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Getting good financial advice

We all have questions about our finances and getting good advice at the right time is important. But what's good advice? Read more about getting the advice that's right for you.

Do you need financial advice?

According to the Financial Planning Association, nine out of ten people benefit from financial advice. Even if you're well on your way to achieving your goals, financial advice can be invaluable in:

- keeping you informed about the latest wealth strategies and products
- managing turning points in your life, such as redundancy, inheritance, retirement or children
- helping you manage risk and take a systematic and disciplined approach to investing.

You can also seek advice that's right for you; from having a question answered that's left you stuck and confused, like, 'which investment option is right for me?', to more detailed personal advice like, 'how do I get more income in retirement without taking undue risks?'

Don't be afraid to shop around for your adviser

Taking the time to find the best financial adviser for your needs is important.

Before choosing a financial adviser, check if:

- they're licensed to give financial advice
- they put your needs first
- they have experience working with people in your situation and their services cover your needs. For instance, some financial advisers are limited to only recommending their own or parent company's products
- they understand your current super fund
- you know who owns the practice and where most of their income comes from
- their fees are reasonable.



Why get financial advice?

While achieving your financial goals is the main aim of advice, people also gain a sense of control and confidence*. These less tangible benefits shouldn't be underestimated. In fact, people who seek financial advice are:

- twice as confident of reaching their financial goals
- more than twice as likely to feel they have control over their finances
- almost twice as likely to believe they'll realise their retirement dreams.

Avoiding bad advice

The best way to get the right advice is to be prepared.

Decide what you need from your adviser

Do you want a single question answered or would you like a full financial plan?

What are your goals?

What lifestyle you're after and the risks you're prepared to take to get there.

Be prepared to provide details about your personal circumstances

Depending on the advice you're after, you may need to provide your financial adviser details about your income, who depends on you financially, your assets and any loans you may have. Your financial adviser needs this information to work out appropriate strategies for you.

If your financial adviser doesn't ask for this information, consider shopping around, as you may end up with poor advice.

Your advice checklist

Once your financial adviser has considered your needs, they'll explain the advice face to face and provide you with various documents, including a Statement of Advice (your financial plan) and Product Disclosure Statements that describe each product or service they've recommended.

Every financial plan should:

- outline your current financial position and needs
- explain the overall strategy to achieve your goals
- recommend investments and other strategies to manage your money
- describe how the investments will achieve your goals
- discuss the risks associated with each investment
- disclose interests, associations or relationships that might reasonably be expected or capable of influencing their advice
- disclose all fees, commissions and other benefits associated with the advice and placement of investments
- provide the basis of the advice
- provide the financial adviser's name and details.

The plan should be clear, concise and be easy to understand. Check that all facts and figures are correct and the strategies and recommendations meet your needs.

If you have any questions about your plan, discuss these with your financial adviser. Don't implement the plan until you're 100% happy.

Advice about super

When providing advice about super, your financial adviser must complete a full comparison between your current fund and the new fund before they can recommend you switch funds.

Your financial adviser must also inform you of the cost of replacing your existing fund, the potential benefits that may be lost and any other significant consequence of the recommendation.

More information or advice

Information about getting advice

Check out the government's booklet, Getting Advice, at www.moneysmart.gov.au



Our service officers are here to help

If you have any questions or need help call us on 1300 AUSCOAL (1300 287 262), Monday to Friday, 8am to 6pm (AEST or AEDST when in operation) or email enquiries@auscoal.com.au

Website

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Financial advice at AUSCOAL Super

As salaried employees, our financial advisers aren't paid commissions. They simply recommend what they think is best for you and your future. See our fact sheet, AUSCOAL Advice - here to help you make confident and informed financial decisions.

* TNS Research commissioned by IFSA, 'From Passive to Active: Growing confidence in investment', December 2006.

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