



THE ONE for financial solutions

Financial Focus

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Estate Planning: What's the right strategy for you?

Putting plans in place for the transfer of ownership or control of assets in the event of death is not a task many of us will willingly or enthusiastically engage in. Procrastination and hesitation are often at play when it comes to estate planning.

Furthermore, hastily putting a will in place when planning overseas travel, taking on a mortgage, or getting married may lead you to the conclusion that you've got your estate plan over and done with. However, there are several potential shortcomings with this approach.

The reality is that your financial circumstances, objectives, family make up and relationships change throughout your life and your estate plan should evolve accordingly. Additionally, a will may only play a small role in your broader succession plan.



So where do you begin your estate plan?

A good place to start is to establish where your assets sit in terms of ownership. A Financial Adviser is usually best placed to assist you with this exercise.

Examples of assets that form part of your estate	Examples of non-estate assets	Examples of assets that can go either way (you can choose)
Assets and investments you own personally	Jointly held assets (e.g., spouses usually own the family home as joint tenants)	Super (including SMSFs)
Assets you own a share or proportion of personally (i.e., you are a tenant in common with other owners)	Assets held in a family trust	Life insurance (held both inside or outside of your super fund)
Amounts owed to you (e.g., by a family trust)	Assets held in companies	Investment or insurance bonds

The next step is to establish your objectives so that the right assets go to the right people at the right time.

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Case Study

Simone and Ben are retirees in their seventies. They have three children, two of whom (Richard and Samantha) are married with young children and the third (Julie) who lives with them.

The couple are worried because:

- Richard's wife does not get along with them nor her sisters-in-law, as she considers that Samantha and Julie have had extra assistance from their parents compared to her husband
- Richard and Samantha are both concerned that Julie will be sole inheritor of the \$3m family home
- Julie is gradually taking on a carer role to her parents and believes that this unpaid work should eventually be rewarded when her parents pass away

In this type of scenario, the Financial Adviser helps Simone and Ben to identify the potential family conflicts that may arise when they pass away or become unable to look after their affairs.

The Adviser recommends pursuing a strategy whereby the size of their estate (if either were to pass away) is minimal, by arranging the appropriate beneficiary nominations for their \$2m in super and pension accounts and double checking the family home is in joint names.

The Adviser also considers future scenarios for the couple, such as loss of mental capacity, aged care and the passing of the second spouse.

This means that when the time comes for intergenerational wealth transfer, there will be limited ability for the children to engage in expensive fighting with each other. The Adviser can continue to work with Simone and Ben to ensure that the wealth is fairly handed down to their children and grandchildren, rather than ending up in the hands of lawyers, the tax office or their son-in-law or daughter-in-law.

Conversely, if family dynamics had been harmonious, the Adviser could have recommended an alternative strategy to ensure that the bulk of Simone and Ben's wealth passed to their estate to be future-proofed for their children and grandchildren.

This estate plan needs regular review to cater for changes in the family, such as new grandchildren, Richard or Samantha separating from their spouses or the death of Simone or Ben.

For more information, please contact your Financial Adviser.



Rediscovering the world

If you're dusting off your passport in 2023 and thinking about heading overseas, we've got a few ideas for you.

International travel has slowly come back onto our radars after an enforced break, and for many of us, 2023 will be the year we get back up into the skies and jet off for a well-deserved break.

Has an enforced break from travelling changed our appetite somewhat? Maybe. It seems people want to get out of their comfort zone for travel in 2023 – but where to go and what to do?

Whether you're after relaxation, adventure, or a bit of both, here are a few ideas for European trips you may not have considered before.

Take a historic trip

Lithuania, situated in the Baltic – northeast of Poland and southwest of Latvia, is becoming a destination of choice for travellers seeking a good dose of history and a country that's not a tourist trap. Its capital city, Vilnius, is paved with centuries of stories, and blends the old and the new – St Anne's Church and Trakai Castle are musts, while the 98-km Curonian Spit – a UNESCO site – is well worth a visit for those wanting to escape city life.

Get on your bike!

