



THE 6 STEPS IN PERSONAL FINANCIAL PLANNING

For a financial plan to accomplish its goal, which is to fulfill **YOUR** needs, it needs to encompass these 6 steps:

- 1) The first step is to clarify your current position. To do this, you, and I, as the planner, review all of the relevant information. This will entail, at least, your assets and liabilities, your tax returns, your investment, RRSP, RESP and pension statements, your insurance contracts, your Wills and Powers of Attorney for Property and Personal Care.
- 2) The next step is to clarify financial and personal goals and objectives. This step provides the foundation which determines the development of the strategies. Examples are education for children and grandchildren, early retirement, support of aging parents, etc.
- 3) The third step is to identify barriers and problems which will hinder the achievement of those goals and objectives. Too little, too much or the wrong kind of insurance, inappropriate investment vehicles, lack of tax planning, and, in some cases, lifestyle decisions will be identified as problems requiring solutions be developed.
- 4) The fourth step is the creation of recommendations including, where possible, alternatives for you to choose from. These will be strategies, not just product recommendations.
- 5) The fifth step is the implementation of the strategies developed. Nothing will change for you, unless action is taken. Contemplation of action will not help you reach your goals. The implementation may involve a number of professionals from various disciplines, often coordinated by me.
- 6) The sixth step is the review and, when necessary, revision of the plan and the strategies being used. As the cliché says, nothing is constant in this world, save change. This, then, is an ongoing process.

I would suggest that it is really a 7 step process - you have to take the first step of calling to arrange a mutually convenient appointment to begin the process.

Will you take that first step?

J. Gregory Goldsworthy BA, CLU, CFP, Ch.F.C