

Advancing Stewardship

A PUBLICATION OF 

Leave a Legacy of Hope JILL JONES

Those who have spent their lives doing good for others generally want that “good” to keep going even when they’re no longer around to see it happening. Just as most people wish to see their children or grandchildren cared for when they’re no longer able to, more and more people want to make a difference by leaving a legacy after they are gone.

There are many ways by which we can leave a legacy that is a testimony to our faith and beliefs. One way is to make sure our affairs are “tidy” and taken care of when we pass on and that is best accomplished by making sure we have put our estate plans in place. Often, certain events focus our attention on the task of making or updating our wills and estate plans; events such as marriage, the “first” child, the long-distance vacation. And we often focus on our estate plans when we get older and want to “give back” for all the gifts we have received from God.

As baby boomers age, they become more concerned about their estate planning, and many regard charitable giving as an important part of that planning. There is a big trend towards making lasting gifts by using donor-advised funds (also known as designated gift funds). This can be accomplished by using a public or private foundation or it may be simpler to use Christian Stewardship Services, a registered Canadian charity which partners with Christian charities to manage and assist with your funds and gifts.

As a donor, it is perfectly acceptable for you to tailor and direct your gifts to the reasonable goals that you want to see accomplished. Donations can be made into the designated gift fund by you over a period of years or it can be funded by your estate. Those

funds can then be distributed to the Canadian charities and the ministries as you direct, during your lifetime and/or afterwards.

A donor-advised fund offers immediate tax benefits combined with the ability to support your favourite charities on a flexible timetable. It can also create a legacy of charitable giving that will last for generations to come.

As part of your long-term financial planning, a planned gift can offer you substantial tax and estate planning benefits and allow you to make a larger and more lasting gift to charity. Individuals with average financial resources can achieve gifts larger than they ever thought possible in order to make a great difference for God’s Kingdom. Some planned gifts, such as gifts of stock, can be immediate while others, such as a gift of life insurance, can be deferred. Some are revocable, such as a bequest in a Will, and some are irrevocable.

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Note from Executive Director:

“I am happy to relinquish my usual front page to an article written by Jill Jones (pictured left) for Christian Horizons. I thought a well written piece should not only be used once. I hope you find it stimulating.”

— HENRY EYGENRAAM

News from the editor

Our thanks to the CSS clients who filled out our estate and gift planning survey this fall. The response rate was over 65% which is astonishing and very gratifying! The results will be used to review our service offerings and help us serve our clients and partners even better.

Do you own Bell (BCE) shares? If so, the good news is that you will most likely receive \$42.75 cash per share next year. The bad news is the forced sale will generate capital gains tax unless the shares are held in tax-sheltered RRSPs or RRIFs. Odds are the older the shares, the more your capital gains tax liability for the 2008 tax year. However, there is one easy remedy – donate the Bell shares to charity. As of the 2006 federal budget, donations of publicly traded securities to registered charities are 100% free of capital gains taxes. Contact CSS to find out how to donate your BCE shares to charity before the deal closes. There will be no capital gains tax and you'll get a tax receipt for the full amount donated. CSS will distribute the proceeds of the sale to the charities you choose.

At our Annual Membership meeting we welcomed three new partners: Shalom Manor, Grimsby, ON; Harvest Foundation, Burlington ON; and Northumberland Youth for Christ, Ontario. World Relief Canada joined us as an associate partner. Check our new website at www.cssservices.ca to find out more about these and all our other partnering agencies.

We wish you and your families many blessings for the New Year!

Visit Our New Website
www.cssservices.ca

Over the past year we have been working hard to improve our website with a new design, reorganized and revamped content. Visit us online and send us an email with your comments:
admin@cssservices.ca

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Here are some efficient and effective ways to make planned gifts to charity:

Placing a Legacy in your Will The inclusion of a charitable bequest in your Will allows you to make a gift to charity which can reduce or eliminate taxation for your Estate. A popular way to do this is make "Charity" your extra child – giving one share of your estate to Charity, just as you give one share to each of your children.

Gifts of Appreciated Securities If you hold shares or mutual funds that have increased in value significantly; this is an excellent gifting mechanism that can multiply the benefits to your favourite charities and yourself. CSS can facilitate the receipt and sale of gifted securities for your charity, allowing you to receive preferred tax treatment (your capital gains tax is eliminated) and the ability to share the benefits with several charities if you wish.

