



THE

FAMILY
OFFICE

GIVING WHILE LIVING STATEMENT

PREPARED EXCLUSIVELY FOR

Pa Philein
&
Ma Philein

1. Giving While Living Statement

a. Charities Interest Review

- Charitable involvement
- Charitable focus & style
- Family Legacy values, plans and desires
- Estate transfer desires

b. Capacity to Give Review

- Net Worth
- Estate & Estate Tax Analysis
- Capacity to Give (Annual Cash Flow) 10% of income
- Capacity to Give (Lump Sum) 10% of net worth

2. Summary of Strategies at age 85

Charitable Interests Summary

Thank you Mom & Dad Philein for taking the time to complete our Charitable Interests Review. The following is a brief synopsis of your responses and the beginning of a process that will assist you in expressing your values and intentions regarding the accumulation, preservation, use and distribution of your estate and legacy.

Charitable Giving Patterns

- **Top Reasons for Giving**
 - You want to help a cause you believe in
 - You feel you owe something to the community
- **Reasons for not Giving**
 - You do not like the way charities request money
- **You are active as a volunteer with charitable organizations and plan to continue with your current level of involvement**
- **You are not active as a financial contributor with charitable organizations and plan to increase your current level of involvement**

Social Legacy/Family Values

- **Some of the really important things in life that your family values: Volunteerism, giving of your time and family connections, immediate and extended**
- **You see assisting seniors as important aspects in your community needing your help**
- **You are unsure if you have expressed your values through your charitable giving of below 2% of your income and are not satisfied with this amount**
- **Your significant and satisfactory gifts have been to Children's charities.**

Estate Planning

- **You are financially independent but have no excess wealth**
- **You feel parents should leave children the minimum inheritance required to meet their individual lifestyle needs**
- **You do not feel a responsibility to conserve assets for heirs and there are certain amounts you'd like to leave specific heirs**
- **You would be influenced in revising your current estate plans once having a better understanding about:**
 - your current financial status
 - tax benefits of giving to charitable organizations
 - what you'd like to accomplish with your assets

Current Net Worth

	Pa	Ma	Joint	Total
Non-Registered Assets				
Pa's GIC's	300,000			300,000
Total Non-Registered Assets	300,000			300,000
Registered Assets				
Pa's RRIF	200,000			200,000
Pa's IPP	200,000			200,000
Total Registered Assets	400,000			400,000
Lifestyle Assets				
Pa & Ma's House			375,000	375,000
Total Lifestyle Assets			375,000	375,000
Business Assets				
Philien Hold Co Preferred Shares	500,000			500,000
Total Business Assets	500,000			500,000
Total Assets	1,200,000		375,000	1,575,000
Total Net Worth	1,200,000		375,000	1,575,000

Estate & Estate Tax Analysis

	2006:71/71	2010:75/75	2020:85/85	2030:95/95	2035:100/100
Non-Registered					
Pa's GIC's	299,021	296,816	289,524	278,730	271,522
Subtotal	299,021	296,816	289,524	278,730	271,522
Registered					
Pa's IPP	197,971	189,741	149,911	65,543	5,781
Pa's RRIF	197,971	189,741	149,911	65,543	5,781
Subtotal	395,943	379,483	299,822	131,086	11,562
Lifestyle					
Pa & Ma's House	390,150	422,311	514,795	627,532	692,846
Subtotal	390,150	422,311	514,795	627,532	692,846
Business					
Philien Hold Co Preferred Shares	500,000	500,000	500,000	500,000	500,000
Subtotal	500,000	500,000	500,000	500,000	500,000
Pro-Forma Net Worth	1,585,114	1,598,610	1,604,141	1,537,348	1,475,931
Death Benefits					
CPP/QPP Death Benefits	5,000	5,000	5,000	5,000	5,000
Subtotal	5,000	5,000	5,000	5,000	5,000
Estate Before Taxes & Expenses	1,590,114	1,603,610	1,609,141	1,542,348	1,480,931
Additional Income Taxes	(160,886)	(162,252)	(145,378)	(87,452)	(40,242)
Net Estate	1,429,228	1,441,358	1,463,762	1,454,896	1,440,688
Final Estate	1,429,228	1,441,358	1,463,762	1,454,896	1,440,688
Estate Shrinkage (\$)	155,886	157,252	140,378	82,452	35,242
Estate Shrinkage (%)	10	10	9	5	2

