

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page

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This brochure provides information about the qualifications and business practices of Provident Planning, Inc.

If you have any questions about the contents of this brochure, please contact us at (717) 715-0980 or paul@providentplan.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Provident Planning, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Provident Planning, Inc. is a Registered Investment Adviser in the Commonwealth of Pennsylvania. Registration as an investment adviser does not indicate or imply a certain level of skill or training. It simply indicates that Provident Planning, Inc. has met the registration requirements for an investment adviser in Pennsylvania.

Item 2 Material Changes

This section only discusses material changes in this brochure from Provident Planning's last Form ADV Part 2 filed on February 1, 2010.

Material changes were made to the section labeled "Item 1. A. (2), (3), & (7)" in the previously filed Form ADV Part 2 dated February 1, 2010. These changes show up in Item 5 of this brochure and will only affect Client Service Agreements after the filing of this brochure.

- The first change was to the section that previously read: "All income tax preparation fees are charged on an hourly basis at a billing rate of \$75 per hour. All other financial planning services are offered at an hourly rate of \$100 per hour. Clients may purchase hourly planning in packages of 2, 5, or 10 hours. Provident Planning also offers unlimited financial planning services at a flat fee of \$450 per quarter. These fees may be negotiable based on the client's situation and circumstances. Provident Planning receives no compensation for advice from the client or any other party except these fees."

In this brochure, this section now reads: "All income tax preparation fees are charged on an hourly basis at a billing rate of \$75 per hour. All other financial planning services are offered at an hourly rate of \$100 per hour. Clients may purchase hourly planning in packages of 2, 5, or 10 hours. Provident Planning also offers unlimited financial planning services at a flat fee of \$900 per six months. These fees may be negotiable based on the client's situation and circumstances. Provident Planning receives no compensation for advice from the client or any other party except these fees."

- The second change was to the section that previously read: "For 2 or 5 hour packages, the full fee is due upon signing the Agreement. For 10 hour packages, clients pay \$500 upon signing the Agreement and the remaining \$500 after their first 5 hours have been used."

In this brochure, this section now reads: "For 2, 5, or 10 hour packages, the full fee is due upon signing the Agreement."

- Finally, the third change was to the section that previously read: "Clients purchasing unlimited financial planning services shall submit a prorated deposit to cover the remaining days in the current quarter. The remaining quarterly fees of \$450 per quarter will be due at the beginning of each new quarter. Billing quarters for the year begin on January 1, April 1, July 1, and October 1. All Client Service Agreements are considered to be ongoing agreements that remain in effect until the hours purchased have been used (for hourly agreements) or until the agreement has been terminated under the provisions described below."

In this brochure, this section now reads: "Clients purchasing unlimited financial planning services shall submit a prorated deposit to cover the remaining days in the current half of the year. The remaining fee of \$900 per six months will be due at the beginning of each new billing period. Billing periods for the year begin on January 1 and July 1. All Client Service Agreements are considered to be ongoing agreements that remain in effect until the hours purchased have been used (for hourly agreements) or until the agreement has been terminated under the provisions described below."

Item 3 Table of Contents

Item 1: Cover Page.....	Page 1
Item 2: Material Changes.....	Page 2
Item 3: Table of Contents.....	Page 3
Item 4: Advisory Business.....	Page 4
Item 5: Fees and Compensation.....	Page 5
Item 6: Performance-Based Fees and Side-By-Side Management.....	Page 6
Item 7: Types of Clients.....	Page 7
Item 8: Methods of Analysis, Investment Strategies, and Risk of Loss.....	Page 8
Item 9: Disciplinary Information.....	Page 9
Item 10: Other Financial Industry Activities and Affiliations.....	Page 10
Item 11: Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading.....	Page 11
Item 12: Brokerage Practices.....	Page 12
Item 13: Review of Accounts.....	Page 13
Item 14: Client Referrals and Other Compensation.....	Page 14
Item 15: Custody.....	Page 15
Item 16: Investment Discretion.....	Page 16
Item 17: Voting Client Securities.....	Page 17
Item 18: Financial Information.....	Page 18
Item 19: Requirements for State-Registered Advisers.....	Page 19

Item 4 Advisory Business

Provident Planning, Inc. was founded in 2010 by Paul Dale Williams. Paul is the sole owner and employee of Provident Planning, Inc. Paul was born in 1984 and received his Bachelor of Science degree in Family Financial Planning from Virginia Tech in 2006. Prior to founding Provident Planning, Paul worked as a Financial Planning Associate at Kelly Financial Group, LLC in 2008. Prior to that, Paul worked as a Planning Assistant at The Monitor Group, Inc. in 2007. Paul is currently a CERTIFIED FINANCIAL PLANNER(TM) professional. This certification requires a bachelor's degree, 15 semester credit hours in courses related to financial planning, passing the comprehensive 10-hour CFP(R) certification examination, a minimum of three years work experience in financial planning, passing a background check, and agreeing to abide by the Certified Financial Planner Board of Standard's Code of Ethics and Responsibility, Rules of Conduct, and Financial Planning Practice Standards as well as meeting ongoing continuing education requirements of 36 hours every two years. Paul has had no legal or disciplinary events to report. In addition to working at Provident Planning, Inc., Paul serves part-time as an assistant pastor at Mechanic Grove Mennonite Church.

