

# Managing your financial future – in black & white




# Chapters....


**Growing your wealth – in black & white**



**Managing your debt – in black & white**



**Why super is important – in black & white**




**Protecting your lifestyle (insurance) – in black & white**



**Understanding estate planning – in black & white**



**Planning for retirement – in black & white**



**Understanding estate planning – in black & white**

# Understanding estate planning – in black & white



# Important notice

Any advice in this presentation has been prepared without taking into account your objectives, financial situation and needs. You should consider whether it is appropriate having regard to your personal circumstances before making any financial decisions.

The contents do not constitute legal advice, are not intended to be a substitute for legal advice and should not be relied upon as such. You should seek legal advice or other professional advice in relation to any particular matters you may have. If you are considering acquiring a financial product you should obtain the relevant product disclosure statement before making any decision.

Any information about taxation in this presentation is factual information or general advice only and does not consider the application or interpretation of any taxation laws to your personal circumstances. If you require taxation advice you should seek advice from a registered tax agent or a registered tax (financial) adviser.



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# Financial Literacy

Do you have a Will?

Yes



No



59%

41%

Source: University of Queensland, Queensland University of Technology and Victoria University – 2015 study



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# Agenda



What is estate planning



Superannuation



Wills



Estate planning considerations



Power of Attorney



Summary



Trusts

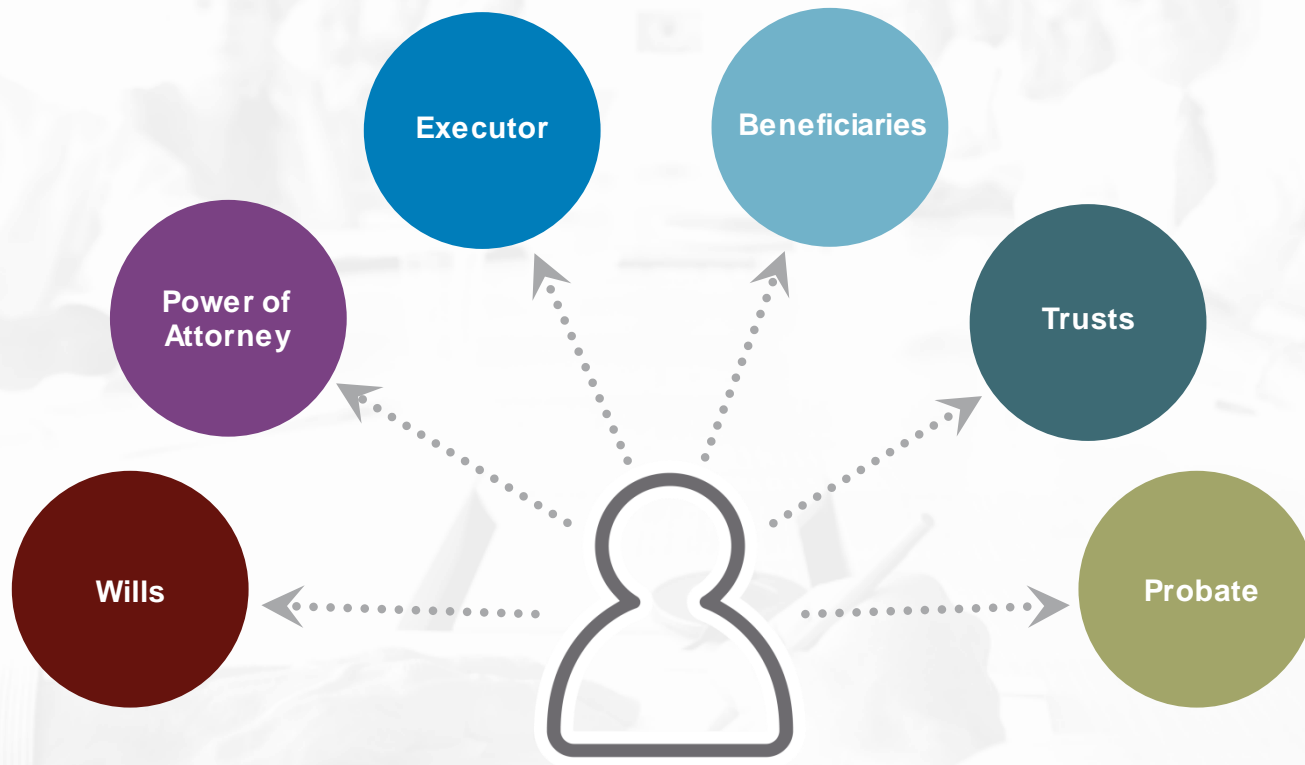


Questions

# What is estate planning?



# Estate Planning



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# Estate Planning – some facts

