



WILL INFORMATION PACK

September is Wills Month.

What do you need to know
when thinking about your will?

Make your giving go further
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**Community
Foundations
of NZ**

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PREPARING YOUR WILL

Making a will is the only way you can be sure your wishes will be followed after you leave this world. It also means less confusion and heartache for your loved ones in their time of grief.

If you don't make a will, part or all of your estate may end up going to people you never intended to benefit.

Just as the term suggests, a will carries out your wishes. If you happen to die without a valid will, the law dictates how your estate is distributed. This means if you have no next of kin, your estate will pass to the Crown. And if you do have relatives, they may disagree about what should happen with your estate. Your will clearly explains your intentions and ensures they are carried out.

In New Zealand, you can either engage a professional to write your will or you can write it yourself. However do-it-yourself kits are not always the best solution as they can leave out important details, like what will happen if the main beneficiary does not survive you.

For a will that covers everything you need without ambiguity, it's best to engage the services of a professional will writer or lawyer. Before you meet with them, you should think about the questions posed in this Will Information Pack and whether you would like to include a gift to any causes or charities of your choice in your will.

September is Wills Month, a good reminder of the importance of having a will and keeping it current.

If you are considering leaving a gift in your will, we can help you make yours a lasting legacy for our community – BIG dreams CAN happen!

Our smarter giving model invests and protects your gift, so it grows to become an ongoing source of funding. And you can decide how it will be used.

Make your gift last forever. Visit our website at www.communityfoundations.org.nz to find out how.



**Leave a
lasting legacy.**

Wills Month – September 2021





IMPORTANT THINGS TO CONSIDER WHEN PREPARING YOUR WILL

Your family comes first.

Your loved ones come first. You will probably want to include your children, and perhaps extended family and close friends.

What is the value of your estate?

You will want to have some idea of what the value of your estate is worth. This involves offsetting the current value of everything you own, including your property, car, all your personal possessions and any money, against all your debts, including mortgages, loans, overdrafts, any credit or extended purchase agreements.

Who do you want to include?

Your will is your chance to say how you'd like your assets to be distributed after you have gone. Gifts can be anything you own including specific items, money, property or a percentage of your estate.

Of course your loved ones come first, but if you'd like to also include a charitable gift in your will, you'll need to know the full name of that charity and their registered charity number (which you can find via the Charities Services website at <https://charities.govt.nz/>).

Remember to talk to your family and friends about your decision, so they don't get any surprises and will ensure that your wishes are carried out.

Who will look after your children?

If you have children under the age of 18, you'll need to decide who you would like to take care of them after you have gone.



Who would you like to handle your affairs?

The people who handle your affairs after you've gone are called executors. They can be professionals, friends, family members or any combination of these.

It's usual for two people to share the task of executing your will, so carefully choose two people who you trust to follow through on your intentions.

What funeral arrangements would you prefer?

Your will also provides you with the opportunity to say what you'd like to happen at your funeral, which can greatly help to your loved ones in their time of grief.

For a will that covers everything you need, it's best to engage the services of a solicitor. Before you meet with them, you should think about the questions posed above, including whether you would like to include a gift in your will to a cause of your choice, and how you might go about this.



TYPES OF GIFTS TO CHARITY

By leaving a percentage of your estate, a sum of money or other assets to a charity in your will, you will likely be leaving your own lasting legacy for the world.

Your gift, regardless of the size, will be gratefully received and very much appreciated by the recipient, so that organisation can continue their good works.

You can choose to leave a gift to charity in two ways:

1. Directly to the charity or cause of your choice.
2. To a named endowment fund, benefitting the charity or cause(s) of your choice for the long-term.

How does a named endowment fund work?

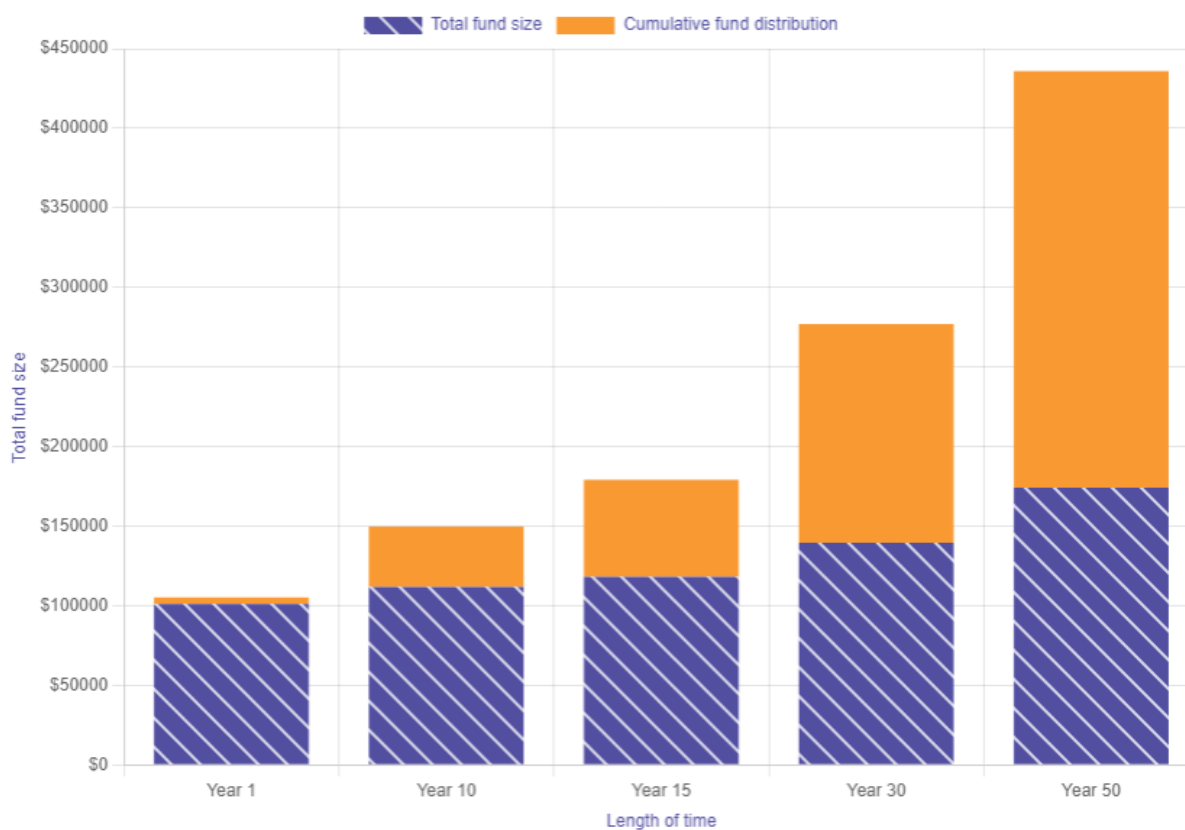
Your gift will be professionally invested, and a percentage of the investment returns earned will be paid out to charities or causes of your choice each and every year, forever. It's a great way to support something you care about for the long-term.

