage will give you the peace of mind...no matter what tomorrow brings.

*Your financial needs are unique, and the advice you receive should be, too!*  
Ask yourself:

### **What do I need from a planner?**

When you understand how you can benefit from a planner, you can understand your own needs. There are different types of advisors, some who manage simple requirements and others who manage more complex plans. A Certified Financial Planner has the expertise to design a complex comprehensive financial plan to fit your goals.

Here are some factors to consider:

#### **• Your current level of financial knowledge**

If your financial knowledge is limited, the expertise of your planner will be particularly important.

#### **• The degree of involvement you want**

If you want to carry out your own investment decisions, you may want help creating an overall plan. Or, you might want your planner to manage it for you.

#### **• The complexity of your financial situation**

Family and business can increase the complexity of personal finances. A single person with no dependents will have different needs from someone with children.

#### **• The assets you have available to invest**

If you have \$20,000 to invest, your needs will be different from someone with \$250,000 available. Some Certified Financial Planners ask for a minimum.

#### **• The type of relationship you want**

You may want to establish a plan and then meet annually to review it. Or, you may want more frequent contact to discuss your progress and assess new ideas.

If you find yourself considering some or all of the above matters, a Certified Financial Planner can be the right solution for you.

This article courtesy of **Samir Stasi**, Certified Financial Planner, Toronto, Canada. The information provided is general in nature and is provided with the understanding that it may not be relied upon as, nor considered to be, the rendering of tax, legal, accounting or professional advice. Readers should consult with their own accountants and/or lawyers for advice on the specific circumstances before taking any action.

Samir can be contacted at (416) 858-0518 or by email at [stasi@TheExcellentAdvisor.com](mailto:stasi@TheExcellentAdvisor.com).