

7 Steps to Attaining Your Financial Goals

How to
Strategically Reach
Your Financial Success




inspire
FINANCIAL
OPTIONS THAT COUNT



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Introduction

"What material success does is provide you with the ability to concentrate on other things that really matter. And that is being able to make a difference, not only in your own life, but in other people's lives."

~ Oprah Winfrey

What does success mean, really? For most it involves some type of financial security: whether it's protecting your assets, ensuring you have enough for retirement, or keeping your business investments stable. Success means different things to different people – the trick is to start by determining what success means to you.

The problem is that while many people can easily determine what success means to them, they rarely take the steps needed to obtain that success. There are several reasons why this is. One main reason is that we have a hard time depending on others to help us achieve our successes, even if those people are more qualified than we are.

Think of this: what if you decided to become a professional tennis player? Would you grab your racket, head to the court, and start training? Would this be a route to success, or would you be better off by employing a professional to help you achieve your ambitions? In order to reach your desired outcome you need to take a series of steps to get there, including finding someone who can help you achieve this success. So keep reading and learn how to get what you want out of life!

By following the tips outlined in this guide you can not only discover what success means to you, you can also take the necessary steps to get there.



1. Find a Broker You Trust

“Success is not for the timid. It is for those who seek guidance, make decisions, and take decisive action.”

~ Jose Silva

If you want financial success, whether personally or within your business, you are going to need help to get it. This doesn't mean picking up a directory or going to Google and contacting the first person that you find – this person is going to be your partner in achieving your successes, so you both need to be on the same page, which means you will need to spend some time to find the right person.

Looking locally is a good first option, as it can be easier to communicate in person about your finances than by phone or email. Meeting in person helps you get a good first impression about your broker and whether s/he is a good fit. Also ensure that your broker is easy to get a hold of, so you don't end up playing voicemail tag whenever you need to talk to them.

Secondly, don't just go with the first person you come across. Try to meet with a few brokers from different backgrounds to get an idea of which style works best for you. See what associations they are members (for instance PIBA or LIA). Are they regulated by the Central Bank? Are they a tied agent who just has an agency with one company, or are they a multi agency intermediary who can give you choice of a number of companies? If you are not sure always ask.

Most brokers should be more than willing to spend an hour or so reviewing your current financial situation and offering suggestions to help you ensure your success. Pay attention to how they interact with you, do they listen and have regard for your opinions and ideas? Do they explain everything in plain language that you understand? Do you trust that they have your best interests at heart? Do not sign anything until you are 100% comfortable.



1. Find a Broker You Trust

Thirdly, check the costs. Make sure there is full transparency as to what your broker charges, and investigate different types of cost plans to find the one that will work best for you.

Remember to check testimonials to discover how others have felt about their experience with their broker, and trust your gut feeling – it's usually right. Once you have a professional who can help you on your road to success you are ready to get started!



"Sandra Maher from Inspire Financial is a person who I trust to have my best interest at heart."

~ Ron McNamara



2. Determine What You Have

“Success and happiness are not matters of chance but choice.”

~ Zig Ziglar

Every road to success needs a starting point, for financial planning this means finding out exactly what you have, what you spend, and whether this is going to change in the immediate future. Start by collecting six month's worth of statements: bank statements, bills, credit card statements, and pay slips. Next get together any life policies, income protection policies, pension benefit statements, and investment statements. From here you can get a pretty good idea of

- a) what investments/savings you have
- b) how much money is going toward these accounts on a regular basis, and
- c) how much money is going elsewhere.

Since you are already delving into your finances, now can also be a good time to take a long and hard look at your budget. If you don't have a budget, make one. Take a look at all your expenses, and how much you spend on each category. What you find may surprise you, and you may find areas where you can easily save a few hundred per month to put towards your financial goals.