Gifts of Life Insurance Giving a large life insurance policy to charity or naming a charity as the beneficiary of your policy can produce major benefits for you and a large gift for your favourite charities. Tax receipts will be issued to you (as you make the premium payments) or to your Estate (upon your passing) depending upon how the policy is structured.

Gifts of RRSP or RRIFs You can name charities as the alternate beneficiary of your RRSP or RRIF simply by filling out a form from your bank or RRSP broker. This means that the remaining contents of your RRSP or RRIF will go directly to charity after both you and your spouse have passed away.

CSS staff is also available to give professional, impartial and free advice on all these matters.

Charitable Gift Annuity This involves making a current deposit of your funds in exchange for a guaranteed lifetime income with any residual value at your death being gifted to the charity of your choice. You will receive a tax receipt now.

Endowment Gift This is an irrevocable deposit of your gift which perpetually yields annual interest income for your chosen charities. Endowment Gifts assist charities in the planning of their future finances.

Charitable Remainder Trusts Property, such as a house or investment or art work, can be placed in a trust for the benefit of a Canadian registered charity.

Revocable Deposit Agreement This is a revocable investment of your funds with CSS wherein the interest income that is earned is either shared between you and your favourite charities or is directed completely to them.

If you want to make a planned gift, then it is important to understand all the ramifications and to discuss the proposed gift with your family and advisors, including your lawyer, accountant, or investment advisor, depending on the nature and size of the gift. CSS staff is also available to give professional, impartial and free advice on all these matters.

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Is your “Jointly-Held” Property really “Jointly-Held”?

RON KNOL

The Supreme Court of Canada may have a different opinion.

When creating an estate plan many Canadians attempt to arrange their affairs so that assets will flow to their intended recipients while avoiding the payment of probate fees. Seeking a Grant of Probate (a court’s official blessing on the will document and how the estate is to be distributed) can be complicated, time-consuming and involves some expense. All assets that pass to beneficiaries by virtue of the terms of your will are likely to attract probate fees and therefore many people try to avoid this by using other methods of transferring the assets at death. Such “non-will” methods include naming beneficiaries on your insurance policies or RRSPs and RRIFs, creating living trusts, or registering the title to bank accounts or property with your intended recipients as joint owners.

Joint ownership has until recently always meant that - upon the death of one of the owners - the other owner receives the land or bank account by right of survivorship without the need for probate. The use of such “non-will” distributions without written clarity about the intentions involved can lead to significant frustration and potential legal challenges by the heirs of the estate who did not get a share of the cabin or bank accounts that were jointly owned with one of the other heirs.

In two recent Supreme Court of Canada cases, heirs who had not received any of the funds in jointly held bank accounts sued

other heirs who by virtue of being a “surviving joint owner” did receive all of the jointly held funds. The Court’s attention focused on: “Was the property converted to joint ownership for the purpose of ultimately giving the property to the surviving joint owner and to avoid Probate OR was it set up merely to provide banking convenience for an elderly parent?”

The Court’s decisions have led to the recommendation that the reason for setting up the joint account be clearly spelled out in writing. In the absence of such a statement of intent, the right of survivorship will not apply and the funds will be dealt with in accordance with the Will. If you’re counting on “Joint Ownership with Right of Survivorship” as the means by which an intended recipient will receive a portion of your assets upon your death, you had better review your documents to make sure you have covered this off. As always, communication of your wishes is a primary tool in decreasing confusion, frustration and legal fights amongst your surviving family members.

