SOUTH AFRICAN INSTITUTE OF PROFESSIONAL ACCOUNTANTS™
YOUR WEALTH

MONEY SMART WEEK SOUTH AFRICA
Creating a Money Smart South Africa

Thursday, 27 August 2026

**Financial Literacy Is Not About Having More Money. It Is About Making Better Decisions.**

Financial literacy is often associated with budgeting, saving and managing debt. While these are important, being money smart is about more than knowing how to manage money. It is about understanding your financial position well enough to make informed decisions.

This matters because financial decisions rarely happen in isolation. A decision made today can affect an individual, household or business months or even years into the future.

For many South Africans, these decisions are being made against a difficult backdrop of rising living costs, competing financial commitments and uncertainty about the future. In these circumstances, the objective is not always to make the perfect financial decision. It is to make the most informed decision possible with the resources available.

**Start with what you know**

A practical starting point is understanding what you earn, what you spend and what financial commitments you already have.

It is easy to lose sight of the bigger picture when financial decisions are made one transaction at a time. A purchase may appear affordable on its own, but the more important question is whether it fits within the broader financial position of an individual or household.

The same principle applies to small businesses. Revenue does not necessarily mean that a business has money available to spend. Understanding cash flow, expenses, tax obligations and other commitments is essential to making responsible financial decisions.

**Ask better questions**

Being money smart also means asking the right questions before making financial commitments.

What will this decision cost over time? Do I understand the terms and conditions? Is there another option? Can I afford the commitment? What are my responsibilities? What happens if my circumstances change?

These questions are particularly important when dealing with credit, contracts, tax, business compliance and other financial obligations that may have consequences beyond the immediate decision.

Financial literacy does not require everyone to become a financial expert. It means having enough knowledge to recognise when more information is needed and knowing where to find reliable guidance.

**Information creates options**
Good financial information cannot eliminate financial pressure, but it can influence how people respond to it.

An individual who understands their financial position is better placed to prioritise expenses and plan. A business owner who understands their financial and regulatory obligations can plan rather than simply react. A household that has a clear view of its income and commitments can have more informed conversations about what is affordable and sustainable.

The ability to make better financial decisions does not necessarily begin with having more money. It begins with understanding what you have, what you owe, what you can afford and what options are available to you.

**Know when to seek professional guidance**
There are also financial decisions where information alone may not be enough. Knowing when to seek professional guidance is itself an important part of being money smart.

Qualified professionals can help individuals and businesses understand financial information, assess their options and make decisions that take their circumstances and obligations into account.

Seeking professional advice does not mean handing over responsibility for your finances. It means becoming informed enough to ask the right questions, understand the advice you receive and make deliberate decisions.

Ultimately, financial literacy is about moving from simply reacting to financial circumstances to understanding them and responding with greater confidence and purpose.

Being money smart is not about having all the answers. It is about knowing where you stand, understanding your options and taking the next informed step.

*Issued by SAIPA- South African Institute of Professional Accountants*
**Media Enquiries**
Ofentse Letswalo
PR & Communications Coordinator
0769102208 / oletswalo@saipa.co.za