

Pre-Planning- Funeral Services

Pre-planning or pre-paying for your funeral services can protect your loved ones from unnecessary stress related to making difficult decisions at an emotional time and relieve them from any financial burden.

Funeral Directors can alleviate this burden for you by guiding you through the planning process, explaining the products and services available and the costs involved in options such as:

Pre-paid funerals

Pre-planning or pre-paying a funeral can be completed through an appointment with a funeral director of your choice. Alternatively you can visit the Your Goodbye website and download the Your Goodbye booklet to start recording your wishes today.

Pre-arranged Funeral

A Pre-Paid Funeral is one where the family and Funeral Director establish the funeral requisites and services that they wish to contract and pay for now, for provision at a future date.

When planning a funeral decisions need to be made on the type of service and its location along with the content, music, readings, poetry and order of service, whether there will be a burial or a cremation, the choice of a coffin or a casket, the selection of funeral notices, deciding on floral tributes and looking at catering options. The Funeral Director will ensure that wishes are fulfilled.

Generally there are five cost components of a funeral. The 'professional service' fees from the Funeral Director which include each of the tasks and services involved in arranging, planning and conducting a funeral. The 'coffin or casket' costs which can vary based on the construction and type, quality, finish and style that has been chosen. 'Cemetery and crematoria' charges which are set by individual cemeteries and crematoria and will not vary between funeral companies. Options to 'celebrate a life' may include: visual presentations, service booklets, thank you cards and memorial books. Other third part disbursements payable may include newspaper notices, floral tributes, celebrant or clergy fees, music and catering.

The cost of a Pre-Paid Funeral is fixed, regardless of future price increases.

Funeral firms must invest the funds in a Friendly Society in strict accordance with the Funerals Act (1996) and the funds cannot be accessed until the funeral is provided; furthermore the funds are invested independently of the Funeral Director.

A pre-payment of a funeral does not impact on a pension entitlement, as it is not subject to an income or asset test.

Payment of a Pre-Paid Funeral may be made in one lump sum or through a payment plan.

When organising a Pre-Paid Funeral it is important that family is advised that arrangements for a funeral have been made in advance. Copies of the Pre-Paid Funeral contract should be provided to members of the family, or filed with the Will and other important documents.

Pre-paid Funeral Standard

AFDA Policy is that Pre-Paid Funerals should comply with the following:

A written contract must be provided by the Funeral Director to the client clearly detailing the funeral requisites and services contracted and paid for.

The price of each Pre-Paid Funeral should be fixed.

The financial institution holding the funds should be at 'arms length' from the Funeral Director.

A numbered certificate in the name of the client should be provided by the financial institution.

The financial institution should guarantee that no funds can be withdrawn by the Funeral Director until the death and the funeral take place.

The financial institution must safeguard the funds of the client even if the funeral firm has gone out of business.

The Pre-Paid Funeral plans and associated procedures must comply with the relevant Commonwealth and State Legislation in each State in which it operates.

In the event that an AFDA Member is convicted in a court of law in relation to a charge of improper practice involving a Pre-Paid Funeral contract, National Council shall take action to

revoke the membership of the particular Member in accordance with the Association's Constitution.

Adopted By National Council November 1991

(Amended by National Council 2/11/2000 and 11/11/2004)

Funeral Bonds

A Funeral Bond is a specialised investment which enables an individual to accumulate funds to meet future funeral expenses. An investment in a Funeral Bond is similar to a life insurance policy, whereby the benefit becomes payable on death. The benefits must be used to meet an individual's funeral expenses. A Funeral Bond is an investment towards the cost of a funeral and by itself does not guarantee against rising funeral prices.