Estate Analysis Capacity to Give Cash Flow \$ 16,000

	2006:71/71	2010:75/75	2020:85/85	2030:95/95	2035:100/100
Non-Registered					
Pa's GIC's	282,381	206,689	0	0	0
Subtotal	282,381	206,689	0	0	0
Registered					
Pa's IPP	197,971	189,741	149,911	65,543	5,781
Pa's RRIF	197,971	189,741	149,911	65,543	5,781
Subtotal	395,943	379,483	299,822	131,086	11,562
Lifestyle					
Pa & Ma's House	390,150	422,311	514,795	627,532	692,846
Subtotal	390,150	422,311	514,795	627,532	692,846
Business					
Philien Hold Co Preferred Shares	500,000	500,000	500,000	500,000	500,000
Subtotal	500,000	500,000	500,000	500,000	500,000
Pro-Forma Net Worth	1,568,474	1,508,482	1,314,617	1,258,617	1,204,408
Death Benefits					
CPP/QPP Death Benefits	5,000	5,000	5,000	5,000	5,000
Subtotal	5,000	5,000	5,000	5,000	5,000
Estate Before Taxes & Expenses	1,573,474	1,513,482	1,319,617	1,263,617	1,209,408
Additional Income Taxes	(160,651)	(158,611)	(118,942)	(53,127)	(4,026)
Net Estate	1,412,823	1,354,872	1,200,674	1,210,490	1,205,382
Final Estate	1,412,823	1,354,872	1,200,674	1,210,490	1,205,382
Estate Shrinkage (\$)	155,651	153,611	113,942	48,127	(974)
Estate Shrinkage (%)	10	10	9	4	0

Estate Analysis Capacity to Give Asset Donation \$ 160,000

	2006:71/71	2010:75/75	2020:85/85	2030:95/95	2035:100/100
Non-Registered					
Pa's GIC's	132,621	102,152	1,373	0	0
Subtotal	132,621	102,152	1,373	0	0
Registered					
Pa's IPP	197,971	189,741	149,911	65,543	5,781
Pa's RRIF	197,971	189,741	149,911	65,543	5,781
Subtotal	395,943	379,483	299,822	131,086	11,562
Lifestyle					
Pa & Ma's House	390,150	422,311	514,795	627,532	692,846
Subtotal	390,150	422,311	514,795	627,532	692,846
Business					
Philien Hold Co Preferred Shares	500,000	500,000	500,000	500,000	500,000
Subtotal	500,000	500,000	500,000	500,000	500,000
Pro-Forma Net Worth	1,418,714	1,403,945	1,315,990	1,258,617	1,204,408
Death Benefits					
CPP/QPP Death Benefits	5,000	5,000	5,000	5,000	5,000
Subtotal	5,000	5,000	5,000	5,000	5,000
Estate Before Taxes & Expenses	1,423,714	1,408,945	1,320,990	1,263,617	1,209,408
Additional Income Taxes	(101,150)	(154,292)	(119,189)	(53,127)	(4,320)
Net Estate	1,322,564	1,254,653	1,201,801	1,210,490	1,205,088
Final Estate	1,322,564	1,254,653	1,201,801	1,210,490	1,205,088
Estate Shrinkage (\$)	96,150	149,292	114,189	48,127	(680)
Estate Shrinkage (%)	7	11	9	4	0

Summary of Strategies at age 85

	Current Situation	Capacity to Give Cash Flow \$ 16,000	Capacity to Give Asset Donation \$ 160,000
Family Independence (Net Worth)	1,604,141	1,314,617	1,315,990
Estate Taxes (Additional Income Taxes)	145,378	118,942	119,189
Family Legacy (Final Estate)	1,463,762	1,200,674	1,201,801
Social Legacy (Donation Amount)	0	*297,583	*249,275
Total Legacy	1,463,762	1,498,257	1,451,076

*(Inflated at 3% for 15 years until client's age 85)

A LEGACY is a living reminder of individuals who cared about their community and supported causes that were important to them



The legacy that you leave is not just the wealth that your heirs inherit. Your legacy is the part of you the lives on in the hearts and minds of others after you are gone. It is the influence you had on your family and loved ones and the impact you had on society.



