

FINANCIAL PLANNER ABILITIES MATRIX

Financial Planning Function		ANALYSIS Considers potential opportunities and constraints and assesses information to develop strategies	
Fundamental Financial Planning Practices		2.001 Analyzes the client's objectives, needs, values and information to prioritize the Financial Planning Components 2.002 Considers inter-relationships among Financial Planning Components 2.003 Considers opportunities and constraints and assesses collected information across Financial Planning Components 2.004 Considers the impact of economic, political and regulatory environments 2.005 Measures the progress toward achievement of objectives of the financial plan	
Core Financial Planning Competencies		2.1 Considers potential opportunities and constraints to develop strategies	2.2 Assesses information to develop strategies
FINANCIAL PLANNING COMPONENTS	Financial Management	2.101 Determines whether the client is living within financial means 2.102 Determines the issues relevant to the client's assets and liabilities 2.103 Determines the client's emergency fund provision 2.104 Considers potential cash management strategies	2.201 Assesses whether the emergency fund is adequate 2.202 Assesses the impact of potential changes in income and expenses 2.203 Identifies conflicting demands on cash flow 2.204 Assesses financing alternatives
	Asset Management	2.105 Calculates required rate of return to reach the client's objectives 2.106 Determines the characteristics of investment holdings 2.107 Determines the implications of acquiring/disposing of assets 2.108 Considers potential investment strategies	2.205 Assesses whether investment return expectations are consistent with risk tolerance 2.206 Assesses whether asset holdings are consistent with risk tolerance and required rate of return
	Risk Management	2.109 Determines characteristics of existing insurance coverage 2.110 Considers current and potential risk management strategies	2.207 Assesses exposure to financial risk 2.208 Assesses the client's risk exposure against current insurance coverage and risk management strategies 2.209 Assesses the implications of changes to insurance coverage 2.210 Prioritizes the client's risk management needs
	Tax Planning	2.111 Reviews relevant tax documents 2.112 Considers potential tax strategies and structures	2.211 Evaluates existing tax strategies and structures for suitability 2.212 Assesses financial impact of tax planning alternatives
	Retirement Planning	2.113 Develops financial projections based on current position 2.114 Determines if the client's retirement objectives are realistic 2.115 Considers potential retirement planning strategies	2.213 Assesses financial requirements at retirement date 2.214 Assesses the impact of changes in assumptions on financial projections 2.215 Assesses trade-offs necessary to meet retirement objectives
	Estate Planning	2.116 Projects net worth at death 2.117 Considers constraints to meeting the client's estate planning objectives 2.118 Considers potential estate planning strategies	2.216 Calculates potential expenses and taxes owing at death 2.217 Assesses the specific needs of beneficiaries 2.218 Assesses the liquidity of the estate at death