You can set up your own named endowment fund through your local Community Foundation. Here is the Western Bay of Plenty, that's the Acorn Foundation.

See how an endowment fund works at <https://communityfoundations.org.nz/fund-calculator>

Your gift will be invested, nurtured, grown and, once it reaches the distribution threshold of \$50,000, the investment returns will be distributed to your chosen recipients each year.

It's like having your own private trust, without all the administrative burdens!



Estimated 6.5% average investment return and a distribution of 4%

As an example, a \$1m endowment fund will distribute at least \$40k to a charity of your choice, each and every year, forever.

It can be a great way to support a community, or a cause that you care about, for the long-term.

Have you already made a will? No problem, it's easy to add a codicil.

If you have already made your will and now want to include a gift to a charity, either directly or through a named endowment fund, you can either make a new will or add what is termed a 'codicil' to your existing will.

This is a separate document but still part of your will, and adding a codicil is an easy process your lawyer can take you through.



DIFFERENT TYPES OF BEQUESTS OR GIFTS

There are four main types of gifts you can choose to leave to a charity:

1. **Residual**

The remainder of your estate after making direct gifts to family or friends.

2. **Percentage or fractional**

A gift expressed as a percentage (or fraction) of your estate.

3. **Pecuniary or specific**

A specified gift which can be money, property or shares.

4. **Whole estate**

An entire estate is usually left by those without living beneficiaries or by those wanting to achieve something very significant within the community.



The most common ways to leave a gift in your will

Pecuniary or Specific Bequest:

I leave to (CHARITY NAME) of (CHARITY ADDRESS) Charity Registration Number: (xxxxxxx): (description of item) absolutely for the general purposes of the said charity and I direct that the receipt of the Treasurer or other duly authorised officer shall be a sufficient discharge to my Executors.

Residuary Bequest:

I leave to (CHARITY NAME) of (CHARITY ADDRESS) Charity Registration Number: (xxxxxxx) (proportion or residual to be completed) for its general purposes and I direct that the receipt of the Treasurer or other duly authorised officer shall be a sufficient discharge to my Executors.

Leave to a named endowment fund with Acorn Foundation:

My Trustees shall transfer % of the residue of my/our estate to the Acorn Foundation to be paid into the “[NAME OF FUND] Fund” which I/we have established so that it may be dealt with by the trustees of the Foundation in accordance with the terms of that Fund.

Talk through the options with your solicitor and the staff at the Acorn Foundation about the type of gift you would like to leave in your will.

CHECKLIST ✓

	<p>Who will handle your affairs/be your executor?</p> <p>You will need to appoint one or two people you trust who will be there to carry out the terms of your will after you've gone.</p>
	<p>Who do you wish to provide for?</p> <p>This may include children, your partner, other family members, and friends, even your pets!</p>
	<p>Who do you wish to leave a bequest to?</p> <p>Bequests are specific items (such as a sum of money - large or small - or assets) that you wish to leave to a specific person, community group or charity. They are, effectively, a gift in your will.</p>
	<p>What will you do with the remainder of your estate?</p> <p>Will it go to your partner, children, other family members, friends or to charities you feel a connection with? Would your gift be pecuniary or residual?</p>
	<p>Will you want to leave a gift directly to the charity, or to your own named endowment fund?</p> <p>Sometimes the size of the gift helps you to make your choice, as many people like the idea of a gift being invested for the benefit of a cause of their choice, forever. You can talk the options through with the staff at the Acorn Foundation to decide what option is best for you.</p>
	<p>What are your wishes for your funeral?</p> <p>While this does not need to be included as part of your will, it's certainly a good idea to have your wishes down in writing as it will ease the pressure on your loved ones, and to make it easy for them to know what to do when making arrangements after you have gone.</p>
	<p>Have you spoken to your family about your wishes?</p> <p>Speak to your family about your decisions, so they can support your wishes when the time comes.</p>

IF YOU DON'T HAVE A WILL, NOW IS THE TIME TO WRITE ONE!

These matters often get put into to 'I'll do it eventually' pile. However, it's really very important to get your wishes down in writing, to clarify and formalise matters now to make the process easy for your loved ones.

With a will in place, you will also rest assured that your wishes will be carried out after you have gone.

Getting these matters in order now could be your final gift to your family and loved ones.

Consider the information in this pack, complete your checklist, and contact your solicitor today to get started.



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