60% of people die without a Will (Intestate)

If you die intestate, the Government decides as to the distribution of your estate

Of the 40% who have a Will many are uncertain as to its location &/or validity

Generally marriage cancels a previous will

A Will is the only effective method to provide for guardianship of children if both parents die

50% of people who claim to have a Will require updating due to change of family circumstances



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# Estate Planning



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# Wills

# Wills



## Beneficiary

a person or organisation who receives something in your will



## Estate

all your assets, including your share in assets held jointly with someone else



## Executor

the person responsible for finalising your estate, and then distributing the proceeds to your beneficiaries



## Intestate

dying without making a valid will. The estate is then distributed in accordance with a 'Letter of Administration'



## Probate

a legal document provided by Supreme Court, declaring that a will is valid, the Executor has authority to distribute assets and administer your will



## Will and Testament

a legally binding document that details your final wishes with regards to the distribution of your estate after you die



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# Writing a Will

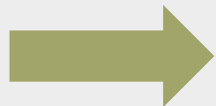
It is important to ensure that your Will:



Clearly identifies your beneficiaries



Clearly identifies your executor



Lists exactly how you want your estate to be distributed to your beneficiaries



Is dated, signed, witnessed correctly and is up to date



# Powers of Attorney

# Powers of Attorney



**General  
power of  
attorney**

**set for a specific  
period of time  
when you're  
unable to make  
financial or legal  
decisions**



**Enduring  
power of  
attorney**

**takes affect only if  
and when you  
become incapable  
of making legal  
and financial  
decisions for  
yourself**



**Medical  
power of  
attorney**

**can make medical  
decisions (but not  
legal or financial  
decisions) about  
you if you're unable  
or incapable of  
doing so**



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# Power of Attorney



## POWER OF ATTORNEY

- legal authority to look after your affairs on your behalf
- take responsibility for making decisions
- understand the major consequences of a decision



