

Heir tight.

Recently I attended the Law Asia conference which attracted over 400 delegates, predominately from the Australasian region. The theme of the conference was 'Moving Forward'. It was appropriate given that the content focused on new developments in practice management as well as legislative changes that have improved a number of areas such as human rights, privacy and environmental protections. After the last few years of the GFC, when survival has been the main focus for most of us, it was refreshing to sense positive momentum on many fronts.

For us, this year has been very much about moving forward. We have improved our technology to enable us to more efficiently manage our work for you and continued with the up-skilling of our lawyers and support team to strengthen our ability to handle the work we do.

Next year we are hopeful that several more of our lawyers will complete the requirements to become Accredited Specialists in Succession Law. We have also been reviewing and streamlining our infrastructure to improve the

turnaround time of work and reduce costs. We are aware that everyone's budgets have tightened. The challenge for us is to provide a positive work environment for our staff and to be as efficient as possible in everything we do to maximize the value we pass on to you.

We are extremely fortunate with the team of people we have working in our Brisbane and Sydney offices. Their willingness to embrace change and to think creatively about how to improve what we do makes all the difference to us being able to move forward.

In this, our Christmas bulletin, we look at ways that you might move forward with your estate planning and your approach to life. There is also a 'Q&A' section that will hopefully challenge you and result in your visiting our website.

Thank you for your support over the past year. You are the reason we are here and we look forward to continuing our services to you in 2013. We wish everyone an enjoyable festive season and a new year of continuing progress.

Margot de Groot
Director

New Edition of Estate Litigation Text



Our Special Counsel, Dr John de Groot and Mr Bruce Nickel have recently published, through Lexis Nexis Butterworths, the 4th edition of their text, 'Family Provision in Australia'. They have both said it is their best edition to date! A digest of relevant cases decided in the area continues to be a special feature of the publication.

How do You Plan to Live?

As we approach the new year, it is the perfect time to reflect on the year that has been and to look forward to the year ahead. It is also a useful time to review any change in your circumstances and to resolve to make the changes you want (or may need) to make in any area of your life. However, one important area that we all often neglect is the process of making an 'estate plan' for the protection and transfer of our assets.

Estate planning involves more than just making a will, it is about creating a plan and ensuring certainty for your loved ones. However, in developing a suitable estate plan, it is important to recognise the succession issues which may arise depending on the stage of the will maker's life.

Young singles

Young singles often overlook the importance of estate planning. They sometimes form the view that their assets are not significant enough, or they do not have any dependants to warrant putting in place an estate plan. This, however, is a common misconception.

The majority of people in this age group may have superannuation entitlements and also an insurance policy connected to it. This can result in a significant sum of money being paid to

their estate. In the event that a person passes away without a will, family members will face the task of dealing with an intestate estate, which can be both time consuming and costly for the family members concerned. Having a will in place can simplify this process and reduce the costs involved.

Young couples with children

Estate planning at this stage of a person's life often involves quite different considerations, including:

- the appointment of guardians for children
- whether there are sufficient insurances in place to:
 - pay out any debts that are outstanding and enable the surviving spouse to maintain their lifestyle and that of their children
 - enable any guardians to provide for the children in the event that both parents pass away
 - provide for their family in the event that they suffer an accident which renders them unable to continue to earn an income.

The asset accumulation phase

The asset accumulation phase of a person's life raises a different set of considerations, which may include:

- in the event that a business is being conducted, ensuring that key man and other relevant business insurances are in place
- identifying business succession issues and putting in place strategies to deal with the succession of a business including the valuation of the business and payout of any interest entitlement
- ensuring that sufficient life insurance is in place to discharge any existing debts and provide an injection of funds for a person's dependants
- ensuring nominations in respect to superannuation are put in place to direct the benefit to the intended recipient
- ensuring tax effectiveness in the distribution of the estate and implementing methods such as testamentary trusts to achieve this.

