



WILL INFORMATION PACK

September is Wills Month.

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

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Foundation**

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.

In New Zealand, you can either engage a professional to write your will or you can write it yourself.

For a will that covers everything you need it to without ambiguity, it's best to engage the services of a professional will writer or lawyer.

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.

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.

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 a cause and 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.aucklandfoundation.org.nz to find out how.

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 choice, so they don't get any surprises and can 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 choose carefully two people who you trust and you know will understand, and 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 to, it's best to engage the services of a professional lawyer. Before you meet with them, you should think about the questions posed above, 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 cause of your choice, so that they can do more good in the world.

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 donor advised fund, benefitting the charity or cause(s) of your choice for the long-term

How does a donor advised fund work?

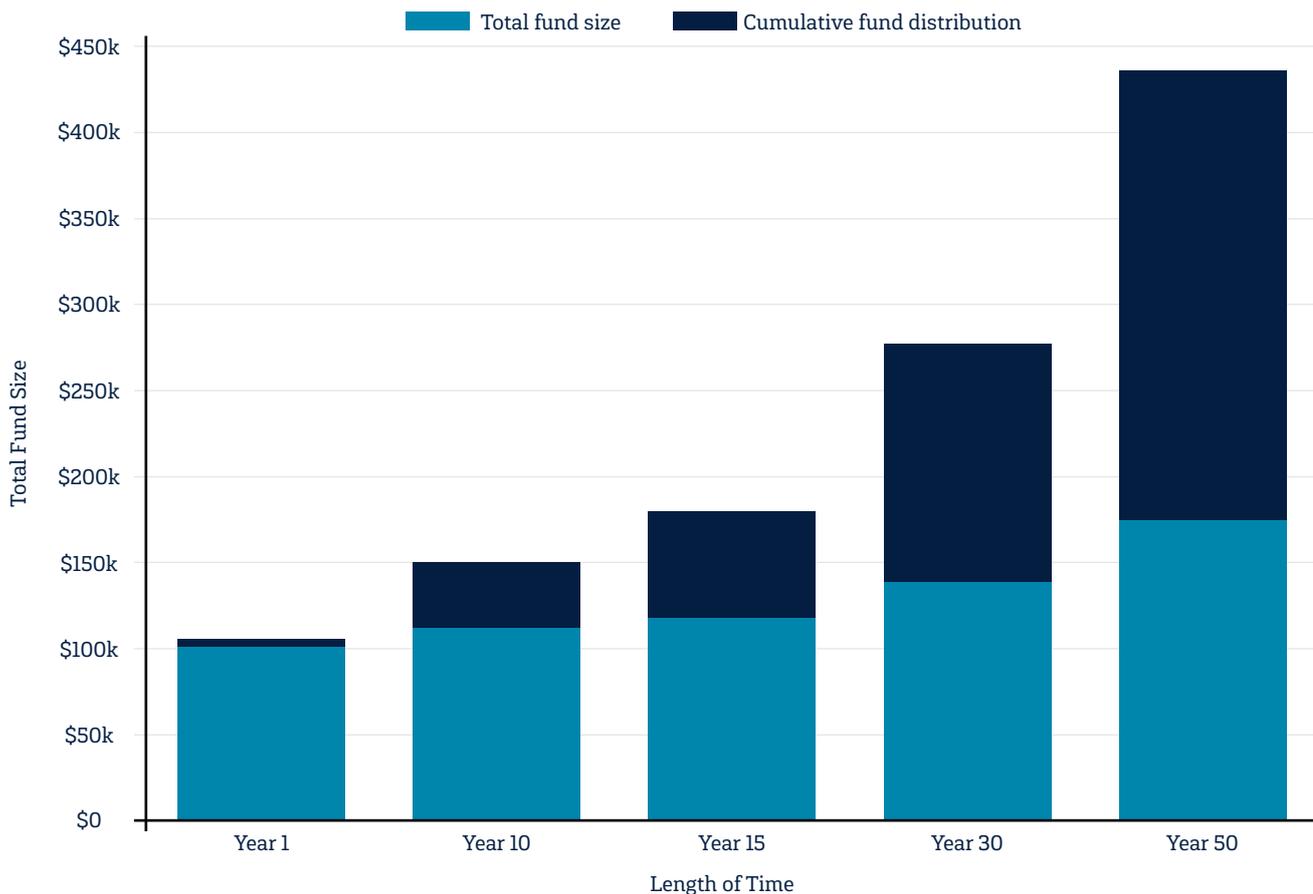
Your gift will be professionally invested, and the income earned will be paid out to charities or causes of your choice each and every year, forever. It's a great way to support something you care about for the long-term.

You can set up your own donor advised fund through Auckland Foundation.

See how a donor advised fund works at <https://communityfoundations.org.nz/fund-calculator>

Your gift will be invested, nurtured, grown and, over time, the investment income will be given out each year.

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



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

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

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

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

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 considering loved ones.

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

This comprises your entire estate and is usually left by those without beneficiaries or by those wanting to achieve something very significant

The most common ways to leave a gift in your will

Pecuniary or Specific Bequest:

I leave to Auckland Foundation 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 Auckland Foundation 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 donor advised fund with Auckland Foundation:

My Trustees shall transfer % of the residue of my/our estate to Auckland 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 lawyer and Auckland Foundation about the type of gift you would like to leave in your will.

Checklist

Who will handle your affairs/be your executor?

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.

Who do you wish to provide for?

This may include children, your partner, other family members, and friends, even your pets!

Who do you wish to leave a bequest to?

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.

What will you do with the remainder of your estate?

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?

Will you want to leave a gift directly to the charity, or to your own named endowment fund?

Sometimes the size of the gift helps you to make your choice, 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 your local Community Foundation to decide what option is best for you.

What are your wishes for your funeral?

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.

Have you spoken to your family about your wishes?

Speak to your family about your decisions, so they can support your wishes when the time comes.

Case Study

Retired Aucklander Malcolm Wade has always had philanthropic leanings.

As well as his community involvement, he's donated to charities throughout his working life. So when it came to think about his Will, and with no dependants, he naturally considered leaving some of his estate to charity.

A chance listening to the radio led to him hearing about Auckland Foundation and the community foundation model – and the idea of creating a fund in perpetuity strongly resonated with his wishes to leave a long-lasting legacy.

After talking to the team and knowing that his fund would be efficiently and professionally managed, he decided to create the Malcolm Wade Fund under Auckland Foundation.

Malcolm's goal in the short term is to add enough capital to the fund so he can start granting in his lifetime. Longer term, the Malcolm Wade Fund will provide a reliable and sustainable source of income for his chosen beneficiary charities – helping Malcolm to achieve his desire to make a long-lasting difference to those causes.

Malcolm has this advice for anyone thinking about setting up a fund and leaving a bequest to Auckland Foundation:

“Do it! I found the process very simple and straightforward, and my contact with the Foundation to be personal yet efficient. The team's professionalism has left me feeling reassured and confident that my bequest will be managed effectively.”

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 lawyer today to get started.