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# Testamentary Trusts

# Testamentary Trusts



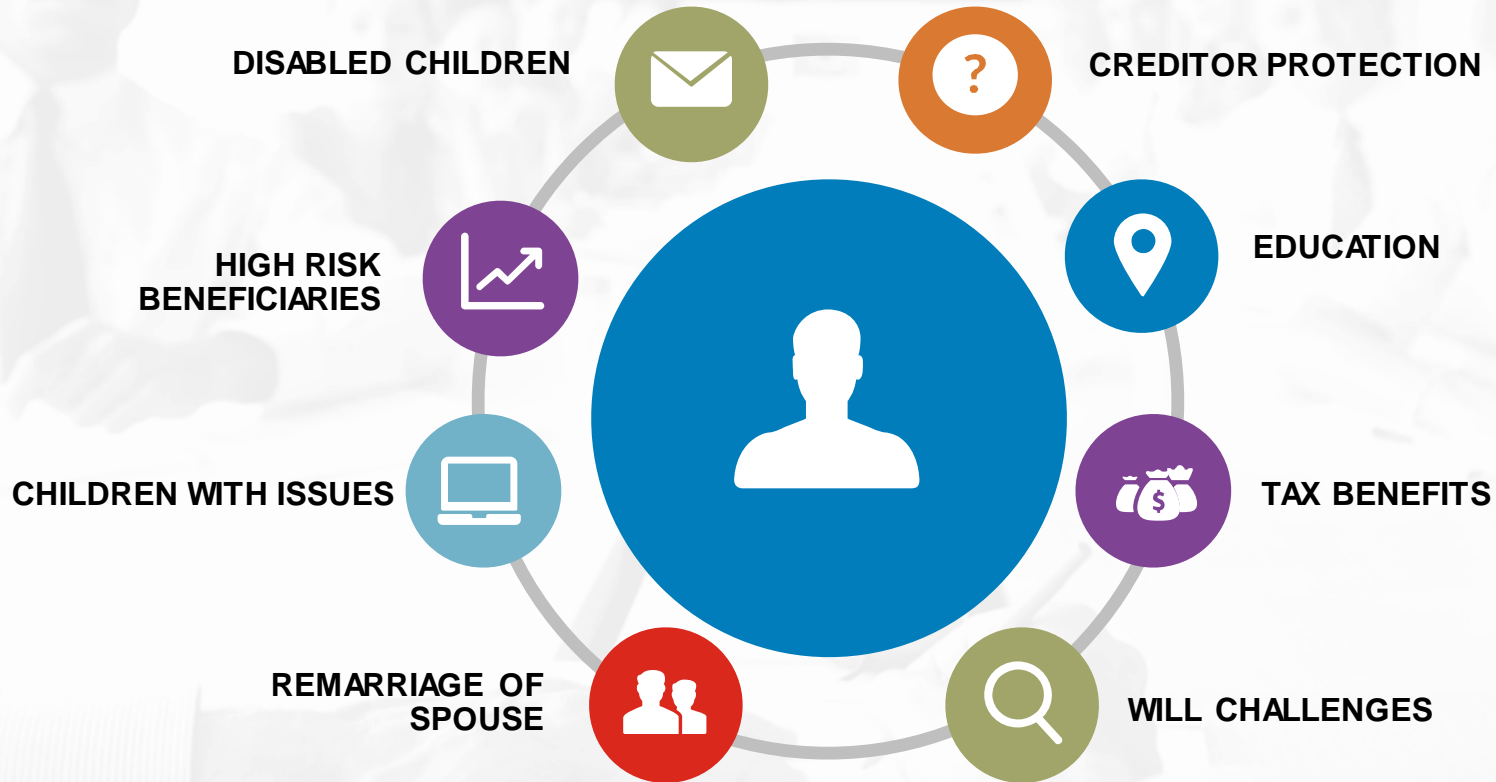
## TESTAMENTARY TRUSTS

- the discretion to allocate income and capital among any of the beneficiaries
- wide powers of investment, and;
- the power to wind up the trust at any time.



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# Testamentary Trusts



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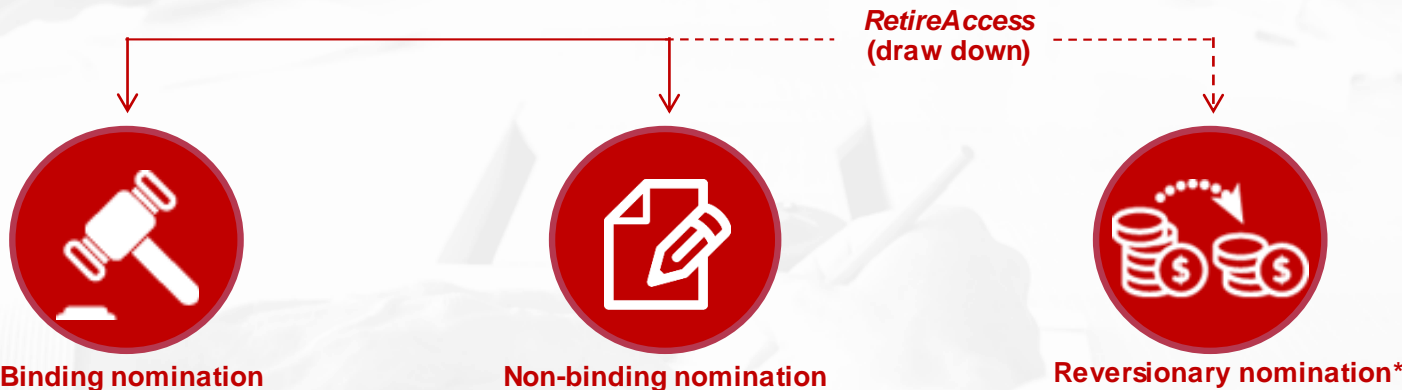
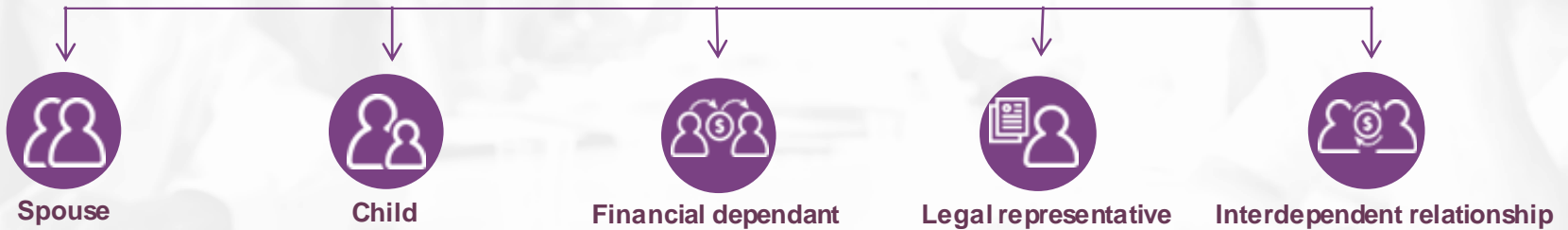
# Superannuation



