NEXTGEN TRUSTS
“TRUSTS FOR THE NEXT GENERATION”
INTRO TO TRUSTS

People often use a Trust to minimise the potential risk of losing their assets. Trusts can be used to divest or remove people one step from their assets, without losing the use and control of them. Assets can be transferred to the Trustees of the Trust. The Trustees then hold these assets on behalf of the Beneficiaries, rather than the individual.

TRUSTS HAVE EVOLVED

Although Trusts have become popular recently they have been with us in one form or another for more than 400 years. Their basic nature remains much the same, but their role has evolved to meet the needs of each generation.
WHY HAVE A TRUST?

Assets can be put at risk in a number of different ways. These can include business failure, legal action or a relationship breakdown. We also do not know what the future holds. Government policy can change on a whim; bringing risks to the value of those assets we have strived so hard to acquire. That’s why a lot of people decide to safeguard their assets in a Trust.

If you’re starting out or want to protect assets for the next generation then NextGen Trusts are an ideal place to get started. You can build your wealth with more peace of mind.

BETTER UNDERSTANDING, BETTER CONTROL

At New Zealand Trustee Services, we focus on education. As it is only with knowledge that you can successfully administer and control your Trust.
NEXTGEN TRUSTS

NextGen Trusts are created by parents for the benefit of the child. It provides certainty and security that the assets left to the child will be protected for the next generation no matter what the future holds. It is a common misconception that these Trusts are only of any benefit to the child when the parents pass away. In reality, the NextGen Trust offers benefits throughout a child’s lifetime and can be utilised at any stage, even while the parents are still living.

NextGen Trusts are ideal for:

• Parents of younger children who want to ensure protection from future relationships, business partners, creditors or others and who want to make provisions for their passing.

• Parents with older children who are starting to acquire assets and wish to keep those assets separate from joint assets of a future relationship and other risks or challenges.

• People expecting to inherit assets and wishing to keep them separate from relationship funds.
PROVIDING FOR CHILDREN

Estate planning includes ensuring family assets pass down the chain to future generations and are not lost to business failure, relationship failure and the like. Starting a NextGen Trust early in your child’s life is an ideal way to give them a more secure future.

Unfortunately businesses do fail as do relationships and without sound estate planning, outside parties can and do receive ownership of hard earned family assets that would preferably pass down the generations. NextGen Trusts are used to ensure the family wealth is passed from generation to generation within the protection of the Trust. After all, it is preferable that your children enjoy the benefits of your family’s wealth instead of someone else.

**Beware the gold digger!**

STARTING OUT

If your child is just starting to acquire assets such as a first home, you may want to consider the impact of future relationships on the ownership of his or her assets.

*Remember that if a relationship is in existence, the assets brought into the relationship may well be treated as joint assets and split equally if the relationships fails.*

Additionally, If inheritances are likely to form part of your child’s assets, ideally your inheritances would be directed to a NextGen Trust and held under the protection of that Trust.
INHERITANCES

Many people will receive inheritances from their parents or other family members and unfortunately, in many cases, those inheritances pass directly into the ownership of the beneficiary.

We see, too often, the inheritance becoming intermingled with relationship property and if the relationship fails, split equally with the former partner claiming his/her half share of the assets.

Also in a business environment, claims by creditors can result in inheritances from family having to be used to settle these claims.

The formation of a NextGen Trust to receive inheritances directly from the family member on their passing will protect the inheritance from such claims and will allow the beneficiary to enjoy the inheritance into the future.

BUSINESS FAILURE AND CREDITORS

Business people’s assets will usually be up for grabs if a business fails, creditors bring claims against the business and personal guarantees are called in. For these reasons, sound planning will ensure that as much protection as possible is given to all assets by the use of Trusts, amongst other planning tools.

Imagine how demoralising it would be to receive an inheritance from parents only to see it lost if your business fails.

This can be avoided if the inheritance is distributed directly to a NextGen Trust and thus protected from creditors.
NEXTGEN TRUST STRUCTURE

Settlor
You

Appointor/Protector

Trustees
You and an independent Trustee

Beneficiary
Your child and their child
OUR VISION

Since 2004 New Zealand Trustee Services Limited has grown to offer clients a highly experienced team working from bases in Auckland, Christchurch and Queenstown.

We aim to educate clients about how to protect and preserve their assets. It is a mission built on a desire to cement our business relationships with integrity and knowledge.

NZTS is privately owned. We value our independence and what it means for you, our valued client. We are not aligned to any financial institution and don’t accept commissions or brokerages for the placement of funds.

We are impartial, and this leaves us free to work purely for the benefit of our clients.

Asset protection is a very personal business and New Zealand Trustee Services develops business on a foundation of lasting relationships with individuals, families and business clients – often these relationships can span generations.

We want our relationships with our clients to work both ways, we focus on helping our clients and families have a real part in determining their Trust’s direction and structure.

It is easy to be overwhelmed by the decision to form and run a Trust – at New Zealand Trustee Services we walk you through the decisions, and stick with you to see your wishes fulfilled.

All information our clients need throughout the Trust’s life is provided in a timely, cost effective manner in easy to follow language, backed with advice from our expert Trust Managers.
FUTURE FACING

If you want to protect assets for the next generation then NextGen Trusts are an ideal place to get started.

- safeguard provisions for your children in the event of your passing
- secure your child’s first assets directly into a NextGen Trust
- keep incoming inheritance funds separate from relationship funds

RELAX IN THE KNOWLEDGE THAT NZTS CAN MANAGE YOUR TRUST IN A TIMELY AND COST EFFECTIVE MANNER, FROM YOUR GENERATION TO THE NEXT.
WHAT’S NEXT?

The next step is to have a no obligation conversation with one of our friendly team members at NZTS and we can help tailor a plan with your vision for the future.

Call 0800 698 787 to learn more
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