(See the Appendix for a sample budget sheet for home / business)

Tip: *When you are sorting out your expenses take time to note the difference between luxuries and necessities – when it comes down to making changes the luxuries should be the first items you look at to adjust your spending, as you don't really need them (even if you think you do).*



2. Determine What You Have

Business owners — Look at all of your monthly and annual expenses – is there room for improvement without negatively affecting your business? Are there areas where you are spending too much – such as on meals and entertainment or travel costs?

Be ruthless: you have to analyse all aspects of your spending and savings. Do you have enough for emergencies? What happens if you lose your job, or your business hits a bad patch? See if there are patterns to your spending and expenses, so you can predict them and be prepared.



“Sandra is extremely knowledgeable about the various life policies and pension products in the market place, she explains everything in layman’s terms which instills confidence that you know you’re buying the insurance and pension that is right for you. She is very flexible with her time and I would highly recommend her.”

~ Sheila McDonogh



3. Deal With the Facts

“Without a humble but reasonable confidence in your own powers you cannot be successful or happy.”

~ Norman Vincent Peale

Once you are finished analysing your finances you may not like what you see. We all have a tendency to avoid thinking about our finances because we have a gut feeling that we are not working towards our ambitions, so having it laid out in black and white can be discomfoting. Remember that you are just starting on your path towards success, from this day forward you will see vast improvement.

The key here is to face reality; how are your finances situated now, is there reason to believe they will change in the future, can you do anything now to help you achieve success more quickly?

If you feel like it is too overwhelming just take it one day at a time. Is there anything you can do today to improve your financial situation? It could be as easy as setting up a weekly or monthly standing order to a savings plan for a few euro a week. Every small thing you do to change your financial situation makes a big difference down the road. Turn down the thermostat, turn the lights off when you leave the room - it all helps you move towards financial success!

Tip: *Don't include bonuses in your income expectations – if something happens and your bonus doesn't come through at the very least it won't affect your objectives. However, when the bonus does come through you can use it to kick start your savings.*



3. Deal With the Facts

Look at your budget; are there areas where you can make improvements? Sometimes simple things can save you money, at home or at the office. For example, combining your telephone, internet, and cable service to the same company can save you 10-20% off your bill per month. While this may only amount to a few euro per month, over 12 months or a few years will add up to make a positive difference in your financial situation.

However, remember that sometimes short term cuts do not equal long term gains. Health insurance, property insurance, and maintenance and repairs are things that look like they could easily be cut from your budget, but should you run into trouble you could be out thousands or more. Instead, look for ways to cut frivolous expenses, such as company dinners, beauty treatments and expensive clothing. Remember these are not permanent changes; they are just getting you started on your path to financial success.

If your finances are majorly out of whack then it may be time to consider some serious changes to reduce your monthly expenditures. Consider downsizing your home or office to a smaller space, getting rid of a vehicle, and reducing your entertainment expenditures. While it may not seem like a fun solution, it's one that will help you get onto the road to financial success more quickly, so you can get where you want to be faster.



"Since working with Sandra from Inspire Financial I feel much more secure that I now have a pension fund that suits my needs. I am most certainly a satisfied customer."

*~ Joan Walsh,
Partnership Europe*



4. Set Your Objectives

“Like stones rolling down hills, fair ideas reach their objectives despite all obstacles and barriers. It may be possible to speed or hinder them, but impossible to stop them.”

~ Jose Marti

What do you want out of life? What financial outcomes will indicate that you have succeeded? These are the questions you should ask yourself while setting objectives. After all, how do you know how much to save and for how long, if you don't know what your objectives are? By starting from the end and working backwards you will have a much better idea of how much you need to invest to start moving towards your goal.

Sample personal objectives

- Short Term (0-12 months): Cut expenses by 5% immediately, by 10% within 12 months
- Medium Term (1-5 years): Increase investments by 5% annually, also increase amount invested to 7% of net income.
- Long Term (5-25 years): Achieve full retirement account by <year> with annual income of €

Sample business objectives

- Short Term (0-12 months): Cut business expenses by 5% immediately, by 10% within 12 months
- Medium Term (1-5 years): Increase investments by 5% annually, also increase amount invested to 7% of net income.
- Long Term (5-25 years): Increase business investments to €

Notice how in both cases the long term objectives are supplemented by the medium term objectives, and how the short term objectives work to help you achieve your medium term objectives.



