

Protecting your wealth

Hello and welcome back to our 'Better off with advice*' online video series.

The two sure things in life may be death and taxes but with a little bit of planning, you can ease the pain of both.

No one likes to think about the death of a loved one, let alone their own mortality, but having an estate plan in place certainly makes it a little easier to deal with.

Estate planning is all about providing protection for your loved ones once you've gone.

This can be especially important if you have a family member with special needs. It also helps prevent confusion and minimises any ill feeling among family members, particularly if you have a complex family situation or there's a family feud simmering. So it's a great thing you can do for your family.

An estate plan also helps to minimise the level of legal expenses, taking the load off your loved ones at an already difficult time.

But when you hear the term 'estate planning', what do you associate with it?

Most people think it's just about creating a Will. While that's certainly a great place to start, it's just the beginning.

Did you know that almost 50 per cent of Australians die 'intestate' or without a Will?

Most people take the attitude that she'll be right mate and that the right people will get the right things. But how will that happen if you don't provide instructions?

If you die without a valid and up-to-date Will in place, your estate is distributed according to a strict Government formula which may not be in line with your wishes.

If you want certainty around the distribution of your assets – to family, friends, or even to charities – it's important to create a Will. And, if your circumstances change – marriage, divorce or children – you need to make sure you keep it up-to-date.

One of the many benefits of an estate plan is that it allows you to put a trust structure in place to cater for family members with a disability, special needs, or even an addiction. That way, you can be sure their finances are managed appropriately when you're no longer there to help.

Or maybe you'd like to leave some of your money to charity?

Using a trust structure can provide support in perpetuity rather than a one-off bequest.

Whatever your choices, it's important that you get the right advice so that your assets are distributed according to your wishes and in the most tax-effective way.

* You could be better off at any age. Financial Services Council research shows that a 30-year-old would save an additional \$91,000, a 45-year-old would save an additional \$80,000 and a 60-year-old would save \$29,000 more than those without a financial adviser.

Another great estate planning tool is a 'statement of wishes'.

While it's not a legally binding document, it lets you specify the intended beneficiary of any of your non-financial assets – special jewellery or signed sports memorabilia for example.

But estate planning is more than just protecting others and distributing your assets. It's about protecting you as well.

What happens when you can no longer make decisions for yourself?

Depending on your needs and circumstances, there are different types of appointments you can make to help with the management of your affairs.

A power of attorney allows you to appoint someone you trust to manage your financial affairs if you become ill or injured and unable to do so yourself.

An enduring power of attorney, on the other hand, is just that: enduring, so it continues even after you lose capacity.

While legislation varies from state to state, another important appointment is that of an enduring guardian. As its name implies, an enduring guardian is appointed to make personal decisions on your behalf, such as where you should live and what medical treatment you should receive.

You can choose to appoint a family member, friend or a professional trustee company.

While there's lots to think about, don't wait until it's too late.

That's where we can help.

A financial planner can provide guidance and advice about what's best for your situation.

To make an appointment with your local Bridges financial planner call the number on screen now or click the 'make an appointment with a Bridges financial planner' button.

After all, you're better off with advice.

Call **1800 645 303** to book an appointment with your local Bridges financial planner today.

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