

IN my recent personal financial review, I noticed that my general expenses have increased by at least 10% from the previous quarter. This is no surprise to me. The recent petrol price hike has spilled over into my expenses on other consumables.

So it is important that I am constantly in touch with my retirement portfolio, ensuring that it stays ahead of my personal inflation which has risen close to double digits. As far as my financial life is concerned, ignorance is never bliss.

Sadly, there are too many people who are "blissfully ignorant" about their own finances. I have met some who told me that they are unsure where their money is going, how much and what they are insured for, how much investments they own and if their nest egg is sufficient for their retirement.

Why do some of us take such a lackadaisical attitude towards money? Could it be the lack of good financial consultants or the lack of care and control on your financial lives? I believe it is both.

A good financial consultant should be able to:

- Assess your financial needs, goals and constraints.
- Consolidate your finances in terms of your cash flow, net worth and analyse them using financial ratios. It is insufficient to be given summaries of your insurance policies and investment portfolios as they cannot provide you with any financial directions. A good financial analysis can.
- Guide you to understand what you have done so far in your financial life and lead you to fill the gaps required to meet your financial goals without being product orientated. Be wary if you are asked to cancel your insurance policies or sell your investments unnecessarily.
- Provide you with a financial timeline for each of your life's goals.

Ignorance is not bliss



Joyce Chuah is CEO of Success Concepts Life Planners

We can't afford to take a lackadaisical attitude towards our finances. Otherwise, you won't meet your financial goals.

On the flipside, you need to be able to:

- Keep excellent and updated records of your financial data.
- Take an interest in your financial life and where you heading to.
- Make an effort to do something about your life's goals.
- Let go of previous bad experiences with a poorly managed financial instrument or institution.
- Hire a good financial planner to review your financial plan.

We cannot afford to ignore our financial lives anymore. If we do, we will surely end up not blissful.



Illustration by HAFIDZ MAHPAR