4. Set Your Objectives

Work from your biggest, most long-term objective back to today, and get started. However, your goals need to be realistic given your current financial situation, unless you are planning on drastically changing your financial situation in the near future.

These objectives are not set in concrete; they are merely a guide to put you on the path to success. If your objectives change in a year, 5 years, or 10 years you can always revise your plan. However, if you realise that one or more of your financial ambitions are WAY out of reach then you need to decide whether you can adjust your style of living and income now in order to put you on track, or revise your financial goals. For example, you could drastically cut your budget, consider changing careers, or decide that you will just have to live on less later on in life.



"I repeatedly contact Sandra when I need financial advice. She has a wealth of knowledge and integrity. I would highly recommend Sandra and her team at Inspire Financial."

~ Jessica O'Callaghan



5. Make Your Plan

"Before everything else, getting ready is the secret of success."

~ Henry Ford

So at this point you have determined where you are now, and where you want to be. Excellent!! Really, not many people bother to recognise how important it is to plan for financial success in order to get it. The next step in the process is to develop a plan to get you there, because without a plan you can have very little hope of actually achieving your goals.

Think of financial success like a road trip: you know where you are starting from; you know where you want to go; and you have planned for a few stops along the way for sightseeing. However, there are many ways to get there, and some routes may take longer than others. However, if you set out on your trips without consulting a map you may just end up in the middle of nowhere, with no idea where you are going to end up. In the same vein, if you want to reach your destination as quickly as possible you may have to forego some of the tourist stops along the way.

Financial success is exactly the same – you can choose to get there quickly, but give up some of the luxuries you are used to having now, or you can take the long route. It's entirely up to you. There's also nothing stopping you from completely changing your plan as you go, particularly if you hit a roadblock or decide on a different destination (ok, we're done with that analogy now!).

Start with your goals. What do you have to do to obtain your short and medium-term financial objectives? Will these help you on your path to long-term financial success? Break down each goal into steps. Since your short-term objectives are for the next year you might as well map out the steps to take each month. For medium-term objectives you can look at markers every six months or annually. Having these steps will give you an immediate task to focus on, instead of becoming overwhelmed with what you have to accomplish to reach your final objective.



5. Make Your Plan

Your broker is there to help you, so take advantage of their knowledge and expertise. At the same time you will need to determine what level of risk you are comfortable with. We could all reach our financial goals quickly if we are willing to take a significant amount of risk; however there is also a reasonable chance that we could lose our savings if there is an unforeseen change in the market. Only you can determine what level of risk you are comfortable with, but your broker can help you along the way.

Your final plan should be somewhat flexible, so if you hit a bump in the road you can make adjustments. For example, saving a bit more than you need to is a great idea in case you have an unforeseen financial issue, so you don't end up having to catch up as much when you are back on track. Once you have your plan, make sure you understand it completely before moving forward.



Pensions and Retirement

If you are not already doing so, and regardless of your other financial objectives, saving for retirement is a key factor in ensuring long-term financial success, and the earlier you start the better.

Pensions are one of the most highly-recommended savings vehicles for retirement, since they not only offer flexibility in regards to investment types, they also offer excellent tax savings.

You can compound the effect by investing the money you would have paid in taxes into your pension or other investments. Also, don't forget that even if you do own a successful business you should plan to have a retirement account that is held separate from your business finances, so in the event that you sell your business or hand it down to the next generation, you can still retire comfortably.



5. Make Your Plan

How Much Do I Need?

One point that people get caught up on with long-term planning for retirement is determining how much they need. There are so many factors in play that it is difficult to give an exact amount. However, to get a ballpark figure you may want to ask yourself the following:

- How much do I need to live on?
- Do I want more for travel?
- Will my home be mortgage-free when I retire?
- Will I downsize my home when I retire?
- Am I considering a part-time job after retirement?
- Could I consider moving to an area with a lower cost of living?