THE
**FAMILY
OFFICE™**

OPPORTUNITIES IN PHILANTHROPY

Current Gifting Tax Comparisons

1. Gift of Cash
2. Gift of Marketable Securities (Stocks)
3. Gift of Stock Options
4. Gift of Flow-through Shares
5. Gift of GIC's, CSB's or Mutual Funds
6. Affinity Programs

Balance Sheet Philanthropy

1. Personal Home (Allows you to continue living in your home)
 - a. Gift of Residual Interest
 - b. Gift of Reverse Mortgage
2. Gift of Real Estate – Personal Residence, Farm, Revenue Property, Cottage
 - a. Gift Now
 - b. Gift of Residual Interest
 - c. Conservation Easements & Ecological Sensitive Gifts
3. Gifting of Non-Registered Assets – GIC's, CSB's, Mutual Funds, Securities
 - a. Annual Gift of Income & Bequest
 - b. Capital Gift Now
 - c. Life Annuity – Increase Annual Gifting
 - d. Insured Life Annuity – Increase Annual Gifting & Bequest
 - e. Charitable Gift Annuity – Increase annual income donation (no Bequest)
 - f. Insured Charitable Gift Annuity – Increase annual income & Bequest
4. Gifting of Art or Collectibles
5. Gifting of Family Company Shares
6. Bequest of Life Insurance
 - a. New Policy Tax Deductibility Comparison
 - b. Existing Policy donation options
 - c. Return of Premium as a donation
7. Bequest of Registered Assets – RRSP's, LIRA's, RRIF's, LRIF's, LIF's
8. Charitable Remainder Trust (Gift of Residual Interest) – Solution to a significant Bequest resulting in unused Tax Credits

Family Legacy Planning Strategies (Life Planning)

1. Philanthropic Will Planning – Estate Tax Elimination
2. Social Capital – Insured Estate Tax Elimination
3. Wealth Equalization Strategy - Asset Donation with Asset Replacement Life Insurance
4. Wealth Enhancement Strategy – Residual Interest with Asset Replacement Life Insurance
5. “Charitable Family Legacy” Planning
6. Charitable Endowment
7. Family Foundation – Donor Advised Fund

Family Co. & Family Legacy Planning

Disabled Dependent & Family Legacy Planning

Non-Resident Departure Tax & Family Legacy Planning

Current Charities Analysis

Client: Mom & Dad Philein

Tax Year: Current

Wealth Summary

	Mom	Dad	Combined Total
Net Worth			\$650,000.00
Net Income	\$20,000.00	\$80,000.00	\$100,000.00

Current Giving

Total in Dollars	\$2,253.00
% of Net Worth	0.35%
% of Net Income	2.25%

Target Giving

1% of Net Worth	\$6,500.00
5% of Net Income	\$5,000.00

Current Supported Charities

	Mom	Dad	Combined Total
Legacy Children's Foundation	\$200.00		\$200.00
STARS	\$168.00		\$168.00
The Calgary Foundation		\$1,200.00	\$1,200.00
The Seed		\$50.00	\$50.00
Wood's Homes Foundation		\$50.00	\$50.00
Boy's & Girl's Clubs		\$50.00	\$50.00
Heart & Stroke Foundation		\$390.00	\$390.00
Cancer		\$100.00	\$100.00
U of A		\$25.00	\$25.00
Neighbor Link		\$20.00	\$20.00
Total	\$368.00	\$1,885.00	\$2,253.00

AGENCY SECTOR BREAKDOWN

Prevention/Early Intervention

- **Legacy Children's Foundation**
- Calgary Family Services
- Distress Centre
- Closer to Home

Children

- **Boys and Girls Clubs**
- **Missing Children's Society**
- Woods Homes
- Children's Cottage

Teens

- **Impact Society**
- Kids Help Phone
- Alberta Mentor Foundation For Youth

Seniors

- Kerby Assembly
- Calgary Seniors Resource Society
- CARP

Neighborhood/Community Service

- **North Glenmore Park Community Association**
- Western Rocky View Communities
- Development Society
- Calgary Block Watch Council

Environment

- Western Skyland Trust
- Yellowstone To Yukon
- Nature Conservancy
- Climate Change Central

Faith Based Organizations

- **First Baptist Church Foundation**
- Mennonite Foundation of Canada
- Youth for Christ
- Neighbourlink

Poverty/Homelessness

- **The Mustard Seed**
- Calgary Community Land Trust
- Calgary Inter-Faith Food Bank Society
- The Salvation Army
- In from The Cold
- CUPS
- Calgary Drop-in center

Drug & Alcohol Abuse

- Fresh Start
- Simon House
- AARC

Cultural/Arts

- **Theatre Calgary**
- Heritage Park Foundation
- Contemporary Arts Society

Health

- Calgary Health Trust
- STARS
- CINIM
- Cancer, Heart, Stroke, Arthritis, etc
- Alzheimer's, Parkinson's, etc

Literacy

- Raise a Reader
- Calgary Reads Society

Animal Services

- Calgary ZOO
- Calgary Humane Society
- World Wildlife Federation

Funding Organizations

- The Calgary Community Foundation
- United Way Of Calgary