

## canberra times: q&a

### **Q 1: Can you please explain what I can expect a financial planner to do for me?**

O.H., FADDEN

A 1: Financial planners are here to help people make good financial decisions, particularly around financial strategies and investment selection. A typical process would be:

- A *Financial Check Up* – to help you understand what you have and where you currently are with your financial situation, including helping you understand your income, your expenses, whether you have a cashflow surplus or deficit, what your assets and liabilities are, how your superannuation plans operate, how your investments operate, how you are positioned with personal insurances and estate planning. For many people this appointment is all they need to have a better understanding of their situation and to have some reassurance about what they are doing.
- The next step can be having a *Financial Plan* prepared. Here a financial planner can prepare some financial projections for the future to show how your current financial strategy is expected to position you for the future, and compare this to how various other financial strategies are expected to impact upon the outcome, whether in a positive way or a negative way. In a plan you can explore accurately the expected outcome should you say, salary sacrifice to superannuation, borrow money to purchase an investment property or shares, invest targeting different levels of risk from conservative funds, to high growth funds, etc. This is all about providing you with information to help make good financial decisions for the future.
- The next step, would be to have a *Statement Of Advice* prepared with specific financial strategies and investment product recommendations made in writing, depending upon your preferred strategic direction.
- The final step, where needed, would be to enter into an ongoing financial advice relationship with a financial planner. Here, the financial planner would work with you on an ongoing basis to keep you on track with your financial plan, fine tune the strategies employed as your circumstances and legislative rules change, and provide ongoing advice and recommendations on your investments. This is all about allowing you to keep control of your financial situation and plans, continue to provide the understanding of where you are heading financially, and to make the most of your opportunities as they come available. This ongoing advice and reassurance can provide valuable peace of mind.

When looking for a financial planner then you should seek the services of a Certified Financial Planner, as they have obtained the highest designation available worldwide, due to experience and education, to provide financial advice to clients.

You should also look for an independent financial planner, to know that their business ownership and remuneration structure is such that they provide advice that is in your best interest only, and no conflict of interest exists which can sway any strategy or investments recommended.

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