Provident Planning provides investment management to individuals and fiduciaries strictly on a non-discretionary, as-needed basis. Assistance is offered in developing investment policy, portfolio design, security selection, preparation of account paperwork, investment education, and account review/rebalancing as requested. Through personal discussions, the goals and objectives of the portfolio are established based on the client's particular circumstances. Provident Planning develops a client's personal investment policy and creates a portfolio consisting mainly of index mutual funds based on the asset classes needed, the fund's fee structure, and other analytical measures as selected by Provident Planning. Portfolio weighting between funds and asset classes will be determined by each client's individual needs and circumstances. Clients will retain individual ownership of all securities. Prior client approval is required for each and every investment transaction placed by Provident Planning on behalf of the client, including any transactions to rebalance the client's portfolio. Clients may impose restrictions on investing in certain securities or types of securities if they wish. Provident Planning provides investment advice on a wide range of investments including exchange-listed securities, securities traded over-the-counter, corporate debt securities, commercial paper, certificates of deposit, municipal securities, variable annuities, mutual fund shares, United States government securities, and options contracts on securities. Provident Planning receives about 75% of its advisory billings from services in this category.

Provident Planning may provide similar services as described in the above paragraph for clients with accounts that cannot be managed by Provident Planning (for example, employer sponsored retirement plans). All services described above could be provided with the exception of rebalancing. Clients would be responsible for implementing recommendations for any account that Provident Planning cannot manage directly. Provident Planning receives 0% of its advisory billings from services in this category.

Provident Planning also provides comprehensive financial planning services to its clients. These services may not include any discussion of securities. Such services may include but are not limited to budgeting, debt management, insurance analysis, income tax planning, income tax return preparation, estate planning, retirement planning, education planning, and business planning. Provident Planning receives about 25% of its advisory billings from services in this category.

Provident Planning also publishes articles discussing personal finance from a Christian perspective on its website. We receive compensation for that aspect of our business from the advertisements shown to and clicked on by readers, which may include our clients. We have no control over nor endorse the advertisements shown on our website. Provident Planning spends about 20% of its time in this area.

Item 5 Fees and Compensation

All income tax preparation fees are charged on an hourly basis at a billing rate of \$75 per hour. All other financial planning services are offered at an hourly rate of \$100 per hour. Clients may purchase hourly planning in packages of 2, 5, or 10 hours. Provident Planning also offers unlimited financial planning services at a flat fee of \$900 per six months. These fees may be negotiable based on the client's situation and circumstances. Provident Planning receives no compensation for advice from the client or any other party except these fees.

For income tax preparation services, clients are not required to submit a deposit but shall pay the full balance of their invoice when it is presented to them.

For 2, 5, or 10 hour packages, the full fee is due upon signing the Agreement.

Clients purchasing unlimited financial planning services shall submit a prorated deposit to cover the remaining days in the current half of the year. The remaining fee of \$900 per six months will be due at the beginning of each new billing period. Billing periods for the year begin on January 1 and July 1. All Client Service Agreements are considered to be ongoing agreements that remain in effect until the hours purchased have been used (for hourly agreements) or until the agreement has been terminated under the provisions described below.

A Client Service Agreement may be broken at any time, by either party, for any reason upon receipt of written notice. Upon termination of any agreement, any prepaid, unearned fees will be promptly refunded, and any unpaid, earned fees will be immediately due and payable. Any Client Service Agreement that is terminated within five (5) business days after signing will have all fees promptly refunded without penalty whether earned or unearned.

All fees are billed directly to the client and may not be deducted from client assets. In addition to the fees paid to Provident Planning, clients may incur custodian fees, mutual fund expenses, brokerage costs, or transaction costs. Please see Item 12 on page 12 for more information about Provident Planning's brokerage practices.

Item 6 *Performance-Based Fees* and Side-By-Side Management

Provident Planning, Inc. does not accept performance-based fees.

