




MONEY MANAGEMENT



**NMMPF PRESENTATION
AUGUST 2014**






What we will be talking about




The role of the FSB

- Budgeting
- Savings and investments
- Temptations
- Want to retire early?
- Retirement
- Complaints process
- Questions and Answers








What is the FSB?



- ❖ Regulator
- ❖ Established in terms of FSB Act (Act 97 of 1990)
- ❖ Reports to the Minister of Finance
- ❖ Non-banking financial institutions



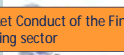

Non-banking industries regulated by the FSB


- ❖ Insurance
 - Short Term Insurance
 - Long Term Insurance
- ❖ Retirement Funds
 - Pension Funds
 - Provident Funds

Private Sector Companies

- ❖ Investment Institutions, including the Johannesburg Stock Exchange




Market Conduct of the Financial Services Providers, including the Banking sector



Budget

- A plan on how to use your money
- How many of us budget and stick to the budget?
- Changing costs and fixed costs
- Tips for making budgeting easier
 - Avoid unnecessary credit
 - Be honest with yourself
 - Make budget a family affair



Needs and Wants





How to draw up a budget

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SHABALALA FAMILY BUDGET	
FIXED COSTS	CHANGING (VARIABLE) COSTS
RENT R500	ELECTRICITY/WATER R250
INSURANCE R150	ACCOUNTS R200
SCHOOL FEES R200	GROCERIES R150
CAR REPAIRMENT R150	PETROL/REPAIRS R120
TOTAL FIXED COSTS R1650	TELEPHONE R110
	ENTERTAINMENT R200
	MEDICINE R100
	OTHER R200
	TOTAL CHANGING COSTS R1660
TOTAL COSTS R3310	TOTAL INCOME R2400
WE STILL NEED R910	NOTE (LOSS)

7

Savings & investments

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- Save to buy things cash (short term)
- Save for rainy days
- Invest (long term)
- Buy shares

8

Now you have a surplus ...what do you do with it?

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- Open up a savings account
- Invest
- Consult with a JSE registered stockbroker/ equities trader
- Investors do not buy shares directly from the JSE but through a stockbroking firm that is a member of the JSE.
- Shares
- Collective Investment schemes
- Deal **ONLY** with authorised FSPs

9

Beware of Temptations

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- Credit cards
- Store accounts
- Overdrafts
- Micro-loans

Not all debt is bad:

- Loans to start up a business
- House loans / Car loans

10

The SA Retirement Reality

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Did you know that out of 100 people retiring in SA:

- 34 have to keep working
- 40 are cared for by the state
- 17 will be financially dependant on families/friends
- 9 will be financially independent

Want to retire early?

11

Who wants to retire early?




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- Persistence
- Desire
- Have a vision
- Determination
- Start as early as possible
- Financial Planning
- Be cautious of your spending habits

12

Complaints process

- Start with the FSP
- Refer matter to the relevant ombudsman
- FSB gets involved when there is a contravention of the law it administers



13







Being financially independent is about planning; being disciplined and understanding that it does not happen overnight.



14

Any Questions?



15

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16