Retirement

When developing an estate plan, entry into the retirement phase of a person's life can often involve new deliberations, including:

- ensuring that the estate plan reflects the wishes of the testator in respect to the distribution of the estate (i.e. specific gifts are dealt with)
- undertaking a review of the superannuation fund to ensure that necessary pensions and nominations are in place for the payment of superannuation entitlements

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- if the superannuation fund is a self-managed superannuation fund, ensuring that adequate succession strategies are in place/able to occur on the death of a member
- ensuring that an enduring power of attorney is put in place to enable the management of a person's affairs in the event that they are no longer able to oversee their estate
- considering whether advance health directives should be implemented to ensure that a person's wishes in respect to the provision of health care are properly enacted.

We recommend, that as the new year approaches, you consider whether your estate plan is still relevant to your current circumstances. If your situation has changed, please contact us to discuss how we may assist you in implementing an estate plan which is specifically tailored to your needs.

Carla Parsons, Associate, Member of our Estate Administration Team and Emma Nisbet, Lawyer, Member of our Estate Planning Team

A Piece of Advice on Peace of Mind for 2013

The end of the year and the start of a new one gives us a chance to reflect on the past 12 months and maybe even to set a few resolutions for the New Year. Most of us are looking for a simpler, less stressed life. The following factors, thought to have been uncovered in a study on 'peace of mind' at Duke University, were found to contribute greatly to emotional and mental stability. If you are one of those people who does like to come up with new year's resolutions, you might like to give these powerful principles some thought.

- 1. The absence of suspicion and resentment.** Nursing a grudge was a major factor in unhappiness.
- 2. Not living in the past.** An unwholesome preoccupation with old mistakes and failures leads to depression.
- 3. Not wasting time and energy fighting conditions you cannot change.** Cooperate with life, instead of trying to run away from it.

4. Force yourself to stay involved with the living world. Resist the temptation to withdraw and become reclusive during periods of emotional stress.

5. Refuse to indulge in self-pity when life hands you a raw deal. Accept the fact that nobody gets through life without some sorrow and misfortune.

6. Cultivate the old-fashioned virtues – love, humour, compassion and loyalty.

7. Do not expect too much of yourself. When there is too wide a gap between self-expectation and your ability to meet the goals you have set, feelings of inadequacy are inevitable.

8. Find something bigger than yourself to believe in. Self-centred egotistical people score lowest in any test for measuring happiness.

At de Groots, helping our clients achieve peace of mind is our ultimate goal. So, for your own peace of mind, you may like to include among your New Year's resolutions, 'ensure my estate is in a sound state.'

Welcoming our newest team members

We welcome Kate Varcoe and Sarah Doblo to our firm. Kate is focusing on Estate Litigation and Estate Planning work. In 2013 Kate will be seeking Specialist Accreditation in Succession Law.

Apart from her work in Estate Litigation and Estate Administration, Sarah is also a member of the QLS Succession Law Committee



Kate Varcoe, Associate, Estate Litigation Team



Sarah Doblo, Lawyer, Estate Litigation Team

The Twelve Questions of Christmas

1. What date is St Stephen's Day?
2. In Charles Dickens' novel *A Christmas Carol*, who was Scrooge's dead business partner?
3. The song *White Christmas* was first performed in which 1942 film?
4. For which instrument was the music to 'Silent Night' originally written?
5. What colour are the berries of the mistletoe plant?
6. What Christmas item was invented by London baker and wedding-cake specialist Tom Smith in 1847?
7. How many points does a snowflake have?
8. Which poem written by Clement Moore was originally titled *A Visit from Saint Nicholas*?
9. What is the title of the biggest selling Christmas single, globally?
10. Kiritimati, the first inhabited place to experience each New Year, is more commonly known as what?
11. John Callcott Horsley designed what first commercial Christmas item in 1843?
12. Who was the first British monarch to broadcast a Christmas message to the nation and its 'colonies'?

Please refer to www.degroots.com.au/quiz for the answers

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