

# The ABC of Estate Planning

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Regardless of your age or life circumstances, if you pass away without carefully having prepared your Estate Plan, your assets could end up with someone other than your loved ones.

A tailored Estate Plan protects your wealth, your future, and most importantly – your wishes.

Major problems encountered in case of an absent or incomplete Estate Plan are:

- disputes over ownership of assets, often with legal costs diluting the amount available to beneficiaries;
- assets being distributed to unintended beneficiaries, particularly in blended family situations;
- too much tax being paid by beneficiaries on the inheritance;
- not making adequate arrangements for the future care of children;
- lack of a suitable authorised person to make financial and lifestyle decisions on your behalf by not having a Power of Attorney or Enduring Guardianship;
- lack of access to bank accounts by the remaining spouse or family; and
- vulnerable beneficiaries causing assets being mismanaged.

If your Estate Plan is set up correctly, you can eliminate these problems. A good and comprehensive plan should minimise the tax paid by your heirs and help avoid family quarrels. You will also feel more comfortable having put in place a plan for these confronting and difficult issues.

An Estate Plan includes your Will, as well as any other directions on how you want your assets distributed after your death. It includes documents that govern how you will be cared

for, medically and financially, if you become unable to make your own decisions in the future. Key documents might also include a Superannuation Death Nomination, Testamentary Trust, Powers of Attorney, Power of Guardianship, etc.

Not everyone has the experience and knowledge required to put together a comprehensive Estate Plan, especially where blended families or vulnerable beneficiaries, such as young children, are involved.

Consider the following questions – it will give you an indication of the steps you'll need to go through when getting your affairs in order:

- What are my assets, liabilities and relevant entities?
- Who do I need to provide for and who do I want to provide for?
- What is the best vehicle to provide for those persons?
- Have I structured my Estate Plan to minimise possible friction between my beneficiaries?
- Do I have the right people in place to look after my affairs and my children when I am no longer able to?
- Does this plan give me peace of mind?

If there is any complexity in your family or financial situation, then getting expert advice is highly valuable.

*If you would like to meet with a Financial Adviser to learn more about how to protect your estate and prepare for your own and your family's future, please contact Tim Meggitt, Senior Partner at PSK Financial Services on 02 9324 8803, 0434 617 589 or [tim@psk.com.au](mailto:tim@psk.com.au).*