As you can see, there are quite a few factors that affect how much you will need for retirement savings, including how much you are able to save now and in the future. Even if you are just getting started, any retirement savings you can make now will have a huge impact on your lifestyle when you are ready to stop working.

Need help? Ask your broker for some resources to help calculate your retirement savings needs.



"Inspire Finance looks after all my personal insurance policies. I know Sandra shops around for the best value insurance products. It's a really great personal service and I've recommended Inspire Financial to friends and family."

*~ Deirdre Waldron,
Fuzion Communications*



6. Full Understanding

“The noblest pleasure is the joy of understanding.”

~ Leonardo da Vinci

Do you fully understand your plan and what it entails? Do you know what you have to do, when you have to do it, and why? Sometimes failure to achieve financial success is simply due to a miscommunication between a broker and client, or difficulty understanding the concepts outlined in a financial plan. So ensuring you have full understanding of your plan and the details, is very, very important.

The first step is to sit down with your broker and go over all the plan details. If you do not understand the what, why, or when of your financial plan, ask.



6. Full Understanding

The primary components you want to understand about your financial plan are as follows:

| | |
|---|--|
| What are the plan details? | <p>When does the plan start?</p> <p>Where are the investments held?</p> <p>How much is being contributed initially?</p> <p>How much is being contributed regularly?</p> |
| Who is taking action to execute these details? | <p>Have you completed all required paperwork?</p> <p>Do you need to submit a cheque or bank draft?</p> <p>Do any other steps need to be taken?</p> |
| What changes do you have to make now, or in the future? | <p>How does this plan change your monthly budget?</p> <p>Will you need to reduce spending? By how much?</p> <p>Does the amount of regular investment decrease or increase over time?</p> |
| How often will the plan be reviewed? | <p>Do you need to call for an appointment, or will your broker call you?</p> |
| Where is the money invested (company)? | <p>How can you reach them, or does your broker handle everything?</p> <p>Who to call if your broker is unavailable?</p> |
| How is the money invested (type of investment)? | <p>Is this a tax sheltered investment?</p> <p>Do you need to make plans to pay taxes on the investment?</p> <p>Does this investment affect other types of savings (where there are limits)?</p> |
| What are the risks/returns associated with this investment? | <p>Is this investment considered low, medium, or high risk?</p> <p>Is your broker considering several types of investments to offset risk?</p> <p>What are the average returns on investment over the last 1, 5, and 10 years?</p> |
| Is there the ability to withdraw money in case of emergency? | <p>Who handles withdrawals (broker or investment company)?</p> <p>How long do withdrawals take, on average?</p> <p>What are the tax implications of withdrawals?</p> |
| Is this plan going to achieve your financial goals, or does more need to be done? | <p>What additional changes or adjustments need to be made to get you to your goals?</p> |



6. Full Understanding

Feel free to take the list of questions with you in order to ensure that you fully understand your plan, and be prepared to take notes!

The reason why it is vital that you and your broker develop a strong working relationship is that they are going to be your conduit to your investments – so they are the one who is going to help you choose your investments, but also understand how they work. Instead of nodding along and agreeing with suggestions, step back and ask questions about risks, returns, tax implications, etc. It may be that you have a concern that your broker has not considered which could change their recommendation.

Ultimately the choice of goals, plan, and investments is in your hands. Your broker is merely there to offer advice and guidance should you need it. They should be able to clearly outline each suggestion, its pros and cons, and how it affects your overall financial plan. If your broker uses complex industry jargon don't be afraid to stop them and ask for a definition in laymen's terms. Remember, this is your financial success on the line — so take control.

It may take some time to execute the first stage of your plan, so be patient. In the meantime you may want to go back to your budget and make some changes. The more you can invest towards your financial objectives, the faster you will arrive at your destination.

