



FPSC FINANCIAL  
PLANNING  
STANDARDS  
COUNCIL™



get  
more  
out of  
life.



It's the value of professional advice.

# Get more out of life with a financial plan

There are more benefits to having a financial plan than you may realize. A comprehensive financial plan can help you:

- balance today's needs with your goals for the future;
- adapt to changes in your circumstances and needs;
- prepare for unexpected emergencies;
- experience peace of mind;
- achieve your life goals; and
- much, much more!

**71%**

**of people**

**engaged in comprehensive financial planning feel closer to achieving their life goals\***

A financial plan is more than just a budget, more than a path to retirement, and more than an investment plan.

**Comprehensive financial planning** is the process of creating strategies to help you best meet your life goals through the proper management of your financial affairs.

It takes a big picture look at your retirement, tax and estate planning needs, while also addressing asset management (investment), risk management (insurance) and financial management (budgeting and debt management) needs. Most importantly, financial planning also looks at how it all fits together.

Financial planning works for everyone because it is not a one size fits all solution. A sound plan will be tailored to your unique and specific needs. It is not a one-time activity, but rather an **on-going process that adapts** to your changing needs, circumstances and goals. From buying a house to ensuring your loved ones are taken care of should something happen to you to paying for a child's education, – a financial plan will help you achieve **whatever you want out of life.**

# Achieve your life goals

Life goals are unique to each of us, but one thing is clear: research has shown that having a comprehensive financial plan customized for you by a professional financial planner will help you feel significantly closer to achieving what you want out of life.

## goal

taking the vacation  
you want every year

66%  
31%

owning your own  
home

74%  
48%

having sufficient  
discretionary income to  
lead the life you want

55%  
21%

spending more  
time with family  
and/or friends

72%  
51%

being able to undertake  
the activities you enjoy  
the most

65%  
33%

having enough money to pay  
for post secondary education  
for your children

53%  
19%

comprehensive planning  
no planning

# Make financial planning work for you

To make sure you get the most out of financial planning, keep these things in mind:

**Understand the big picture** – Each decision you make may affect other areas of your life.

**Planning is about balance** – Financial planning is not about denying yourself today for some distant tomorrow. Planning for tomorrow allows you to live for today!

**Set measurable goals** – Set specific targets that will help you achieve what you want, when you want it.

**Be realistic** – Even with a financial plan, you are unlikely to see all of your financial problems solved overnight.

**Re-evaluate periodically** – Financial planning is a dynamic process. Your financial plan will need to be reviewed and updated regularly to take life changes into consideration, and ensure you remain on track.

**Be informed** – Know what to ask from your planner and what to expect from the engagement. The FPSC website ([www.fpsc.ca](http://www.fpsc.ca)) has a variety of information about financial planning, as well as other helpful resources.

invest  
in your  
future!

# Feel better about yourself...

Many Canadians have identified personal finance as one of their largest sources of stress. Feeling that your finances are out of control can have a significant detrimental impact on your well-being.

The good news is that people who engage in comprehensive financial planning feel much more confident about their financial situation, as compared to those with no financial planning.

# ...and your financial situation

People with comprehensive financial plans also have a more positive outlook about achieving their goals, and feel ready to deal with unexpected circumstances.

And although life is full of surprises, financial planning can help you feel better prepared to handle whatever life throws at you.

## Emotional well-being

My finances are out of control	17% 32%
I have a hard time achieving my life goals	30% 44%
I feel I barely get by every month	30% 57%
I worry a lot about my financial situation	44% 60%

comprehensive planning  
no planning

## Financial well-being

I am on track to reach my desired lifestyle in retirement	51% 18%
I feel prepared to manage through tough economic times	64% 33%
I feel prepared in case of a financial emergency	54% 22%
I have peace of mind	61% 36%



## Understand the value of professional advice

A financial plan can help you achieve your goals but make sure you are getting your advice from a professional: someone who is qualified, understands you and your goals, and has demonstrated the competence and ethical judgement required to take on the responsibility of helping you build your financial future.

Throughout most of Canada, financial planning is not regulated. This means that anyone can claim to be a financial planner, even though he may not possess the competence, experience, education and ethical commitment to ensure your best interest is always served.