Item 7 Types of *Clients*

Provident Planning, Inc. provides investment advice to clients who are typically individuals, trusts, estates, or charitable organizations. Provident Planning has no minimums for account size or net worth to establish a client relationship. Provident Planning's goal is to make honest, unbiased financial advice available to anyone regardless of their net worth, investable assets, or income.

Provident Planning uses fundamental analysis, Modern Portfolio Theory, and the Fama/French Three Factor Model as part of its investment strategy. Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages. Modern Portfolio Theory attempts to maximize the expected portfolio return for a given level of risk (or minimize the risk for a given level of return) by carefully choosing the proportions of various assets and through diversification. The Fama/French Three Factor Model says that the return for a diversified portfolio of securities is primarily a source of three risk factors: overall exposure to the stock market, exposure to small company stocks, and exposure to low priced/value stocks. The model suggests that increasing a portfolio's exposure to the stock market, small company stocks, and value stocks will result in increased expected returns.

Provident Planning is not a proponent of active management or trading. Our investment strategy is focused on using a low-cost, diversified portfolio of index mutual funds with attention to income tax planning when needed. However, investing in securities involves risk of loss that all clients should be prepared to bear. Provident Planning attempts to match portfolio risk to a client's specific situation and risk tolerance in order to make that risk of loss a bit easier to bear.

Provident Planning obtains information from a variety of sources including financial newspapers and magazines, research materials prepared by others, annual reports, prospectuses, and filings with the Securities and Exchange Commission. Our trading strategy typically uses long-term and short-term purchases depending on each client's specific situation. Provident Planning does not engage in investment strategies involving significant or unusual risks beyond those of the domestic and international equities markets.

No investment strategy or method is foolproof. The investment strategies Provident Planning uses are backed by academic research but still do not fully explain the securities markets. Therefore, there is still a risk of loss involved with using fundamental analysis, Modern Portfolio Theory, or the Fama/French Three Factor Model. These investment strategies all have flaws in that none of them fully explains market returns. However, Provident Planning uses these strategies because research has shown that they tend to do the best job of accounting for the risk and return of a given portfolio compared to alternative strategies.

Provident Planning typically recommends index mutual funds for investment purposes. Index mutual funds still involve the normal risks of loss that come with investing in the securities markets, and clients should be prepared to bear this risk before investing.

Item 9 Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of Provident Planning, Inc.'s advisory business or the integrity of its management.

Item 10 Other Financial Industry Activities and Affiliations

Neither Provident Planning, Inc. nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither Provident Planning, Inc. nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

Neither Provident Planning, Inc. nor any of its management persons have any relationship or arrangement with any related person that is material to Provident Planning's advisory business.

Provident Planning, Inc. does not receive any compensation, directly or indirectly, for recommending or selecting other investment advisers for its clients.

All employees, representatives, and officers of Provident Planning are required to adhere to its code of ethics at all times. Provident Planning will provide a copy of its code of ethics to any client or prospective client upon request. Additionally, we have provided a copy of our code of ethics below.

Provident Planning's Code of Ethics

Integrity & Honesty: We will endeavor to always take the high road and to be ever mindful of the potential for misunderstanding that can occur in normal human interactions. We will be diligent to keep our actions and reactions so far above board that a thinking client or other professional would not doubt our intentions. In all things, we will be mindful that in addition to serving our clients, we are representing the Lord and our actions should reflect this.

Professionalism: We shall conduct ourselves in a way that would be a credit to the Lord at all times. Working at Provident Planning involves integrity, honest treatment of clients, and treating people with respect and love.

Objectivity: We strive to be as unbiased as possible in providing advice to clients and always practice on a fee-only basis.

Full Disclosure: We shall fully describe our method of compensation and potential conflicts of interest to our clients. Our goal is to be as transparent as possible in our dealings with all people.

Fairness & Suitability: Dealings and recommendation with clients will always be in the client's best interests. We will always put our clients first and uphold our fiduciary duty.

Confidentiality: We shall keep all client data private unless authorization is received from the client to share it or disclosure is required by law. We shall treat all documents with care and take care when disposing of them. Relationships with clients shall be kept private.

Competence: We shall strive to maintain a high level of knowledge and ability through continuing education. Provident Planning employees, representatives, and officers shall not provide advice in areas where they are not capable or legally registered.

Regulatory Compliance: We will strive to maintain conformity with legal regulations.

Provident Planning, Inc. does not recommend to clients, nor buy or sell for client accounts, securities in which it or any related person has a material interest.

Directors, officers, employees, and other related persons of Provident Planning may buy or sell the same securities that are also recommended to clients. Provident Planning's investment philosophy revolves around the use of index mutual funds, so transactions by related persons of the company are highly unlikely to have any adverse effects on clients or beneficial effects for the related persons due to client transactions. However, since our advice may concern individual securities held by clients, all related persons of Provident Planning are required to submit copies of all statements for their personal investment accounts to avoid any conflicts of interest or violations of Insider Trading rules.

