



What is an Enduring Power of Attorney

An Enduring Power of Attorney (EPA) is a legal document that can protect you and what is precious to you.

Because life can be fragile, it's important for everyone to think about protecting their future with an EPA. When you set up an EPA you choose someone you trust to make decisions about you if you can no longer decide for yourself. Your EPA will save your family the cost and stress of getting a court order to make decisions about you, should that be needed.

There are two types of EPAs:

1. One covers your **PROPERTY** (your money and assets) and can come into effect before you lose mental capacity
2. The other covers your **PERSONAL CARE AND WELFARE** and comes into effect only if a medical professional decides you have become 'mentally incapable'.

That means only that person or people you trust – your 'attorney/s' – can make decisions about your life and/or your treasured possessions, such as your money, house and belongings.

What does an attorney do?

Once an EPA comes into effect, your attorney (or attorneys) can make most decisions about your care and welfare, and your property (including finances).

You decide if their power applies to everything or only to parts of your care. There are some areas – such as marriage, divorce, adoption or refusing life-saving medical treatment – where an attorney has no power to decide.

Your attorney's (or attorneys') main responsibility is to act in your best interests, and they must involve you in decisions as much as you're able. If you or your family have concerns about an attorney's behaviour, applications can be made to the Family Court for help.

Who can be an attorney?

Your attorney can be anyone you trust to understand and respect your wishes and feelings. It's important to choose your attorney carefully.

Usually they are a friend or family member, a colleague, or even a trustee corporation like the Public Trust (for property EPAs only). They have to be over 20 years of age, not bankrupt and be mentally sound.

While you can have only one attorney for your **personal care and welfare** EPA, you can have more than one for your **property** EPA as you may want people with different skills to look after specific areas. You can also name other people you want your attorneys to consult with on EPA decisions.

How do I get an EPA?

When you've decided on your attorney and what you want them to do, you need to arrange a lawyer, qualified legal executive or

representative of a trustee corporation (like the Public Trust), to be your witness. They will make sure you understand all your options, what the EPA document means and that it meets all legal requirements.

Creating an EPA does cost money but there are ways to bring down the cost – most importantly, being organised will mean the process takes less time and may therefore cost less.

Some legal professions offer a SuperGold Card discount, and making an EPA when you make your Will or need to see your lawyer about another matter may help you save on costs.

Can I change my EPA?

You can change or end your EPA at any time you are mentally capable.

An attorney loses their power if they become bankrupt, mentally incapable, subject to a personal or property court order, or the Family Court revokes their appointment. An EPA also ceases if you, or they, die. You may name one or more attorneys to take over if your attorney dies.

Preparing to set up an EPA

There are standard forms you must fill out to set up an EPA. You can get them from any legal adviser or at www.msd.govt.nz/epa

Before you see your legal adviser, think about:

1. Who you want your attorney/s to be and what you do and don't want them to do on your behalf?
2. How your attorney/s might be supported – could you name other people, such as family/whanau, friends an accountant or solicitor to provide your attorney with advice?
3. Making a list of the main things you own, any money owed to you, and any debts.
4. Who else could you give a copy of the EPA to – your doctor, your bank, or family members?
5. When you want your property EPA to come into effect – a date, a period in time, or when you are determined 'mentally incapable'.
6. How your attorney/s might be monitored, such as by appointing a second person to oversee your financial records, get copies of bank statements, or be informed of certain decisions. Remember you can also appoint a second attorney for your property EPA, which may help with monitoring.
7. Whether you want to appoint other people to step in as attorneys if something happens to your first choice.

For more information, advice and EPA resources can be found on the Ministry of Social Development website at www.msd.govt.nz/epa or at the Citizens Advice Bureau, public library, Community Law Centre or Age Concern or by contacting your legal professional.

"The years have been good to you. It's the weekends that have done the damage!"

"By replacing your morning coffee with green tea, you can lose up to 87% of what little joy you still have in your life."

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Du Val in the News

There's a residential property development company in Auckland that has been advertising for the past few years a high guaranteed interest rate of 10% pa payable quarterly. That's when bank rates were about 1% pa. It was only available to "wholesale" punters.

Out of professional curiosity, we tried to get some information from them but it was sketchy to say the least. By the way, these aren't the types of investment that we would recommend.

Well, they've now fallen foul of their investors and of the Financial Markets Authority.