## Look for the Certified Financial Planner® (CFP®) marks.

This is your assurance that a planner is committed to internationally recognized professional standards of competence, ethics and practice. CFP professionals represent the largest identifiable body of financial planners in Canada, with over 17,500 individuals meeting the strict standards required of the designation. CFP professionals can be found throughout the financial services industry.

In Canada, the standards for CFP professionals are set and enforced by Financial Planning Standards Council (FPSC), the only not-for-profit organization dedicated to ensuring the financial planning needs of Canadians are well served.



Visit the FPSC website at [www.fpsc.ca](http://www.fpsc.ca) and click on “Find a Planner” to search for a CFP professional in good standing in your community.

# 10 tips

for choosing  
a financial planner

## 1. Be prepared.

Do some research to maximize your familiarity with financial planning terms and strategies. While a good financial planner will explain things to you, understanding the basics will allow you to engage more with the process.

## 2. Think about your financial and personal goals.

Financial planning is about putting the right strategies in place to meet your life goals. Take the time to reflect on what's most important to you for both today and tomorrow.

## 3. Ask for referrals.

Speak with friends and family members whom you trust; ask them if they know of or have worked with financial planners they would recommend.

## 4. Your due diligence.

Get referrals from sources you trust, but also verify the planner's credentials by contacting his professional body to confirm he is in good standing.

## 5. Interview more than one planner.

Interview two or three planners, either by phone or in person, and ask them to outline their qualifications and experience. Also ask about their approach to clients and ensure they are a good fit in terms of expertise, areas of specialty, and personality.

## 6. Understand fee structures.

Planners are paid in a variety of ways (e.g., commission, fee-only, salary), so understand how a particular planner will be compensated.

## 7. Look for competence and ethics.

There are a variety of different designations in the financial services industry, and some only require day or weekend courses to earn. Others, such as Certified Financial Planner® (CFP) certification, represent high standards of experience, competence and knowledge, as well as on-going adherence to standards of practice and a code of ethics.

## 8. Get it in writing.

Insist on a written letter (sometimes referred to as an engagement letter) outlining the specific terms of the engagement and any potential conflicts of interest. It should also clearly disclose the planner's method of compensation and business affiliations.

## 9. Re-assess the relationship regularly.

Regular communication is imperative to a good relationship with your planner. Make sure your planner understands your needs as they change over time, and updates your plan accordingly.

## 10. It's all about fit.

If you don't feel comfortable discussing personal issues with a particular planner, continue your search. Honesty, trust and communication (on both sides) are crucial to the success of your planning relationship.

*accountability*

# Ask questions

It is crucial that you know the right questions to ask when you initially meet with a financial planner.

Remember, a financial planner is working for you, so it is perfectly acceptable to ask her about her credentials, what services she offers, and for references from other clients. Make sure the person helping you has proven that she is capable, and is accountable to a professional body.

Also, ask about compensation: some financial planners charge a fee, while others are compensated by commissions, salary, or a combination thereof.

Providing a financial planner access to your financial information gives them a window into your personal life; as such, finding a knowledgeable, ethical planner to work with is a serious decision. For many people, their finances are their livelihood. Ensure that the person you choose to work with understands, appreciates, and is competent to handle this responsibility.

## 10 Questions to ask a financial planner

1. What are your qualifications?
2. What experience do you have?
3. What services do you offer?
4. What is your approach to financial planning?
5. Will you be the only person working with me?
6. How will I pay for your services?
7. How much do you typically charge?
8. Could anyone besides me benefit from your recommendations?
9. Are you regulated by any organization?
10. Can I have it in writing?



# FPSC

## Developing and enforcing professional standards in financial planning for the benefit of all Canadians.

Financial Planning Standards Council (FPSC) is the only not-for-profit organization dedicated to helping Canadians improve their lives by engaging in financial planning. We certify financial planners, develop and enforce professional standards, and raise awareness of the importance of financial planning.



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## do you feel...

- In control of your finances?
- Prepared for a financial emergency?
- That you have sufficient discretionary income to lead the life you want?
- The people you care about would be financially looked after if something were to happen to you?
- Able to retire in your desired lifestyle?
- You will be able to pass along your wealth in a tax effective way?
- There is enough money to pay for post secondary education for your children?
- Your goals and aspirations are achievable?
- You have peace of mind?

**Say YES to comprehensive financial planning, and get closer to saying YES to all of these questions!**