



Introduction

Apart from your finances and goals, a good financial services provider would want to know all about you. Your financial services provider should follow the six-step process to help you create a financial plan to achieve your goals.

A Financial Advisor is a professional who provides advice on financial products tailored to your needs. They are often involved in managing investments and creating estate plans. A Financial Planner, on the other hand, is a specialised type of financial advisor who focuses on long-term financial plans.



NOTE: Refer to the Financial Safeguard Theme, sub-topic Financial advisors, for more on the types of Financial Advisors.





1. When to use a Financial Planner

If you have short-term financial problems or specific questions about investments, a Financial Advisor can be very helpful. They can give you advice on things like where to invest your money or how to save for a specific goal. However, if you need support to create a complete plan for your finances that looks at the long term, a Financial Planner might be a better choice.

You might want to work with a Financial Planner if you:

- Want help creating a long-term financial plan that covers all your needs.
- Need guidance with existing policies and investments to check if they still meet your needs and interests.
- Want to understand how your money situation might change as you go through life.
- Are experiencing a big life change, like getting married or having a baby, and need guidance on how to manage your finances during this time.
- Are close to retirement and want to ensure you are on track with your savings, so you'll be able to live comfortably.
- Need help managing debt, saving for your children's education, or creating a budget that works for you.
- Want to start thinking about how to pass on your assets to your family or other beneficiaries in the future.

A Financial Planner can help you make sense of your finances and give you the tools you need to achieve your goals.

Some Financial Advisors can offer both financial plans and financial advice, and both charge a fee for their services, either as part of the financial product you purchase or as a separate cost. Discuss this upfront. You can also negotiate around these fees for their professional services.



To find an Authorised Financial Advisor visit the [FSCA website](#). Contact details provided in the [FSCA MMLS contact list](#).



To find a Certified Financial Planner visit the [Financial Planning Institute \(FPI\) website](#). Contact details provided in the [FSCA MMLS contact list](#).

2. Financial plan

2.1 Six step process

Step 1 – Establish and define the client relationship

Your Financial Planner should:

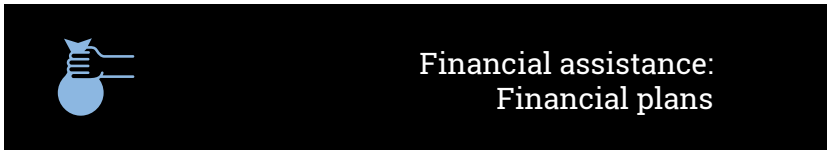
- Clearly explain the services to be provided to you.
- Define their and your responsibilities.
- Explain how they will be paid and by whom.
- Help you decide how long the professional relationship should last and how decisions will be made regarding your investments.

Step 2 – Gather data and information

Your Financial Planner should ask for information about your financial situation.



More about



For example:

- What are your goals and needs?
- In order to gain higher rewards, are you willing to take higher risks? They may conduct a risk assessment.

Before giving you any advice, they should collect all the necessary documents and information. Then they should do an analysis of your needs and financial goals.

Step 3 – Analyse the data

Your Financial Planner will look at your current situation and suggest what you need to do to meet your goals. This could include looking at:

- What you own.
- How much money you owe.
- How you spend your money.
- The insurance and investments you already have.
- Ways to help you save on tax benefits offered, insurance and investment fees.

Step 4 – Present the plan

Your Financial Planner should make sure you understand what they are recommending to you to help you achieve your goals. Ask them to revise their plan until you are happy you are making well-informed decisions for your goals and budget.

Step 5 – Implement the plan

How will your plan be carried out? Do you need your planner's support or can you do it yourself?

Step 6 – Review

If you will be using your Financial Planner on an ongoing basis, meet with them at least once a year. This will allow you to make changes to your investments as your needs change.

2.2 Review your financial plan

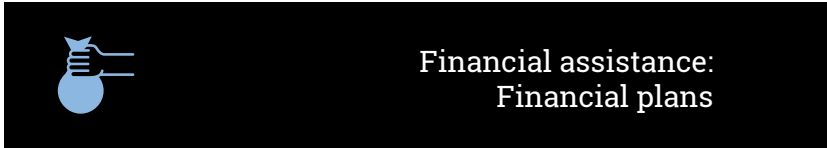
Review your financial plan at least once a year, unless there is a life-changing event that requires an immediate review.

Examples of life-changing events:

- Retrenchment
- Nearing retirement
- Inheritance
- New home purchased
- Promotion
- New car
- A divorce
- A marriage
- Sudden illness
- New job
- Birth of a child
- Death



More about



Financial assistance:
Financial plans

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