MNM GROUP ADVISERS

A free guide for medical professionals

The 3 Things Most Doctors Get Wrong With Their Finances

And how to fix all three — before they cost you another year of compounding.

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20+ years specialising exclusively in doctors

Why this guide exists

Australian doctors are among the highest income earners in the country. They are also, as a group, among the worst wealth accumulators relative to their earnings. The reason is rarely spending behaviour. The reason is structural.

Over more than two decades of advising doctors exclusively, we have observed the same three mistakes across hundreds of medical clients — from registrars on $130,000 to senior specialists on $1.5 million. These mistakes compound silently. They do not look like mistakes. They look like normal financial life.

This guide names the three mistakes, explains why they happen, and shows what fixing them looks like. It is not a sales document. It is the same diagnostic conversation we open every first consultation with.

What you'll find inside

- **Mistake 01** — Wrong business structure (and how doctors usually inherit it)
- **Mistake 02** — Tax minimisation and wealth creation treated as either/or
- **Mistake 03** — No plan that forces lifestyle, wealth, and protection together
- **The fix** — Plan, Build, Protect: one framework that addresses all three

MISTAKE

01

Most doctors operate under a structure they set up early — or inherited from a generalist accountant.

As registrar income transitions to specialist income, then to private practice billings, then to a mix of consulting room income and hospital sessional work, the original structure rarely keeps up. A sole-trader setup that made sense at $180k is wildly inefficient at $450k. A basic family trust set up by a generalist may not have the deed terms needed to legally distribute the right way at the right time.

The result is consistent: doctors above $250k of practice income who have never had a structure review are typically paying $20,000 to $40,000 a year more in tax than they need to. Compounded over a 30-year career, that gap funds a second home or a substantial retirement balance.

What we typically see

- A sole-trader doctor with high private billings — no income splitting possible despite a non-working spouse and lower-earning adult children.
- A doctor inside a company-only structure — paying high effective rates because distributions can't flex year to year.
- A doctor with a trust set up by a generalist — deed terms missing key beneficiary classes, or no corporate trustee for asset protection.
- A doctor who set up a service trust correctly — but is operating it incorrectly (no documented arrangements, no commercial fee, no genuine activity).

HOW WE FIX IT

> We model four structures — sole trader, company, service trust, and hybrid — against your specific facts and projected income. The right structure for today and for the next ten years, not whichever one a generalist picked.

Diagnostic question: When did you last have your business structure reviewed against your current and projected income? If the answer is "when I set it up" or "never," this is the mistake costing you the most right now.

MISTAKE

02

Most advisers optimise one at the expense of the other.

When a doctor goes to a tax-focused accountant, every conversation orbits around minimising the tax bill. When a doctor goes to a wealth-focused planner, every conversation orbits around portfolio construction and super maximisation. The two camps rarely talk to each other. The doctor sits between them, getting half of each.

Aggressive tax minimisation alone can quietly kill wealth creation. The doctor ends up with no growth assets, no rental property, no leverage — just lots of deductible expenses and a smaller-than-it-should-be balance sheet. On the other side, a pure wealth focus ignores legitimate tax strategies (Division 293 timing, deductible debt recycling, service trust distributions) and leaves $20–30k a year on the table.

Both approaches under-deliver because tax and wealth are not opposing goals. They are partners — but only when someone is holding both halves at the same time.

What this looks like in practice

- A doctor with $90k in offset cash, earning nothing, while paying 6%+ on their home loan. The offset money should have been recycled into a deductible investment loan years ago.
- A doctor making maximum concessional super contributions but ignoring carry-forward unused caps. Five years of unused cap = up to $150,000 of additional deductible space sitting unused.
- A doctor on $400k+ paying Division 293 every year, with no strategy to defer or time the impact.
- A doctor with property in their personal name when a trust or SMSF would have been more appropriate — paying full marginal rate on rental income forever.