# Superannuation



Who do you want to get your super & insurance benefit?



\*A death benefit can only be paid as a pension to a child, if the child at the time of death is under the age of 18, or is under the age of 25 and financially dependent on you, or has a disability as defined under the *Disability Services Act 1986*.



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# Superannuation



## Beneficiary Nomination

Binding  
Non-binding  
Reversionary beneficiary  
(income stream only)



## Dependants

Spouse  
Children  
Financial dependent  
Inter-dependency



## Taxation of death benefits

Dependant or non-dependant  
for tax purposes



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# Other considerations

# Estate Planning considerations



Developing an effective strategy



Preparing a valid Will



Administering a deceased estate



Estate Plan



Testamentary Trusts



Capital Gains Tax (CGT)



Superannuation death benefits

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# Summary

# Estate Planning steps

01

## WILLS

Keep your Will valid and up to date as your circumstances change – marriage, children, divorce.

02

## POWERS OF ATTORNEY

Nominate people you know, are trustworthy and capable of managing your affairs in the event you are unable.

03

## TESTAMENTARY TRUSTS

Can only be established via your Will. Is a Testamentary Trust appropriate? Are there beneficiaries with special needs to be catered for?

04

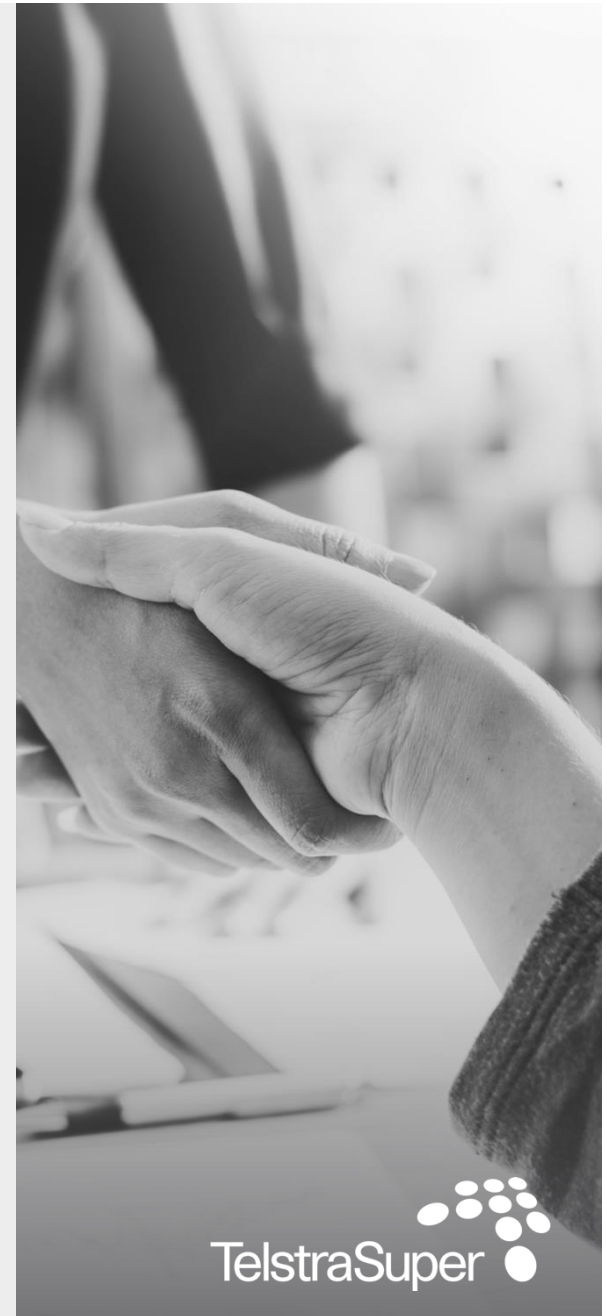
## SUPERANNUATION

Nominate beneficiary(s). Keep nomination(s) updated should circumstances change eg; marriage, children, divorce.

