Before Accepting Financial Advice: Check the Needs-Analysis File

Description

MoneySense says a financial adviser should understand the client, needs and objectives before recommending a product. Consumers should check the representative, disclose relevant facts, read required documents and insist that affordability and risk are recorded.

This guide is for a Singapore consumer meeting a financial adviser about insurance or investments. Its job is to verify that the recommendation follows a complete fact-find and suitability discussion, using a one-page fact-find completeness test for goals, dependants, cash flow, assets, liabilities, cover and risk and a recommendation challenge table linking each product feature and fee to a stated client need rather than a headline or remembered rule.

Choose the branch before acting

Situation	Practical next step
Representative or firm cannot be verified	Pause the meeting
Recommendation came before the fact-find	Ask for the needs analysis
Affordability depends on optimistic income	Rework the budget
Product risks are not understood	Do not sign or pay

Verify the firm

MoneySense financial advisory process states the controlling point used here: MoneySense describes the representative introduction, fact-find, needs analysis, product recommendation, affordability discussion and documents consumers should receive. A name card does not prove authorisation. Use the MAS directory

If representative or firm cannot be verified, pause the meeting. Use â??Use the MAS directoryâ?• as the recorded proof step, with the decision date and the version of the document or live page relied on.

State the objective

Protection, income and growth are different needs. Write the priority

For this articleâ??s state the objective check, the working file should show whether â??Write the priorityâ?• is complete. If it is unresolved, name the responsible person or official service and set the last safe time to close that specific gap.

Disclose the balance sheet

Assets and liabilities affect suitability. Prepare a dated snapshot

If affordability depends on optimistic income, rework the budget. Use â??Prepare a dated snapshotâ?• as the recorded proof step, with the decision date and the version of the document or live page relied on.

Test cash flow

MAS Financial Institutions Directory states the controlling point used here: The MAS directory lets consumers check regulated financial institutions and the activities they are authorised to conduct. Premiums and contributions must survive bad months. Run a stress case

For this articleâ??s test cash flow check, the working file should show whether â??Run a stress caseâ?• is complete. If it is unresolved, name the responsible person or official service and set the last safe time to close that specific gap.

Read the documents

The recommendation and product materials should reconcile. Mark unanswered points

If representative or firm cannot be verified, pause the meeting. Use â??Mark unanswered pointsâ?• as the recorded proof step, with the decision date and the version of the document or live page relied on.

Keep the record

A signed copy protects later review and complaints. Archive the final file

For this articleâ??s keep the record check, the working file should show whether â??Archive the final fileâ?• is complete. If it is unresolved, name the responsible person or official service and set the last safe time to close that specific gap.

A one-page fact-find completeness test for goals, dependants, cash flow, assets, liabilities, cover and risk

Start with Verify the firm, then test State the objective and Disclose the balance sheet. Show the input, the condition applied and the resulting action in separate columns. If a number is calculated, retain the arithmetic; if a route is selected, retain the branch that ruled out the alternative.

Input or condition	Evidence to keep	Decision it changes
Representative or firm cannot be verified	Use the MAS directory	Pause the meeting
Recommendation came before the fact-find	Write the priority	Ask for the needs analysis
Affordability depends on optimistic income	Prepare a dated snapshot	Rework the budget

A recommendation challenge table linking each product feature and fee to a stated client need

Use Test cash flow, Read the documents and Keep the record as the verification pass. Check the live condition, note the time checked and keep the response or document that supports the conclusion. Unknowns remain visible until resolved; they should not be replaced by a guessed price, deadline, eligibility result, service level or operating detail.

Evidence map for financial adviser needs analysis Singapore

Check	Record before acting
Verify the firm	Use the MAS directory
State the objective	Write the priority
Disclose the balance sheet	Prepare a dated snapshot
Test cash flow	Run a stress case
Read the documents	Mark unanswered points
Keep the record	Archive the final file

Use this map to verify that the recommendation follows a complete fact-find and suitability discussion. Date each item, distinguish a live response from an older copy, and keep any unsupported row visibly open.

Worked example

A consumer seeking retirement income is shown an investment-linked policy before liabilities and emergency savings are discussed. The consumer pauses, completes the fact-find and asks the representative to show how each fee and risk supports the recorded goal.

This example demonstrates a one-page fact-find completeness test for goals, dependants, cash flow, assets, liabilities, cover and risk. It is not a guarantee: change one material input at a time and recheck the current MoneySense financial advisory process page before relying on the result.

Before you commit

1. Pause the meeting.
2. Ask for the needs analysis.
3. Rework the budget.
4. Do not sign or pay.
5. Save the date and evidence used for every material condition.
6. Stop and ask the controlling authority, operator or qualified professional if a disputed fact changes the outcome.

Separate product classification, objective, time horizon, capacity for loss, liquidity need and total cost. A product can be permitted for sale and still be unsuitable for the person, amount or holding period.

Limits

This checklist cannot decide product suitability for an individual. Consumers may need independent professional advice.

For an adjacent live guide, see FIDReC Complaint: Build the Financial Dispute File Before Mediation. If the next decision shifts to a second practical issue, Dependantsâ?? Protection Scheme Claim: Find the Insurer and File the Right Route provides the relevant progression without duplicating this primary intent.

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