



WHAT'S AROUND THE CORNER?

Time sneaks up on all of us. The other week a friend reminded me that this year marks my 10th year of writing for Next. Could that be true? I went back to my diary and checked: 1996 – an article about a journey I'd made to see my mother's village in China.

A few weeks ago my mother celebrated 50 years in New Zealand. Well, celebrated is not the right word. On the day in question she was hospitalised, the result of a motor accident. She was in hospital for six days before being discharged to face a new set of rules. Walking will be difficult for a while and there will be no more driving.

Suddenly my mum, who in the '60s used to wrestle a van around the roads of Auckland with our sizeable family on board, is not so

independent. Our responsibilities as her children have suddenly increased and we are no longer quite so independent either.

For the Baby Boom generation this is a current theme. Our parents are now elderly. What does this mean in terms of our financial arrangements? Here are two lists I've compiled based on recent work I've done with clients who are either in their 70s, or who have parents who require a watchful eye from the family.

BOOK PIC?

Facing Age

by Nancye Bourke
(Exisle Publishing, \$29.95)
Practical,

easy to understand and aimed at New Zealanders, this is an excellent guide to the issues of ageing. Pass it around the family and give your parents a copy.



MONEY TALKS

Health and welfare issues become important with age. Susanna Stuart gets a wake-up call

MAKING CENTS

Send your questions to next@acpmagazines.co.nz



Q My husband died recently. If I became mentally incompetent, I'd like my daughter to make decisions for me. How do I organise this?

Marjorie, Whangarei

A It is important to get Enduring Powers of Attorney set up now so that in the event that you become mentally incapacitated, you have someone to act on your behalf. There are two appointments: one person to handle your financial and property affairs, and another to make decisions concerning your personal care and welfare. It is wise of you to tackle this now – a friend's mother had a stroke and because there was no Power of Attorney in place the family had to pay all the care costs for several months as they were unable to access her bank accounts.

making preparations for old age

If parents are becoming less independent:

- * When your parents are elderly, situations can change overnight. Develop (with siblings if possible) an emergency fund to take care of your parents should a crisis occur.
- * Discuss aged-care plans with your parents. Parents don't like being a burden and they may have worries they don't wish to raise. Talk about these issues.
- * Don't confuse family responsibilities with money. Family responsibilities should be shared as much as possible; money and wills should be seen as a completely separate issue.

On becoming less independent:

- * Focus on finding the right place to live. If a retirement home is not for you, consider your needs in terms of mobility, convenience, cost and warmth.
- * Investments need to be more than just low-risk. They should also be easy to manage. If you'd prefer, find a trusted financial adviser and let them manage your investments for you.
- * Make a will and, if it is okay within your culture to talk about it, tell your kids what they can expect. It may stop arguments.
- * Look after yourself first. If you have a nest egg, spend it on the things you need.