

LOOKING TO THE FUTURE

SUCCESSFUL LIFE PLANNING ALSO REQUIRES A SIGNIFICANT DEGREE OF FINANCIAL PLANNING

We spend our lives planning for our next holiday, for a family, buying a property, funding a child's education and for the day we retire. So then why is it that some people seem to have the ability to live the life of dreams and pass on their wealth to the next generation when others are faced with huge tax bills, the prospect of selling their home or worried about healthcare costs?

Being able to realise our future plans and dreams requires objectives, information and organisation. Successful life planning also requires a significant degree of financial planning, a comprehensive picture of your current finances, your financial goals, and any strategies you've set to achieve those goals.

The planning process should be comprehensive and typically involves a close look at your personal goals, debt, income and cash flow, investments, retirement plans, tax strategies, estate plans, investment strategies, and insurance.

/// IF YOU HAD MORE TIME OR MONEY, WHAT WOULD YOU DO?

The outcome should enable any individual and their family to achieve a defined set of financial and lifestyle goals. It is a detailed process of assessing what one really wants out of life and then translating that into financial terms.

DEFINING YOUR FINANCIAL OBJECTIVES AND GOALS

Defining your goals and objectives is the foundation upon which your financial plan is based and provides a roadmap for your financial future. Begin with the end in mind. What is your life about? What do you want to do? Who do you want to do it with? Where do you want to be in 5, 10, 20 years, and how much will that cost?

Look at your financial future as a whole when outlining these goals. All of your finances are connected, so don't just focus on one aspect. Remember that they should be quantifiable and achievable with a clear and defined time frame. You need to separate your needs from your wants, and these should be reviewed periodically to capture changing circumstances and to ensure they remain relevant.

To get where you need to go, you need to know where you are starting from. What have you accumulated? What do you earn? What strategies are already in place?

Once you know where you want to go, how are you going to get there? At this point, you need to plan and devise strategies to save, invest, protect and pass on your wealth. A good plan is always in writing and has defined periods for its achievement that represent milestones and markers of success.

Now it's time to take action. You've worked out where and how - now it is a case of putting that into your financial plan. It's important to remember that as life progresses, career promotions come along, families begin and circumstances change - and your plan needs to change with them. Your plans need to be monitored, reviewed and adjusted accordingly.

Some people put off thinking about financial planning until later in life. But as a consequence, more often than not, they fail to put proper plans in place until in their mid-50s. Therefore, it is critical that you start planning your finances from as young an age as possible. As soon as you have your first job, you should start comprehensive financial planning. ■

THOUGHTFUL REFLECTION ABOUT WHAT YOU WANT



When you're figuring out how to make a life plan, it helps to know what you want to change, and in which areas of your life. Big shifts and goals require thoughtful reflection about what you want and what is standing in your way. To discuss your plans, or for any other questions or concerns you may have, please contact us.

/// WHAT DO YOU WANT TO ACCOMPLISH OR ATTAIN SO YOU WILL FEEL THAT YOU'VE HAD A LIFE WELL LIVED?