They've frozen investors' quarterly interest payments and instead are capitalising the amounts. That is, they're adding the interest on to the amount the investor lent them. But these punters can't get their hands on their funds.

These happenings are very reminiscent of the GFC. When house sales slow down or when wannabe property investors renege on settling on a property they may have put a deposit on, a highly geared developer with too much on becomes cash strapped and potentially likely to cause big trouble for their suppliers, sub contractors, banks, other lenders and hopeful buyers.

Sir Bob Jones reckons that most developers go broke at some stage. He's not a developer by the way. He's a property investor.

Time will tell with Du Val but there are other developers around who have also borrowed from "wholesale" investors at high rates of interest and who could end up in the same situation if house sales stay flat and prices depressed.

A government consultant dies and goes to Heaven. "There must be some mistake," the consultant argues. "I'm too young to die. I'm only 55."

"Fifty-five?" says Saint Peter. "Nooo, according to our calculations, you're 82."

"How'd you get that?" the consultant asks.

Answers St. Peter, "We added up your time sheets."



Booster Current Rates

(Interest at maturity — % p.a. after fees)

Income Securities Portfolio

5.30%	for 9 months
5.20%	for 6 months
5.00%	for 3 months
4.75%	Call

Ask us for a Product Disclosure Statement

I'm not interested in any diet plan, unless it lets me use rollover calories!

Booster Private Land and Property Fund

Investment Objective:	To provide investors with a complementary and enhanced risk / return outcome compared to traditional listed property investments
Average Annual Long-Term Return:	Aims to generate 6.5% p.a. (before tax & after all fees) measured over a rolling 7-year period
Aim of Fund:	To invest primarily in a diversified range of agricultural and horticultural land and property in New Zealand, which may be supplemented with investments in industrial, commercial, and retail properties
Fund Size at 28 Feb 2023:	\$127.2 million
Inception Date:	07.01.2019
Manager:	Booster Investment Management Ltd
Supervisor:	Public Trust
Fund Type:	Portfolio Investment Entity (PIE)
Minimum Suggested Investment Timeframe:	4 years +
<i>The PLPF may be a good alternative to maturing term deposits. Ask your Adviser for a Product Disclosure Statement</i>	

**A sign in a music shop:
"Gone chopin. Bach in a minuet."**

2022 Retirement Income Policy

Suzi Morrissey, Director of Policy for the Retirement Commission, gives her reflection about what has stood out for her – the incredible pace at which the way we live can change.

In 1986, 87% of New Zealanders in their 60s were homeowners, with mortgages paid off, and for the most part, were not in paid work. In 2018, 80% of those in their early 60s were homeowners, but 1 in 5 were still paying off mortgages, 20% were paying rent, and many were still in paid work. In many ways, these changes are rewriting the script of how New Zealanders head into retirement.

In December the Commission released the **2022 Review of Retirement Income Policies**, something they do every three years. The Review told us three stories of retirement in NZ that show retirement does not look the same for everyone.

The first is the story that you may be familiar with – life in a home owned outright, with expectations of a long and healthy retirement. While this was the case for many in the past, it's not the case for everyone now (about half of retirees), and it will be true for even fewer in the future.

The second is a story struggling to get by in retirement, even where a home is owned outright, generally living just on NZ Super and possibly owning assets but being 'cash poor'. It is also the story of a short or missed retirement, particularly for Māori and Pacific Peoples, whose life expectancy is shorter than Pākehā.

The third story is an emerging one. It is that of an increasing number of people paying rent – 100% more by 2048 compared to 2018. While this was always the reality for many Māori and Pacific Peoples, it is now the case for a growing number of demographics. It is also the story of continuing to pay a mortgage after age 65 – currently the case for 1 in 5. Around a third of people over 65 are paying rent or a mortgage. For more information, go to:

https://assets.retirement.govt.nz/public/Uploads/Retirement-Income-Policy-Review/2022-RRIP_2022.pdf

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COVID antiviral medicines

You can get COVID-19 antiviral medicines direct from a pharmacy. These reduce the amount of COVID-19 virus in your body, reducing the risk of needing hospital treatment, but you must start within five days of becoming ill.

The medicines are free if you're aged 65 or older, Māori or Pacific aged 50 or older, or you have a severely weakened immune system or certain medical conditions. You can find out if you're eligible for free antivirals by visiting www.COVID19.health.nz or by talking to a pharmacist.

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Our Disclosure Statement required under new legislation commencing 15 March 2021 is available on our website www.mackay.co.nz