

# Financial Planning Process

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Investing is all about making your money work harder for you now, to ensure your financial growth and security in the long term.

However, in today's ever-changing financial landscape, it can be difficult to keep abreast of legislative changes and taxation rules in order to make the correct financial decisions. That's why it is important to follow the financial planning process and select an appropriate financial adviser to assist you with planning and implementing your financial strategy.

We keep the financial planning process as straightforward as possible so you'll always know where you stand.

We take you through five steps.



## 1 – Your first appointment

In your first appointment we'll help you identify your financial goals and talk about your options. You will be asked about your financial situation, your family and your goals. Our friendly approach makes all the difference. Reaching your financial goals starts with a thorough understanding of your needs and goals.

### Setting your financial goals

Key factors to consider when constructing your investment goals and objectives are:

- Time (includes both investment and individual time horizon)
- Risk (the uncertainty of loss or the possibility of a misfortune occurring)
- Return (what do you want to receive from each investment - income or capital appreciation or a little of both?)
- Inflation (a dollar today is generally not worth a dollar tomorrow - your returns are positive provided the net return from an investment is greater than the prevailing inflation rate)
- Tax (what you earn and what you keep is important - the investment and structures you may adopt must be tax efficient)

The planner will outline any fees, as well as the various payment choices available to you for the professional services associated with implementing your plan.

Now is the time to work out if the planner is right for you. After all, this is a professional person who could be offering you personalised advice for years to come. Like any relationship, you need to be satisfied the planner is suited to your

personality.

### **TIPS – Info to bring to first meeting**

At your first meeting, your financial planner will ask you about *you* – about where you are now, your expectations, about how you would like to live your life.

We will conduct something called fact finding – we will ask you about your personal circumstances and your attitude towards risk (whether you are a conservative or aggressive investor, or somewhat in between).

We will ask you for your;

- Age
- Current personal income
- Family income
- Future income (inheritances included)
- Day-to-day expenses
- Your family circumstances (number and health of dependants, etc.)
- Future expenses
- Assets and liabilities
- Tax paid and tax owed
- Super and insurance situation
- Current investments
- State of health

You will also need to have considered your goals and current financial position, including:

- When you want retire
- How you want to educate your children
- Whether a second home, like a holiday house, is important to you
- Do you have dependants you need to provide for, if you are unable to work or if you die whether you have a current will
- Whether you are expecting any large

expenses.

## **2 – Agree on a plan**

Once we've identified your financial goals it's easier for you to achieve them. A financial adviser will work closely with you to develop a financial plan that clearly:

- Summarises your current financial position
- Clarifies your future needs
- Identifies opportunities
- Sets a realistic investment strategy consistent with your goals
- Manages risk

## **3 – Presentation of the plan**

At this stage we hold another meeting to present your plan and make some recommendations designed to help you reach the goals you want to achieve.

## **4 – Actioning your plan**

With your full approval, and taking into account any changes from the previous meeting, your planner helps you put the recommendations into place. At this stage we start setting up your investments and insurance products, and possibly also restructuring your super too.

## **5 – Review your plan**

Life changes all the time and it's important that your plan has the flexibility to change with you. If you would like, we will regularly review the performance of your plan and make recommendations to keep you one step ahead.