HOW WE FIX IT

We coordinate both halves. Every tax strategy gets evaluated for its effect on wealth building. Every wealth strategy gets structured for tax efficiency. One adviser holding both halves of the equation at once.

Diagnostic question: Does your accountant talk to your financial planner? When did they last coordinate a decision together? If they've never met, this mistake is costing you more than you realise.

MISTAKE

03

Most doctors don't have a plan that simultaneously addresses lifestyle, wealth, and protection.

They have three separate decisions made by three separate professionals who never speak. The accountant handles tax. The broker handles loans. The financial planner handles super. The lawyer handles the will. Each is competent in their lane. None of them sees the whole picture.

The result is a portfolio of disconnected decisions that may each be locally correct but globally suboptimal. The loan structure doesn't match the tax strategy. The super contributions don't reflect the lifestyle goal. The estate plan doesn't protect the family trust assets. Nothing is coordinated, so nothing compounds.

A real plan forces three things to happen simultaneously: the lifestyle you want, the wealth that funds it, and the protection that keeps it safe. Each pillar tests every decision against the other two.

The three things a real plan forces

- **Plan** — the lifestyle the doctor actually wants. Part-time work at 55? Bigger family home? Funding children's education? Each goal has a different financial path.
- **Build** — the smartest way to fund the lifestyle. Tax minimised legally. Debt recycled efficiently. Super maximised. Investments compounding. All coordinated.
- **Protect** — the structures and insurance that defend what's built. Medico-legal exposure managed. Family assets segregated. Insurance sized to actual exposure. Estate plan matched to the structure.

HOW WE FIX IT

Plan, Build, Protect — one framework, one adviser, one accountable point of contact. Your lifestyle goals drive the plan. Wealth building executes against it. Asset protection shields what you've built. All three forced together — not made separately by people who don't speak.

Diagnostic question: If you wrote down your top 3 lifestyle goals for the next 10 years, would your current financial setup measurably move you closer to them? Or are you just earning hard and hoping?

The fix: Plan, Build, Protect — one framework

The three mistakes share a single root cause: nobody is holding the whole picture. Specialists do their part. Generalists do their part. The doctor is the only person who sees the whole. But doctors don't have the time, and shouldn't have to develop the expertise, to coordinate it themselves.

That's why we built MNM Group as a single firm holding tax, lending, financial planning, property, and super under one roof — for doctors only. The framework is simple. The execution is not. But the framework is what makes the execution possible.

PLAN	**Lifestyle first.** What do you want from the next decade? The plan starts there — not with a product. Family time, part-time work, children's education, retirement age, passion projects.
BUILD	**Wealth that funds the plan.** Tax minimised legally. Debt recycled into deductible structures. Super maximised. Property and equity portfolios designed for capital growth.
PROTECT	**Defend what you've built.** Asset protection structures, insurance sized to medico-legal exposure, estate planning that matches the wealth structure.

Why one adviser, not five

Five professionals each doing their job competently can produce a worse outcome than one professional coordinating across all five domains — because coordination is itself a domain. The right structure for tax depends on the lending strategy. The lending strategy depends on the super strategy. The super strategy depends on the lifestyle plan. Coordinate them or accept that they'll work against each other.

Next steps

If reading this guide raised more questions than it answered, that's the right reaction. Every doctor's specific situation deserves specific advice — not a generic playbook. We exist for that conversation.

Book your free 15-minute consultation

A direct conversation about which of the three mistakes might be costing you the most. No SOP fee. No obligation. Sydney, Melbourne, Brisbane, Perth, or by video call.

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Or try our free calculators

- **Business Structure Calculator** — compare sole trader, company, service trust, and hybrid for your income
- **Borrowing Capacity Calculator** — see what medico lending policies you qualify for
- **Super Strategy Calculator** — project your super balance at age 65 under three scenarios
- **Property Cash Flow Calculator** — after-tax weekly position on any property
- **Insurance Needs Calculator** — your cover gap from default group super

Important: General Advice Warning