

# The Estate Liquidity Audit

An estate can hold significant assets and still leave a family short of cash for months. Complete one worksheet for each spouse or partner.

## A | What the family needs quickly

| Family need                                             | Amount (R) |
|---------------------------------------------------------|------------|
| Household living costs: _____ months x R_____ per month |            |
| Funeral, medical and related immediate expenses         |            |
| Debt payments and commitments that cannot wait          |            |
| School, education and other essential first-year costs  |            |
| <b>Total family needs (A)</b>                           |            |

## B | Two figures for the estate planner

Leave these lines open if you do not know. Their absence is part of the finding.

| Planner-supplied figure                                                        | Amount (R) |
|--------------------------------------------------------------------------------|------------|
| Estate administration costs: executor, Master, property and professional costs |            |
| Taxes and duties triggered at death: estate duty, CGT and outstanding tax      |            |
| <b>Total estate costs and taxes (B)</b>                                        |            |

## C | What the family can genuinely access quickly

| Source                                                            | Amount (R) | Expected timing / condition |
|-------------------------------------------------------------------|------------|-----------------------------|
| Policy proceeds payable directly to a nominated beneficiary       |            |                             |
| Cash and reserves already held by the surviving spouse or partner |            |                             |
| Accounts confirmed accessible after death                         |            |                             |
| Other cash accessible within 90 days                              |            |                             |
| <b>Total accessible quickly (C)</b>                               |            |                             |

## D | The gap

| Calculation                                                                                  | Amount (R) |
|----------------------------------------------------------------------------------------------|------------|
| <b>Liquidity gap: family needs (A) + estate costs and taxes (B) less accessible cash (C)</b> |            |

A policy paid directly to a beneficiary can still carry estate-duty consequences. The estate planner must confirm where the duty arises and who must fund it.

## E | Brief the family

| Action                                                                 | Done / date |
|------------------------------------------------------------------------|-------------|
| Confirm ownership and beneficiary nominations                          |             |
| Confirm which money should arrive first and who receives it            |             |
| Tell the family who the executor is and where the signed documents are |             |

**What this leaves you with:** the reader can estimate the family's need and accessible cash. The estate planner supplies the two technical figures. What remains is a real liquidity gap to solve together.

