

FAQs

Contributed by LiveNow
Thursday, 08 March 2007
Last Updated Friday, 23 March 2007

What is a financial planning?

Financial planning is the process that best determines how you can best meet your life goals through the proper management and monitoring of your financial affairs.

Effective financial planning takes into account all aspects of your financial situation and carefully analyses them to see how they interrelate and how they can be used to create the best financial plan that suits you, your goals and your lifestyle.

Do I need a financial planner?

Almost everyone needs a financial plan and, if you're willing to do the homework, it is entirely possible to create your own. There are countless books, software and other information on the subject. But with the vast range of options available, constantly changing taxation regulations, volatility of the share market and many other factors, a professional financial planner can create an effective financial plan and implement and manage it proficiently and effectively - saving you time, and making you money.

What are my life goals?

Your goals may include buying a new home or paying off the home you currently own, ensuring you enjoy a comfortable retirement, educating your children or saving for that dream holiday. By asking the right questions and listening carefully to the answers, your financial planner is experienced and trained to determine exactly what your goals are how to achieve them.

What is risk tolerance level?

It is very important to establish your risk tolerance level from the beginning. Can you ride out the ups and downs of the share market or is your goal simply to preserve capital? Your financial adviser will determine exactly what you're comfortable with in order to take the best advantage of your potential, without the sleepless nights.