The Amalfi Coast in Italy has been a popular destination for years – but have you ever experienced it on two wheels? There are a number of operators offering cycling holidays in different European countries, and this one is a favourite. Venturing just a few kilometres from the coast reveals a contrasting world, one that includes inland canyons, abandoned villages and stunning views across the bay.

Enjoy some Irish hospitality

A trip to Ireland is always 'good craic' and if you're thinking of heading to the Emerald Isle, check out Sligo. Situated in the northwest of the country, this charming town has a great mix of history, scenery and a general good vibe. It's also home to one of the country's best-known mountains, Benbulbin, formed by Ice Age glaciers.

Set sail

If you're keen for something a little colder, how about an Arctic cruise? Cruises that last a couple of weeks can take you deep into the Arctic, taking in glaciers, fjords, polar bears and stunning cliffs. One to look at is an expedition around Spitsbergen, 600 miles south of the North Pole. Stop off to enjoy a hike or a guided nature walk and experience a part of the world that's a stark contrast to home.

Cheese-lovers paradise

Food is a big, big reason for many of us to travel – the prospect of our tastebuds being tantalised by the very best Europe has to offer can get us reaching for our passports faster than you can say 'baguette'. If you love your cheese, then a trip to Gruyères is for you. This picturesque, medieval Swiss mountain town has spas, is surrounded by snow-capped mountains and is the home of cheese.

Take some time out

If you want your European break – or at least part of it – to be the ultimate in relaxation, then check out the quiet Slovenian town of Bled. Nestled at the bottom of the Slovenian Alps, Bled's glacial Lake Bohinj, the Triglav National Park and Vintgar Gorge are all must-visits, and if you're after a spot of activity, there are plenty of hiking routes to be found.

Travel tips



It's been a while...

1. Tickets and itineraries

Many tickets and itineraries are digital now, but it's always smart to keep a paper backup, just in case. Who knows how reliable the internet will be just south of the North Pole!

2. Get your packing on a roll

The pros recommend rolling your clothes to fit more in – but that can just mean you're carrying more weight. Remember, leave space for purchases when you're overseas – if this is your first trip in a while, you'll have plenty of lost shopping opportunities to make up for.

3. Get your map back up

Your phone can be your main source of directions, but make sure you download maps before you leave home or when you're on WiFi at your destination. Google and Apple Maps allow you to download maps, while Here Maps is another good option.

4. Check COVID policies

The reality is, COVID-19's a fact of life now, so check your booking and travel insurance to confirm what provisions are in there should you catch it before or during your trip.

5. Make sure your passport is valid

If it's been a while since you dusted off your passport, make sure it's in date. The news and social media are full of stories of people encountering significant waiting times for passport renewals – understandable, particularly given the cybersecurity breaches that have been making the news recently – so if a trip is on your agenda for 2023, don't let the final hurdle trip you up!



Cyber security

The COVID-19 pandemic has significantly increased Australian's dependence on the internet. This reliance has also led to an increase in opportunities for cyber criminals to exploit vulnerable targets. According to the Australian Cyber Security Centre, over the 2020-21 financial year there has been a 13% increase in cybercrime reports from the previous year, with losses totalling more than \$33 billion.*

We know cybercrime is a real threat to all Australians, which is why it is important that we all do what we can to keep our data, systems and devices safe.

We ask you to please check the sender address on all correspondence you receive, and never click on a link you are unsure of. Here are a few simple steps we recommend to help keep you cyber-safe:

What you can do to protect your personal information



Install anti-virus software on all your devices and regularly update the software



Use a strong password or unique passphrase and activate two-factor authentication where possible



Don't share your personal information or whereabouts on social media



Never give out your personal information over the phone unless you have properly identified the caller



Remember that we will not ask you to perform financial transactions over the phone



Let us know if you see an email from us that you think is a scam

*Source: ACSC Annual Cyber Threat Report 1 July 2020 to 30 June 2021
www.cyber.gov.au/acsc/view-all-content/reports-and-statistics/acsc-annual-cyber-threat-report-july-2020-june-2021

Thinking ahead? Let's talk about strategies for creating a positive financial future.



If you'd would like more information or to discuss your situation, please contact us.

Important information:

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