

Policy: Financial Planning

Purpose

To provide clear and concise advice where risks and probable outcomes are identified, so customers, key contacts and client service officers can make informed decisions knowing the likely consequences.

For the investment of customer funds in a manner that achieves an optimal outcome over a period of time in accordance with the Prudent Person Principle as defined in the [Trustee Act 1925 Section 14A, 14B, and 14C](#) and in accordance with the Australian Securities and Investment Commission (ASIC) and industry best practice.

Policy statement

For customers of NSW Trustee & Guardian:

- Develop and convey, in a Statement of Advice, a comprehensive financial plan that includes growth investments for NSW Trustee & Guardian customers generally with investible assets of \$250,000 or more and who are less than 80 years of age.
- Where customer funds are less than \$250,000 or the customer is over 80 years of age, provide recommendations for investment of funds in cash and in assets with defensive characteristics.
- Review all customers' external investments annually and ensure they continue to meet the needs and remain appropriate to their circumstances. The policy is to retain external investments where it remains appropriate to do so, as these reflect the customer's investment views and preferences prior to the financial management order.
- Provide annual financial plan reviews to ensure the strategy and investments remain appropriate to the customer's situation.
- Provide ad-hoc advice as requested where significant changes occur in the customer's situation such as entering aged care facilities, property advice, self-managed superannuation funds or other circumstance.
- For Trustee customers, financial planners are to provide an initial and subsequent annual review to meet the requirements of the [Trustee Act 1925](#).
- Investment decisions are reviewable and hence a waiting period is imposed before implementation of the recommendations.
- Provide advice and recommendations to Private Managers on request.

Scope

Financial Planning Unit, Trustee Services, Client Investments Administration, financially managed customers, trustee customers and Private Management.

Context

As financial manager, our fundamental responsibility is to ensure a customer's financial affairs are managed in their best interest. This includes ensuring that funds are available to meet planned and unplanned expenses as they arise during the period of financial management.

Effective, efficient and accountable assisted decision-making requires a planned, multi-disciplinary, documented and reviewable process that adequately considers the circumstances and financial situation of the customer.

Each financial planning customer will have an individual financial plan (Statement of Advice) for the investment of their funds, in accordance with the NSW Trustee & Guardian Cash Flow Investment Strategy and based on their individual needs and situation. The plan is reviewed each year to ensure it remains appropriate and continues to meet the customer's needs.

Financial planning advice is conveyed in a comprehensive Statement of Advice and although NSW Trustee & Guardian is AFSL exempt, the Statement of Advice is in accordance with the principles of the Financial Planning Association (FPA) and the Australian Securities and Investment Commission (ASIC) requirements.

We are also required to meet the requirements of the [Trustee Act 1925](#) and therefore financial planners complete investment reviews for trust customers.

Legislative context

- [NSW Trustee and Guardian Act 2009](#)
- [Trustee Act 1925](#)
- [Superannuation Industry \(Supervision\) Act 1993](#)

Document information

Title:	Financial Planning Policy
Owner:	Senior Manager Financial Planning
Approver:	Director Legal and Professional Services
Date of Effect:	3 September 2020