

Book, Software and Website Reviews

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Personal Financial Planning (2nd edition)

Kwok Ho and Chris Robinson

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Kwok Ho and Chris Robinson's *Personal Financial Planning* is an excellent textbook written for the **Canadian** personal finance class. The text is thorough and rigorous and appropriate for upper division (junior or senior) finance students. The text is clearly designed for serious financial planning students who have some finance background and want a broad based and rigorous treatment of financial planning topics. The text would not be appropriate for a service course for non-business students having no finance background. The text is thoroughly grounded in Canadian tax law, Canadian financial institutions and the Canadian economic system. This makes the text far superior to most United States based personal finance texts for a Canadian financial planning course, but makes the text inappropriate for a personal finance course in the United States.

While not divided into sections, the text follows a standard format. The introductory chapters cover time value of money (including the financial calculator), goal setting, personal financial statements and the financial planning life cycle. The two tax chapters provide an excellent discussion of personal income taxes in Canada and income tax planning. The fundamentals of risk management are covered in three chapters along with the basics of life, health and property insurance. Credit is covered in two chapters split between consumer credit and mortgages. The three investments chapters cover the basic principles of investments, types of investments and mutual funds. Retirement and estate planning are covered in two chapters. A chapter on comprehensive financial planning pulls the book together at the end with a comprehensive long-term case analysis including a suggested solution and a section on report writing. The last chapter in the text appears to be more an appendix on stochastic models for financial planning than an integral part of the book. For those wanting to cover the stochastic models, the chapter might well be covered in sections throughout the course.

The text as reviewed was in soft-cover and black-and-white. While less eye-catching than many other current texts in the field, it should also be much more cost effective for the

students and provide the students with thorough, extensive, rigorous and professional coverage of personal financial planning topics. Each chapter begins with a clear well-organized statement of learning objectives. Users of the text will find a thorough and extensive set of discussion questions and problems at the end of the chapter. Many of the problems are tied to the Texas Instruments BA-35 financial calculator and the Super Rep for Students software package.

Overall, Ho and Robinson have produced an excellent no-nonsense textbook for personal financial planning with a thoroughly Canadian orientation. For anyone in the Canadian market wanting to teach a professionally oriented personal financial planning course to upper division business students, this textbook would be an excellent choice.