

Personal Life Cycle
(1.3 - Personal Life Cycle)



This is a cycle that reflects the changes you go through during your life and helps you adjust your financial needs at each stage of the cycle

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Will
(1.3 - Personal Life Cycle)



This is a legal document containing instructions for what should be done with personal money and property after death

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Estate
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This is made up of everything you own

For Example, Bike and Laptop

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Dependence Stage
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1. This stage starts when you are born, you have very little concept of money or saving
2. As you grow through your teens you are still dependent on your parents/guardian

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Dependence Stage
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- Some financial concern will be
1. Full time education and career
 2. Income from part time employment
 3. Considering future financial needs and resources

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Independence Stage
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1. In your Twenties you start to gain financial independence and secure employment.
2. You will have a high level of disposable income and discretionary spending due to not having any family commitments.

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Independence Stage
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You will probably be thinking of the following

1. Finishing education
2. Starting employment
3. Start being more financially independent
4. Repaying a student loan
5. Building up regular savings

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Developing Stage
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1. At this stage (usually in your thirties & forties) will have more family and household commitments.
2. You will probably have bought a house so will be repaying back a mortgage. There is a high level of risk so insurance is important

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Developing Stage
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People in this stage are thinking about

1. Increasing their income
2. Paying a mortgage/Rent
3. Saving (Emergency fund) / Investments
4. Life Assurance/Retirement plans
5. Children's educational costs

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Pre-Retirement Stage
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1. People in this stage (usually in their fifties and sixties) will have older children. Spending on education will probably be for third level.
2. They may need to have extra health and life assurance for themselves.

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Pre-Retirement Stage
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- People in this stage are thinking about
1. Children's education (Fifties)
 2. Life assurance and health insurance (Fifties)
 3. Pension funding (Fifties)
 4. Retiring (Sixties)
 5. Checking their will (Sixties)

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Retirement
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- People at retirement will be
1. Living off savings - maybe downsizing
 2. Considering care needs

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