Tears of Joy

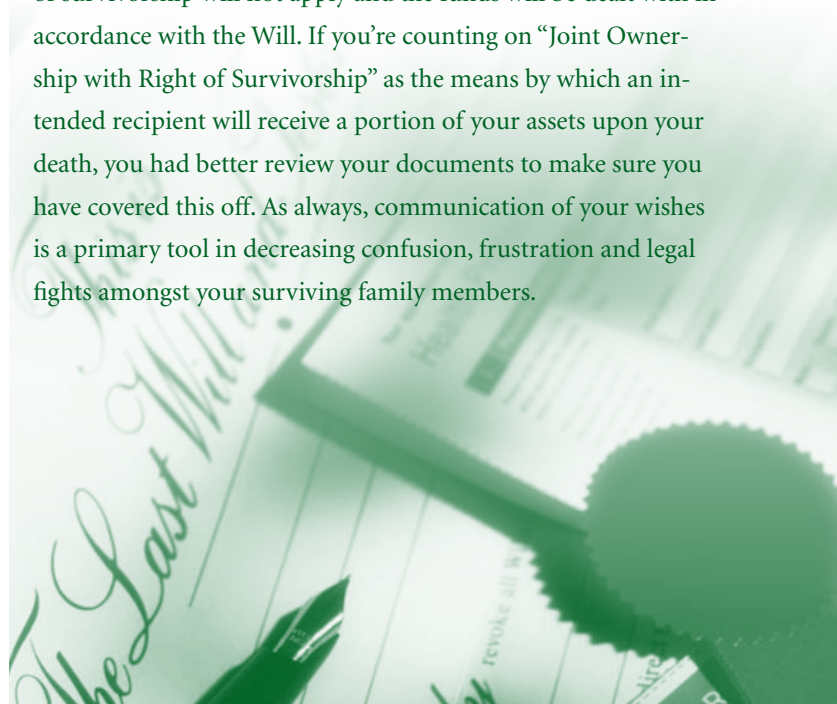
PATRICIA VANOOSTVEEN

It is extremely rewarding for me as a representative for Christian Stewardship Services to meet with people who “get it” and have a clear understanding of what “stewardship” really is: specifically, the concept that God owns everything, including our money and other assets.

I recently had a call from a couple who wondered if CSS could advise them on how to donate to their local Christian school. This couple was passionate about helping to support families who could not pay full tuition for Christian education.

When I met with these people I discovered that they had received a gift from their parents. The parents had decided to make this gift while they were still alive rather than waiting for it to be done as an inheritance out of their estate. We sometimes call this “giving a gift with a warm hand”.

The couple I met with had received this gift gratefully from the parents and determined that they wanted to tithe from this as they did with all other sources of income. As they were being blessed with this gift, they wanted to bless others as well. With their passion for Christian education it was a natural fit for them to make a donation to the tuition help fund of their local Christian school. Helping to make this gifts brought tears of joy to my eyes and affirmed that this is why we do what we do at CSS.



Welcome Maynard Wiersma



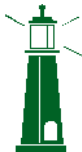
We are pleased to welcome Maynard Wiersma as our NEW South West Ontario Representative.

Maynard has been working in the financial industry since 1993, including 6 years with AIC Ltd as a Client Services Representative. While there he was one of the founding members of the new AIC Client Services Tax and Estate planning team and later served in that capacity as the team supervisor. He feels that his move to CSS in October 2007 is a natural progression to better utilize the gifts God gave him for service in His kingdom. Maynard achieved his CFP designation in 2003 and continues to enhance his tax and estate planning expertise with relevant industry courses.

Maynard is a member of the Maranatha CRC in Cambridge, where he lives with his wife and seven year old son.

Contact Maynard for a home consultation or with questions. (519) 623 9916 or by email maynardw@cssservices.ca

PROFILE A PARTNER



The Lighthouse Community Centre

The Lighthouse is a multi-cultural Christian outreach and community centre located on Bathurst Street in downtown Toronto. Our mission statement: *To demonstrate God's love by offering unconditional hospitality, sharing our resources and helping people in need.*

Our programs target four main groups: the mixed community of people who are our neighbours as well as immigrants and refugees from the Chinese, Vietnamese and Spanish communities in Toronto.

People require assistance not only to deal with trauma, abuse, family conflicts or immigration. In a more holistic way, we help manage the broad range of challenges these individuals and families may face: Food, housing, employment, health, government services, life skills and friendship to name a few. We know that we cannot be all things to all people and therefore we also work with a network of other service providers to try to meet people's needs.

One program we currently offer for the Spanish community is a hair-cutting class. This is a vehicle to learn a new skill, but also a place to find friendship and support. It in turn provides a welcome service to low income people who can get a free haircut!

Within the Chinese community, we offer English classes (ESL) and Life Skills Workshops aimed at employment and settlement issues. We give them skills and information so they can find work or communicate better throughout their daily lives in a new country.

Once a week Vietnamese women gather for fellowship centred around cooking together and learning new life skills. We also host a parenting series in partnership with other Vietnamese agencies.

We are the food bank for our neighbourhood. With the help of Daily Bread, Second Harvest and churches donations, we serve about 100 people each week. Our hospitality includes a listening ear, advocacy and referrals to other agencies when required.

The Lighthouse offers an atmosphere of respect, dignity, and security to address spiritual, emotional and physical needs. All of this is done in the name of our Lord Jesus Christ. The Lighthouse is a beacon of light and hope for our clients.

Rob Datema is the new Executive Director of the Lighthouse, and was recently elected as CSS Board member.

Please consult CSS personnel or your professional advisors before acting on ideas or concepts in this newsletter.

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