



## Financial planning: Where do I start?

For optimal financial planning, all seven financial planning areas should be covered: finance, investment, taxation, retirement planning, legal aspects, estate planning and insurance. Financial planners are trained to guide you through this process.

Although sometimes a financial planning mandate may be limited to one or a few of these seven areas to fulfil a specific or immediate need, ideally a complete analysis should be undertaken. Your personal finances are affected by many aspects of your life. Your personal and family situation, financial situation, tax situation, estate planning situation and risk management situation are all related and they all have an impact on your financial planning. How can you plan properly if you don't take everything into consideration? And how can you figure out where you are and where you're going?

Here is a brief overview of the factors that you should consider for your own financial health. Your financial planner can help.

### First of all, answer these three general questions:

Right now, do you think you are in a position to meet your personal and financial goals? ☐ YES ☐ NO

Do you know the difference between a financial planner, a securities broker and a group savings representative? Which one can help you with your specific needs? ☐ YES ☐ NO

Have you spoken to your financial planner over the last year? ☐ YES ☐ NO

*If you answered no, it's probably time for you to take your financial planning more seriously!*



## Personal and family situation

Your civil status has a major impact on your financial planning. The analyses and recommendations your financial planner gives you will be affected by whether you are married or in a civil union, widowed, divorced or living common-law.

### If you are married:

Do you know the rules that apply to your matrimonial regime? ☐ YES ☐ NO

Do you know how family patrimony rules will affect the break-up of your marriage or civil union? ☐ YES ☐ NO

### If you are in a common-law relationship:

Do you understand the financial impact of separating from your partner? ☐ YES ☐ NO

Have you signed a cohabitation agreement? ☐ YES ☐ NO

*If your marital status has changed or is about to change, it's important for you to tell your financial planner, because every financial planning recommendation you are given should take that change into account!*



## Financial situation

Your financial situation is the foundation of your personal financial plan. But what exactly does "financial situation" mean? Basically, it means the state of your finances. To evaluate your financial situation, you need to draw up a personal balance sheet and figure out your cost of living. Your personal balance sheet has to be completed before any recommendations can be made. To estimate your cost of living, the first step is to prepare an annual budget. You have to re-evaluate your financial situation every year.

Do you know how much you spend every year? ☐ YES ☐ NO

Do you know your annual savings capacity? Do you know whether it will allow you to achieve your short-, medium- and long-term goals? ☐ YES ☐ NO

Do you know whether you should focus on paying down your debts or saving? ☐ YES ☐ NO



## Tax situation

Your income tax returns contain a slew of information that can help you plan your financial environment. It may be a good idea to have them analysed by a professional who can identify issues or strategies you haven't thought of, in order to reduce your income taxes.

Are you taking advantage of every tax deduction and tax credit available to you? Do you have any deferred capital losses? ☐ YES ☐ NO

Are you familiar with the retirement income-splitting rules? ☐ YES ☐ NO

### If you are a self-employed businessperson or professional:

Do you know the advantages and disadvantages of incorporation? ☐ YES ☐ NO

Have you planned your business succession? ☐ YES ☐ NO



## Retirement planning situation

Retirement planning is probably the best known aspect of financial planning.

Do you know your RRSP contribution limit for this year? ☐ YES ☐ NO

Have you evaluated your projected annual cost of living in retirement? ☐ YES ☐ NO

Do you know what your sources of income will be in retirement? ☐ YES ☐ NO

Will that income be sufficient to support the lifestyle you want? ☐ YES ☐ NO





## Estate planning situation

**Your legal documents must be updated regularly to ensure they still reflect your wishes.**

Do you have a will? Has it been updated recently?

😊 YES NO 😞

Do you know how much money will be available on your death? Will it be enough to cover your debts and taxes, or will your relatives be left with the tab?

😊 YES NO 😞

Is your life insurance protection sufficient to maintain your family's cost of living in the event of your death?

😊 YES NO 😞

**If you own an incorporated business:**

Have you taken the necessary measures to ensure the survival of your business in the event of your death?

😊 YES NO 😞



## Risk management situation

**Risk management refers mainly to needs and coverage for illness, loss of property, and personal and professional liability.**

😊 YES NO 😞

Have you signed a mandate in case of incapacity? A general power of attorney?

😊 YES NO 😞

Do you know the amount of the monthly benefit you would receive in the event of a short-term disability? A long-term disability? Is it enough to cover your needs?

😊 YES NO 😞

**If you own an incorporated business:**

Do you have a shareholders or partners agreement? Does it still reflect your situation?

😊 YES NO 😞

## TAKE CONTROL OF YOUR HEALTH

Each of these situations requires reflection. Your financial planner is the right person to guide you through this reflection and undertake the various analyses that will help you make informed decisions. Your financial planner can also help you ensure that all the right steps are taken and that everything is properly monitored.

### The IQPF

**Who are we?**

The Institut québécois de planification financière (IQPF) is the only organization in Quebec authorized to grant the financial planning diploma and establish standards for the professional development of its graduates. Only IQPF graduates are authorized to use the financial planner title.

**Our mission:**

To protect the financial well-being of Quebec consumers by overseeing the training and qualification of financial planners.



Institut québécois de  
planification financière

4 Place du Commerce, suite 420  
Île-des-Sœurs, Verdun (Quebec) H3E 1J4

[www.IQPF.org](http://www.IQPF.org)

514-767-4040 or 1-800-640-4050

# CHECK YOUR FINANCIAL HEALTH, CONSULT A FINANCIAL PLANNER



Contact me for an appointment  
without any commitment.  
Gennaro Natale, B.A.Econ., Fin.Pl.  
514 996-7227 | [gennaro@serfinnatale.com](mailto:gennaro@serfinnatale.com)  
[www.groupenatale.com](http://www.groupenatale.com)



Institut québécois de  
planification financière