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In an ideal world, people would appoint a financial adviser at the start of their working careers. But in real life, that seldom happens. People typically only seek the services of a financial adviser later in their career, and the trigger is often the realisation that they haven't saved enough to retire comfortably. This obviously puts them at a huge disadvantage, since there is no making up for lost time.

But financial freedom is about investing now to ensure that you are left with the freedom to make the financial choices that you want throughout your life, rather than having to make choices based on the availability of money. To create true financial freedom, investors should consider the following:

- Find a financial adviser whose values are aligned to yours early on in your working career. The adviser should be willing to understand your needs, advise you on tax-efficient ways to invest any discretionary savings, as well as how to diversify wealth across different countries, products and asset classes. As your needs change throughout your life, from wealth accumulation through to the stage where you are reliant on drawing an income from accumulated investments, this person will prove key in adjusting your investments to meet your changing needs.
- Start saving the minute you earn your first salary. This discipline ensures that savings is part of your monthly budget and not an afterthought 'if' there is anything left over. It forces you to decide what you'd like to save first, and then spending only happens 'if' there is money left over, and not the other way around. I would suggest that this forced saving isn't only via a corporate retirement scheme or retirement annuity but also with additional

5 steps towards financial freedom

discretionary monies, allowing you to create a nest-egg for unforeseen events that can then be financed from discretionary savings rather than through debt.

- Reevaluate your financial situation at least annually. This again allows you to ensure that it's a disciplined process rather than an afterthought. In addition, it ensures that your financial adviser has insights into your requirements and can coach you on how to best achieve these.
- Ensure that the financial adviser you are working with stays up to date with the changing financial landscape, new legislation, as well as your personal circumstances. If not, it might be time to find a new adviser.
- Involve your dependants in your financial decisions. Benjamin Franklin had huge foresight when he suggested that "By failing to prepare, you're preparing to fail". If the inevitable happens, it's best for your dependants to know about it and have the benefit of time and foresight to guide your choices.

These five steps may seem basic. The reality is that most financial choices are basic and just require a bit of discipline.

Developing a savings culture and making it part of your everyday thinking and then partnering with a financial adviser who coaches you and ensures you stick to your plans is often the reason that most of our clients can self-insure, take annual holidays, pay school fees upfront, and still retire comfortably while doing the things they've worked their entire life to enjoy.

Equilibrium makes it easy for you to help your clients achieve their goals and stay invested. We're here to help you get your clients to their goals with more certainty and less anxiety, keeping them on their journey to achieving their investment goals. Visit equilibriuminvest.co.za to find out more.

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