

CREATING AN ENDOWMENT FUND

The Acorn Foundation is a community-based charitable trust that connects generous people who care, with causes that matter in the Western Bay of Plenty region.



So, how does an Endowment Fund work?



Donor approaches Acorn Foundation to set up a fund.

We encourage a discussion of your plans with your solicitor and your family.



Donor chooses to leave a gift in their Will or to give now and get a 33.3% tax credit (up to the level of your taxable income).

Some donors choose both options in order to enjoy seeing the impact of their Living Giving — it is entirely up to you.



Donor selects charities to support or allows Acorn to identify the greatest needs in the community.

You can change your distributions in the future without having to change your Will.



A Named Fund is established.

A simple clause has been added to your Will (or Memorandum of Wishes for a family trust) that will come into effect after death, or when you begin Living Giving.

Donor either passes or begins Living Giving



Donations are pooled and invested in perpetuity.

Craigs Investment Partners manage the Fund, with oversight from Acorn's Investment Committee and Trustees.



Fund becomes active once it reaches the Acorn threshold.

The threshold for distributions is \$50,000 if you have opted to select charities to support, while the threshold is \$25,000 if the fund is unrestricted.



Investment returns are used to make distributions to charities, year after year.

Distributions are made each year, either to the donor's specified charities or based on Vital Signs research priorities.

WHY IS ACORN A GOOD OPTION?

- With a gift in your Will, you can provide for your family **AND** your community.
- All donations provide **enduring, reliable support** to local charities, either specified by an individual donor or determined by the Acorn Distribution Committee, based on Vital Signs research priorities.
- Funds are **professionally managed** by Craigs Investment Partners with robust governance by volunteer Trustees who are appointed, not elected.
- Economies of scale lead to **better investment returns**, and you can avoid the cost and compliance issues involved in running a private charity.
- **No more than 1%** of donated funds are used to fund our administration costs.
- Acorn is a **completely independent entity**, but it is part of a global network of Community Foundations – 17 of which are located across NZ.