

Make your clients giving go further

How to help your clients achieve
smarter philanthropy



**Community
Foundations
of NZ**

Hei whakakaha i ngā
hāpori o Aotearoa



Introducing a unique charity model

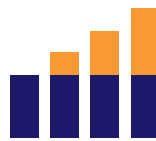
Community Foundations are independent, not-for-profit organisations located across the country. We're different because we're not about one single cause; we're about a place and its people. Through us donors can choose which significant local projects and causes to invest in to help transform their community. And with our smarter giving model, people's generosity can have benefits that last forever.

A smarter way to give

Donations are invested so they can grow and become long-term reliable funding streams. It's the income earned that is distributed to worthy, local causes; the gift itself remains protected so it can continue to benefit the chosen causes well into the future.



Your gift



is invested
and grown



and the
ongoing income
earned



goes to the
local causes
you love.

Giving to a existing Fund

There may already be a Fund set up that's working towards something your client cares about. Or they can contribute to the collective pool of the general community Fund and leave it to their local Community Foundation to channel Funds where they are needed most.

Set up a new Fund

Gifts of significant size can be eligible to become their own Named Endowment Fund. Your client can choose the name and which charities or causes will benefit from the Fund's income. They or their descendants will also receive annual reports on earnings and distributions from the Fund.

How an Endowment Fund works

2003 - The Edna Brown Fund established, giving to healthcare causes locally

Original gift
\$67,200



First established with
a fund balance of \$67,200

2023 - After 20 years

Collective total
\$169,091



\$93,252
Fund balance



\$75,839
Grants
distributed

2053* - After 50 years

Collective total
\$344,277



\$134,247
Fund balance



\$210,030
Grants
distributed

*Estimated growth rate of 6.5% for future years and annual distribution of 4%.
Thank you to Acorn Foundation for this real example of a live invested endowment fund.

When to give

There are a variety of ways for your clients to give through their local Community Foundation. All options can be designed to help them make the most of tax benefits during their lifetime, maintain their financial security, and of course, look after family first.

Give while they live

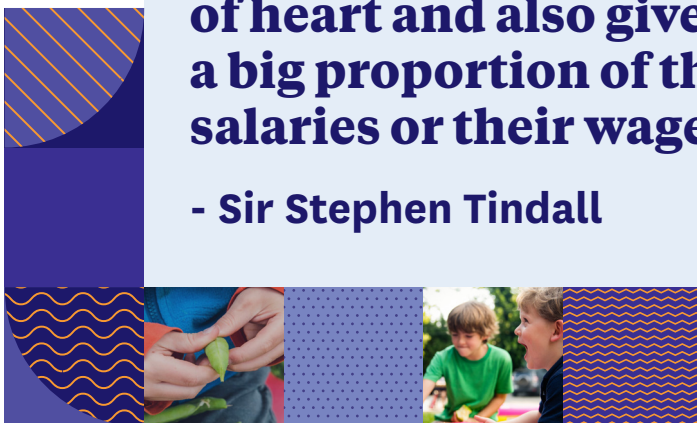
Your clients can either make regular contributions to an existing Fund, or make a one-off donation. Dependent on the size of the donation (typically upwards of \$50k), it could become a Named Endowment Fund. Further, all donations made during your client's lifetime qualify for a tax rebate of 33.3% up to the limit of their taxable income.

Leave a gift in their will

When making a will many people want to give something back to their community by leaving a gift to their favourite charitable cause. It could be a percentage of the estate or a specified sum.

“Kiwis are really generous. In fact, I think international statistics prove that. They’re generous of spirit, generous of heart and also give quite a big proportion of their salaries or their wages.”

- Sir Stephen Tindall



Who benefits?

The donor chooses! That's one of the best things about giving through a Community Foundation. We are a local organisation with deep roots in the community and can ensure people's giving is influencing the things they care about most; whether it's the arts, Te Ao Māori, children, education, environment, health, sports or anything else.

Whether your client's goal is to have an immediate impact or leave a lasting legacy, we can help develop an effective giving strategy on a sound platform of planning and expert advice.

Who might we be right for?

Giving through a Community Foundation is great for those of your clients who:

- Care deeply about the community in which they live
- Want to make a difference in their community
- Currently give to charitable causes or do volunteer work
- Are interested in creating a personal or family legacy
- Are considering a private Trust or Foundation
- Want involvement in the use of their charitable dollars
- Want maximum tax benefits for their charitable contributions
- Prioritise sound financial management of their charitable contributions

Why have the ‘philanthropy’ conversation?

Many people want to give or at least want to make a difference. Conversations about how they can have an impact and do good with their money are often warm and rewarding ones. Further, it is an opportunity for you to connect with your clients’ core aspirations and values.

Community Foundations can help to add significant value to your client relationships by offering professional philanthropic expertise to complement your existing skill sets and help you provide a more holistic financial planning approach.

How we can help you

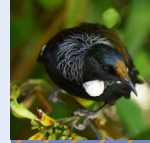
We work in partnership with you, either in the background, supporting you to have the conversation with your clients about developing a philanthropic plan; or we can offer advice directly. Your role will be to provide counsel on legacy giving and maintaining the overall wealth planning relationship.

As your philanthropy services partner we can:

- Tailor a giving plan
- Provide information on giving strategies
- Connect people with local causes, programmes or charities doing good in their community
- Accommodate gifts such as real estate, life insurance policies or shares, which are not easily transferable to other charitable entities
- Manage investments and distribute income
- Help you understand granting processes
- Help you understand and deal with complex philanthropic objectives
- Offer guidance on including philanthropy in wealth planning conversations

“Knowing the difference in types of giving can be a real ‘eye opener’ for clients. Most are delighted to discover more strategic ways beyond traditional charitable giving.”

- Bill Holland, Law Partner, Tauranga



“High net worth individuals are often motivated by their desire to impact the community and their passion for a cause.”

- Liz Koh, Financial Advisor

Next steps

We work in partnership with you however you prefer. Whether it's simply supporting you or dealing directly with your clients, we will always respect and work within the relationships you have established.

When you have a client who you think is interested in learning more about donating through a Community Foundation, please get in touch and let us know how you would like to proceed.

Thank you for your part in helping transform local communities.

**Through your local
Community
Foundation,
your client's giving
can go much further
towards supporting
what they truly care
about, forever.**

**To find your region's local
community foundation, visit:**

communityfoundations.org.nz/regions

