

## What does a financial planner do?

People usually come to me when they have to make a financial decision and they are not sure which way to go.

Examples are:

- Should I keep an investment property or should I sell it?
- My investments have done badly, should I take them out or leave them there?
- How do I prepare for my retirement? Do I have enough money for my retirement?
- How do I save more money?
- I have got this lump sum through selling a property or through an inheritance or as a redundancy payment or through a divorce. What do I do?
- I feel my financial affairs are quite complicated and I want to manage them better.
- I need to have a certain amount of money in a few years to buy a house or buy out my boss or business partner. How can I achieve that?
- I make good money but I don't enjoy it. What do I do?
- Making money is really hard for me. What can I do?
- I never have enough money. What can I do?
- Should I buy property or put my money into super? Can I do both? Should I do both?
- What is this investing thing all about? Should I get involved?
- Do I need life insurance or insurance that pays when I am ill? If yes, how much insurance do I need?
- Do I need to do a will and how elaborate does that will need to be?
- A common one is: I have received advice from my accountant, my lawyer, another financial planner. Is this good advice? Can I trust this advice?

Once you approach me with a question, we meet and discuss your question. I tend to ask quite a few questions myself until it is clear what to do next.

In many cases there is a relatively simple answer. For example for the question 'Should I keep an investment property or should I sell it?' the answer is sometimes very simple. Keeping may be clearly better, selling may be clearly better.

In other cases, the answer is a value judgment: If you want to have more investments and more debts, then keep it. You will have less money now but probably more money in the future than if you sell the property.

In still other cases, the question comes out of emotion like fear or anger or insecurity or a strong desire to be rich. In that case we look at the root of that emotion and once the emotion is seen and understood, the decision often becomes clear.

In still other cases, the question can only be answered as part of an overall investment or financial plan. Such a plan is known as a Statement of Advice.

Do you see why I love my job? Everybody is completely different and the answers are completely different every time.

If the person has simple needs like just wanting to properly invest a lump sum, I can write a simple plan. Another simple case is when a person just wants to know about life insurance or insurance to protect their income. Any plan that gets written for insurance is free.

Simple plans are needed about half the time.

The other half of the time things are more complicated. In that case I spend between 10 and 20 hours writing a comprehensive Statement of Advice. This often involves several meetings with the client. Such a plan looks at everything in a person's life concerning money and often provides a great clearing, saves a lot of money and make a lot of money, especially over time. Life around money can be much simpler and more fun after such a plan.

### **Whom do you want to refer to me?**

There are a number of groups of people:

- Those that have a lump sum to invest.
- Those that need insurance, that means those who can't meet their obligations to their mortgage or children if they die or get sick.
- Anybody who wants to look at their finances over the next 20 years or more. Typically that is anybody 40 or over. However, anybody younger would benefit even more.
- The current superannuation laws are a gigantic bribe to continue working after sixty. However if you want to get a slice of that bribe it is good to look at your super in detail at 55, 50, even 45.
- Anybody who has gone to a financial planner at a large institution or their subsidiaries. In my experience that advice is expensive and can be improved upon.
- Much more simply, anybody who wants to improve their financial situation.

What I can do falls into two categories:

One I call free money: You may pay too much in taxes or in fees and charges or you are in the wrong investments. Fixing that can make and or save you a lot of money.

The other service I can offer is simple changes in behaviour that are actually fun to do or that come automatically from a deeper understanding of your situation. Such simple changes compound over time and can make you far more wealthy and far more harmonious than you would otherwise be.