Don't Forget Income Protection and Life Assurance

Your plan needs to not only include how you are going to obtain financial success, whether personally or through your business, but also touch on how you are going to protect your finances in case of illness, injury, or death. There's not much point in working so hard to move toward financial success, if you could lose it all by becoming injured or sick.

Insurance is an important part of financial success – it protects you, your business, and your family from irreparable financial harm, and although an expense is absolutely necessary when it comes to protecting your assets.

Tip: Choosing a broker who can handle both investments and insurance can save you time, when planning your finances.

Why Consider Business Insurance

Do you have key people working in your business? The loss of a key employee, partner or shareholder through death or serious illness can leave a business vulnerable to unwelcome interventions and costly legal disputes.

This type of insurance is much like a mortgage protection policy taken out to cover a mortgage. The main difference is the



6. Full Understanding

beneficiary which in the case of a keyman insurance, is the company instead of the spouse. The policy is taken out to protect your business against the financial repercussions of losing a valuable employee due to critical illness or death. The benefit is to help the company financially cope without that person anymore, and give peace of mind to all partners for business continuity.

Shareholder protection is a policy or a number of policies set up to protect each shareholder in the event of another shareholder's death or critical illness. The risk to a company without shareholder protection is very serious one. If one of the shareholders dies or becomes seriously ill it can cripple a business and leave it vulnerable to unwelcome interventions and costly legal disputes. Something to think about – if a shareholder dies the next of kin would normally become the new owner of the shares and will therefore become the new director! Shareholders acquire protection insurance because they want to protect their welfare and also their family members who will receive the inheritance intended for them the quickest means possible while avoiding disruption in the business.

You've worked hard to build your business and make it successful, so don't leave yourself open to liability by not protecting key assets, including yourself and your partners.



“Thank you for your help and guidance through the minefield that is Health Insurance in Ireland today – your clear presentation and advice helped us to select the most suitable package from both the medical circumstances and budget points of view, everyone needs to know about Inspire Financial.”

~ Simon Harrison



7. Review Regularly

“To succeed in life in today's world, you must have the will and tenacity to finish the job.”

~ Chin-Ning Chu

Going back to our road trip analogy for a second – how often do you check that you are going the right way? What happens if you take a wrong turn and don't notice it, what happens? Checking in regularly on your financial plan and its progress lets you know that you are still on the right track, while also giving you early warning if something is not going as planned.

However, at the same time you don't want to check in TOO often, particularly on long-term plans. Why? Because markets are cyclical, they go up and down all the time. As long as overall you are working towards your financial goals you are on the right track, so don't stress about those momentary bumps in the road.

Short term plans, by reason of their time-frame, require more frequent checking than long-term plans; in order to give you time to make changes if needed before the plan gets too far off track. It is a good idea to check a yearly plan every other month at the least, while a long-term plan could be checked annually or semi-annually. The key here is to make sure that you are headed in the right direction, so you can make changes to your plan before you end up too far from your goal.

Beware of making too many changes too often – it may hurt you in the long run. Unless there is an absolute reason for changing your investments, don't. In many cases you may have to pay transaction or penalty fees for making changes, which can add up if you do it too often.



7. Review Regularly

What do you do if you aren't getting results from your investments, or your financial plan isn't progressing towards its goals? Then it may be time to revise either your investment plan, or your expectations. For example, you could choose investments with higher risk/return, invest more, make additional cuts to your budget to free up capital, and so on.

Whether or not you achieve financial success is entirely up to you. You need to decide what your objectives are, you need to determine the plan of action, and you need to stay on track to reach your goals. Your broker can absolutely help you get there, but in the end you are the one who is going to ensure your success.

What are you waiting for? You know what needs to be done, so get started!



"Sandra Maher is a straight talking financial adviser that really listens to what is important to you, deals with the facts, and together formulates a suitable plan. I could not recommend her highly enough."

~ Yvonne Murphy



Conclusion

“You don't have to be great to start, but you have to start to be great.”

