



Paper trail

Not sure what documents to throw out? Helen Ueckermann explains what you should start tossing

Making sense out of that pile of paper in the corner of your cupboard is probably not the first thing you want to do when you have some free time on your hands. But if this stack includes very important personal documents, such as your employment contract, marriage certificate, medical aid information and tax returns, get organised and tackle the mounting work head-on.

Systematically filing everything away will be worth your while in the end. Once you've devised a system, it'll be easy to update in the future, be it by adding new documents or removing ones that are no longer needed. Just think of how you'll lower your stress levels by knowing where everything is.

Why it's important

Louis Stander, an independent accountant from Joburg, says organised people are in control of their lives. 'When your important documents are neatly filed and put away in a safe place, you can access them at a moment's notice without getting in a huff because you have no idea where you put what. There will come a time when you'll need to find documents in an instant. Be prepared for that so you can be calm in times of crisis.'

Getting started

If you're keeping all your documents in a heap (or several heaps), start by putting everything in a box. Your mountain has now disappeared, there's space in your cupboard and you should feel more in control already.

Now, clear the dining room table and put the box on top. Take a deep breath and open it...

Keep for life

The most important documents that should never see the bottom of a bin, says Louis, are the so-called 'death documents' – everything that your next of kin will need if you pass away.

'People don't want to think about it, but by keeping documents such as your will, life assurance policy and any other financial

policies together in an accessible place, you'll save your family lots of added trauma, he says.

Louis Venter, a fiduciary specialist at Citadel Trust, says in addition to a copy of your will, the following documents should be kept in an envelope for safekeeping:

- Life assurance policies
- Endowment policies
- Tax particulars
- Title deeds
- Trust details
- Bank account details
- Car registration certificate
- Outstanding accounts
- Hire-purchase agreements
- Loans
- Pension fund particulars
- Investment statements
- A list of your assets and liabilities.

Make sure someone close to you, such as your children, siblings or parents, knows exactly where to find this envelope in the event that something happens to you.

Also make sure that they have an idea of your plans regarding your estate.

Other documents to keep for life are:

- Marriage certificate
- Antenuptial contract
- Divorce decree
 - Birth certificate
 - Any powers of attorney
 - Certified copies of your ID and passport
 - Employment contracts – these can be handy as proof of where you were employed over the years. It's also wise to give certified copies of these documents to your attorney and the executor of your estate.



Keep for five years

All tax-related documents should be kept for five years.

This isn't limited to IRP5s and tax returns, but includes the supporting documentation too. For instance, if you state in your tax return that your expenses were R200 000 for the year, the South African Revenue Service (SARS) can request that you supply proof of those expenses at any time during the next five years.

Keep for one year

One year is advised for most financial documents, such as bank statements or bills. Keep deposit and ATM receipts until you reconcile them with your monthly statements. File your bank account statements. After you do your taxes, organise any statements you may need to prove deductions with your tax records.

Credit card bills can be tossed after you've checked and paid them, unless you made a charitable donation, in which case you'll want to keep it for tax deductions. If you've bought anything that's under warranty, keep your bill until the warranty expires as you may require it as proof of purchase if the item needs repair.

Remember to download proof of payment statements if you use online banking and also open an electronic file for storage purposes.



Keep for a limited time

All documents relating to investment purchases, loans and other items that expire or are sold can be stored in an out-of-the-way filing cabinet. But do try to go through them once a year and throw out papers as detailed below.

Peace of mind

There are several very good reasons why you should store your personal documents in a safe place. It's possible to recover lost documents, but not without a lot of frustration and long waiting periods - to get a copy of a title deed can take up to seven or eight weeks, says Louis. Anthony Eedes, general manager of Metrofile, says theft, fire or water damage can often not be prevented, but if you're wise about storing your documents, the consequences won't be such a setback.



Storage ideas

- Store your documents in a home filing system, separated by clearly marked colour divisions.
- Invest in a small safe to mount against a wall (ideally hidden away).
- Make electronic copies by scanning and storing documents on your computer.
- Make certified copies of important documents for a family member, banker, attorney or the executor of your estate to keep.
- Make a list of your documents and where they're stored. Give this to your executor or next of kin.
- When disposing of documents, don't just throw them in the dustbin. Shred them beforehand as identity thieves may strike. Try to find a crosscut shredder which leaves no long paper bands that can be put together again. ■



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