Item 12 Brokerage Practices

Provident Planning, Inc. does not typically select or recommend broker-dealers for clients. Our investment philosophy revolves around the use of low-cost index mutual funds, and clients are typically best served (in the way of lower fees) by purchasing those funds directly from the mutual fund company. If a client needed a brokerage account or asked for a recommendation, Provident Planning would mainly consider costs, fees, and commissions along with customer service and execution of trades in making any recommendations to a client for a broker-dealer. Research and "soft dollar benefits" would not be a consideration in such recommendations.

Provident Planning, Inc. and its related persons do not receive research or "soft dollar benefits" from any broker-dealers or third parties and will not enter into any agreement for such benefits in connection with client securities transactions.

Provident Planning, Inc. and its related persons do not receive client referrals from any broker-dealers or third parties and will not enter into any agreement for such referrals to prevent any conflicts of interest in its recommendations to clients.

Provident Planning, Inc. does not recommend, request, or require that clients direct us to execute transactions through a specified broker-dealer.

Provident Planning, Inc. does allow clients to direct that a specific broker-dealer be used to execute transactions for the client. In that case, the client will be responsible for negotiating terms and arrangements for the account with that broker-dealer. Provident Planning will not seek better execution services or prices from other broker-dealers or be able to batch client transactions for execution with orders for other accounts Provident Planning manages. As a result, the client may pay higher commissions or other transaction costs, or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Provident Planning may decline a client's request to direct brokerage if, in Provident Planning's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

Because Provident Planning's investment philosophy revolves around the use of low-cost index mutual funds and clients are typically best served by purchasing those funds directly from the mutual fund company, Provident Planning does not aggregate the purchase or sale of securities for various client accounts. However, not aggregating trades in these mutual funds does not have any adverse effects on clients because bid-ask spreads and commissions are irrelevant when purchasing directly from a mutual fund company.

Item 13 Review of Accounts

Review of client accounts is conducted quarterly by the Chief Compliance Officer to detect any irregularities and prevent violations and abuses. Such reviews are required for regulatory purposes.

Client accounts or financial plans are reviewed with the clients either upon request or according to a previously agreed upon schedule (quarterly, biannually, annually, or biennially). Such reviews are conducted by the President who is given no specific instructions other than to adjust the recommendations according to the client's situation. The President handles all clients for Provident Planning.

Clients receive monthly, quarterly, and/or year-end statements from their custodian. Clients will also receive trade and other account confirmations from their custodian. Provident Planning provides no regular reports to clients on their accounts, but we will review the statements from their custodian with the clients as described above.

Item 14 *Client Referrals and Other Compensation*

Provident Planning, Inc. does not receive any economic benefits from non-clients for providing investment advice or other advisory services to clients.

Provident Planning, Inc. and its related persons do not directly or indirectly compensate any person for client referrals.

Item 15 *Custody*

Provident Planning, Inc. does not and will not have custody of any client assets or securities.

Item 16 Investment Discretion

Provident Planning, Inc. does not accept discretionary authority to manage securities accounts on behalf of any clients. Provident Planning will only assist clients through non-discretionary authority, which requires clients to approve all transactions beforehand, and only after a limited power of authority has been executed. This practice keeps clients involved in the management of their accounts and aware of what Provident Planning is doing.

Item 17 Voting *Client* Securities

Provident Planning, Inc. does not have and will not accept authority to vote client securities. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Provident Planning by phone, e-mail, fax, postal mail, or in person if they have questions about a particular proxy or solicitation and need assistance.

Item 18 Financial Information

Provident Planning, Inc. does not have discretionary authority over client accounts and does not require or solicit prepayment of more than \$1,200 in fees per client, six or more months in advance. Therefore, according to Pennsylvania's securities laws, Provident Planning is not required to file a balance sheet or disclose its financial condition. Additionally, Provident Planning has never been the subject of a bankruptcy petition.

Item 19 Requirements for State-Registered Advisers

All information required for this item has been disclosed elsewhere in this Form ADV or does not apply to Provident Planning, Inc. or its related persons. Specifically, information about Provident Planning's principal executive officers and management persons is found in Item 4 along with Provident Planning's business activities besides providing investment advice. There is nothing to disclose about Provident Planning's advisory business in regards to the remaining questions about performance-based fees, material events, or material relationships or arrangements. Also, Provident Planning does not participate in any wrap fee programs. Finally, no brochure supplements are necessary as all information regarding all of Provident Planning's supervised persons is included in this Form ADV.