~ Zig Ziglar

It would be lovely if there was a tried and true method to achieve financial success, wouldn't it? Although not as hard as it seems, financial success means taking the initiative and deciding what you want out of life; whether it's to enjoy what you have now and not worry about the future, or start planning for future success, even if it means a few sacrifices now.

Unless you are planning to head back to college for an economics degree you are going to need the assistance of a professional to help you with your plan. Brokers can take care of all the planning, or they can simply offer you assistance with your preferred course of action, it's up to you. The key is to be comfortable with who you choose, and how you invest your finances.

It is absolutely vital to have a plan, one that starts today and ends when you reach your objectives, whether they be retirement, the purchase of a home, or the sale of your business. Without these types of landmarks you will greatly reduce your chance of financial success.

The more you understand about your financial plan, as well as financial markets in general, the better you will be for it. Many people do not understand the cyclical nature of the financial markets, and tend to panic when there are upheavals, all which are part of how it operates. With a small investment in time you can learn more about how your investments are affected by market changes and when making changes can have a positive effect, as well as when you should leave well enough alone.

Finally, regular review of your plan helps you stay on track, even if no changes are necessary. Sometimes merely marking your progress can have a positive impact on your outlook on life, that “I'm actually getting there” feeling that helps you get through the times when you feel like your finances are never going to improve. Look for the light at the end of the tunnel!



About Us

"The difference between a successful person and others is not a lack of strength, not a lack of knowledge, but rather in a lack of will."

~ Vincent T. Lombardi

At Inspire Financial, we take the pain out of policies. We work with you from start to finish clearly explaining each step of the process. The result? A financial planning package that is easy to understand and tailored to your specific needs.

The services we provide:

- Pension planning, whether you are taking out a new one or have an existing one.
- Income protection planning for yourself, your business and your employees.
- Life and serious illness protection.
- Inheritance tax planning.
- Business protection: Key person insurance, partnership insurance, shareholder's insurance.
- Health insurance for individuals, families and group schemes.
- General insurances: House insurance, pet insurance, boat insurance, gadget insurance, travel insurance, wedding insurance, motor breakdown.

As managing director of Inspire Financial Options Sandra Maher has a proven history of giving Straight Talking Financial Advice in a wide range of personal and business situations.

Having worked in **permanent tsb** for twenty five years, Sandra has forged strong relationships

within the industry. In her role as Senior Assistant Manager at **permanent tsb** she gained extensive expertise in risk assessment, lending, debt analysis, budgeting and customer relationship management. Sandra left the bank in 2006, setting up her own business as an independent financial adviser in Cork City.

Whether you are starting out with your path to financial success and need a hand, or are unhappy with your progress so far, Sandra and her team are available to give you any assistance you need to obtain your objectives. Call her on 1890 467 747 or to contact her by email at info@inspirefinancial.ie





Appendix

Sample Budgets

| Sample Budget - Home | € |
|---|---|
| Housing (Mortgage/Rent) | |
| Food | |
| Car (Tax/Petrol) | |
| Insurance (House/Car/ | |
| Debt Repayment | |
| Entertainment / Recreation | |
| Clothing | |
| Savings | |
| Medical | |
| Misc. | |
| Childcare | |
| Utilities (Heat, Water, Phone, etc.) | |
| Property taxes | |
| Maintenance and repairs | |
| Pension (Retirement Plan) | |
| Life, Serious Illness, Income Protection Policies | |

| Sample Budget - Business | € |
|------------------------------------|---|
| Marketing | |
| Taxes | |
| Fuel | |
| Insurance | |
| Interest | |
| Legal and professional fees | |
| Maintenance and repairs | |
| Management and administration fees | |
| Meals and entertainment | |
| Car expenses | |
| Office expenses | |
| Rates | |
| Rent | |
| Salaries, Wages, Benefits | |
| Supplies | |
| Telephone and utilities | |
| Travel | |
| Other | |

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