05

## ADVICE

Get some advice about what is best/right for you. Navigate your estate planning process with confidence.



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# Useful tools

▶ ASIC Moneysmart:  
[www.moneysmart.gov.au/](http://www.moneysmart.gov.au/)

▶ Public Trustees Australia:  
[www.publictrusteesaustralia.com](http://www.publictrusteesaustralia.com)

▶ Australian Investors  
Association: Education  
[www.investors.asn.au/education/estate-planning/](http://www.investors.asn.au/education/estate-planning/)

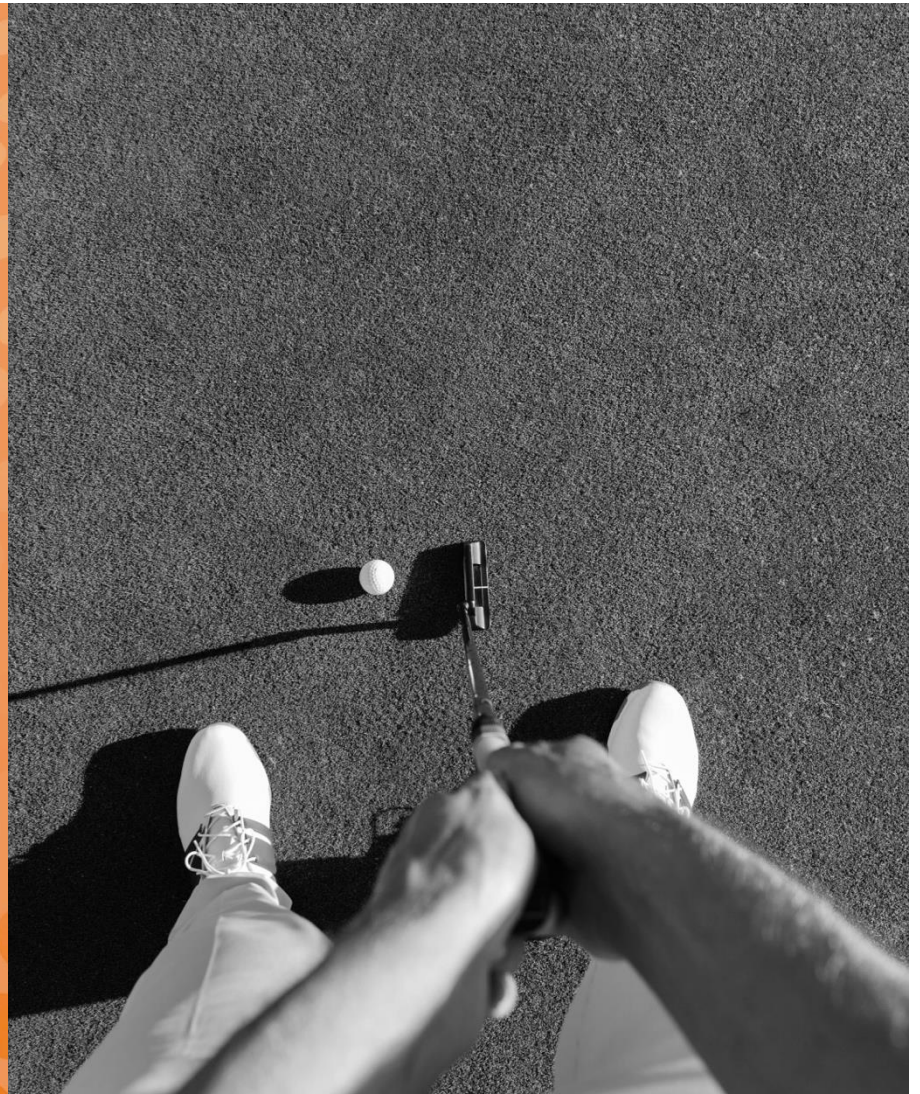
▶ Australian Taxation Office:  
[www.ato.gov.au/Business/Private-owned-and-wealthy-groups/Tax-governance/Estate-planning/](http://www.ato.gov.au/Business/Private-owned-and-wealthy-groups/Tax-governance/Estate-planning/)

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# Chapter 6: Planning for retirement – in black & white



# Thank you



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