

The *Heartlander*

April-June 2016

News from Heartland Bank



Heartland customer takes to the skies

Volunteers enjoy life-changing experiences

See inside for this and more

Welcome note



Welcome to the latest edition of *The Heartlander* and please allow me to introduce myself.

I am Darryl Harnett, head of retail and consumer at Heartland, and I've been with the bank for more than 15 years. I currently oversee a number of areas, including home equity loans, savings and investments, and I am thrilled to be stepping into Andrew Ford's spot inside *The Heartlander* cover.

I'm delighted to tell you that Andrew has taken on the role of chief executive with Heartland Seniors Finance in Australia. It's a particularly pleasing move for him, and as regular *Heartlander* readers know, it's an area of our business he is passionate about.

It's a passion I share, because I believe the products available through Heartland Seniors Finance can have a really positive impact on life in retirement. It's good to see steady growth of our Home Equity Loan product.

One of the things I love most about working at Heartland is hearing our customer's amazing stories. Whether inspired by our community engagement initiatives and sponsorships, or simply something we've helped a customer achieve through a home equity loan, their passion and drive is incredibly inspiring. We have a few of those great stories in this issue.

We're also in for an exciting few months in the sporting world as autumn sets in. I'll be able to update you on the progress of the First XV teams we support up and down the country in the next edition of *The Heartlander*.

For now, sit back and enjoy the read – maybe with a slice of Chelsea's delicious date loaf (see the recipe on page 7)!

Thank you for supporting Heartland.

Darryl Harnett
Head of Retail and Consumer



Heartland Bank is proud to be the principal sponsor of the annual Hawarden A&P Show, which is a staple event for the Hurunui community and an opportunity to showcase what the district has to offer. Read more on page 2.

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Investing in rural roots



Established in 1906, the annual Hawarden A&P Show is a staple event for the Hurunui community and an opportunity to showcase what the district has to offer.

Heartland Bank was proud to support the event, run by volunteers and their families, as the principal sponsor for the third consecutive year.

"Heartland Bank has a legacy of supporting generations of rural NZ farming communities," says Anna Spidey, co-president of the 110th Hawarden A&P Show. "We are highly appreciative of their continued commitment as principal sponsor. We could not have such a high standard of show without them!"

Held on 19 March, the event was full of

attractions that catered to everyone's interests – from pumpkin contests to terrier racing. This year's theme, 'Living off the Sheep's Back', reflected the vital role sheep play in the Hurunui District's economy and appears to have boosted entries – particularly in the sheep section, which numbered almost 500.

The equine division was also as popular as ever, with show pony and standard breed classes, show jumping, dressage and stock and breeding horses competing for titles.

Live music, fair rides, sheep dogs, vintage tractors and a number of other attractions rounded out the schedule and ensured that the 110th show was a great day out for all ages.

"It's a fantastic event to attend and be part of," says Hugh Marchison, Heartland Bank's senior rural manager in Canterbury.

"The community's had a rough go the last 18 months, with dry weather conditions, and this day is an opportunity to focus on the good, so I'm very pleased Heartland continues to offer support to such a good cause."

Riccarton transformation



Photos by Colliers of Christchurch

Over the past year, Heartland has been rolling out a 'new look' across its network.

The latest to complete the transformation into a bright and airy, inviting space is our Christchurch branch, based in Riccarton.

In the next issue of *The Heartlander*, we'll be showing you around and introducing you to the team.

Dame Kiri on song

Thanks to Heartland Bank, three sets of winners – from Wellington, Bay of Plenty and Gore – had the opportunity to enjoy Dame Kiri's first-ever performance in Tauranga.

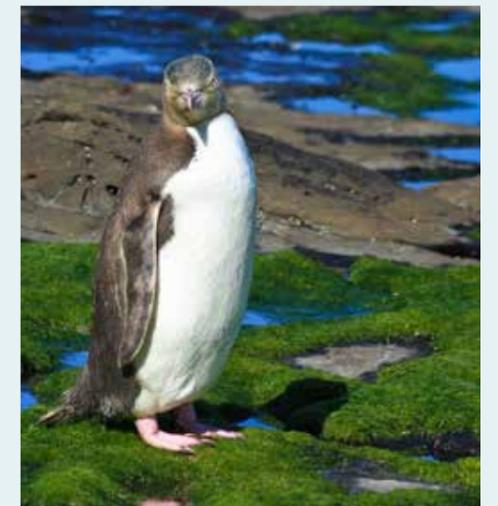


These special prize packages included travel, accommodation, tickets and pre and after-show drinks. Find out how the evening went in the next edition of *The Heartlander*.

Home Truths

Little-known facts about NZ

Yellow-eyed penguins are endemic to New Zealand and thought to be one of the rarest penguin species in the world. The Maori name hoiho means 'noise shouter', which refers to the shrill call they make when encountering mates or others at breeding sites



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*Rate correct as of 21 March 2016. The current Heartland Bank Limited Disclosure Statement and Account and Service General Terms and Conditions are available at heartland.co.nz



Volunteering vacations



Hazel Lanyon's two trips to teach English at local schools in Kigoma, Tanzania are separated by 50 years; but the richly coloured red dust that characterises the town and its surrounds will forever link those visits in her memory.

“Both trips were amazing, but I think what was most rewarding this time (in June last year) was knowing I could still do something useful at my age,” says the 74-year-old former librarian and secondary school teacher.

I wouldn't be alive today!” she says. “Their average life expectancy is 61, so it really made me pause and appreciate how lucky we are and how important it is to make the most of life.”

A TWIST OF FATE

It was a chance meeting at her nephew's wedding in Italy a couple of years ago that prompted Hazel to volunteer for her second stint in Kigoma.

“I met someone from the Raheli Trust, which manages the Arch Bishop Kahurananga School. Raheli is the name of the archbishop's wife, which is Swahili for Rachel. I was so surprised to meet someone else with a connection to Kigoma, and when he told me that the school needed English teachers it just felt like the right thing to do.”

VALUED EXPERIENCE

Gill Greer, chief executive of Volunteer Service Abroad (VSA) – New Zealand's largest volunteer agency – says that older volunteers often make very valuable contributions because they bring large amounts of experience and knowledge gained over time.

“The sort of wisdom and skills they've acquired throughout their lives is actually what is often very much needed in the communities we help,” she says.

“Our volunteers' ages range from 23 to 79. Many of our older volunteers say they do it as a way to stay busy after retirement, or see it as a contribution to making the world a better place. Plus, it's also a great way to travel and see a different side of a country.”

Gill says that it was also common for volunteers – of any age – to return from a trip feeling as if they've gained as much as they've given.

“Living and working alongside locals in a new environment is really an eye-opening experience for a lot of people, and a lot of them return feeling their life has new purpose.”

You can too – with VSA!

VSA has more than 90 volunteers on assignment with projects in Papua New Guinea (including the Autonomous Region of Bougainville), the Solomon Islands, Vanuatu, Kiribati, Samoa, Tonga, and Timor-Leste. In total, the organisation has recruited more than 3,000 people in the past 50 years.

For more information visit www.vsa.org.nz



Older and wiser

If you believed the picture of retired life that most advertising paints, you'd think it was all stiff joints, mobility scooters and rest homes. But a recent survey of 55 to 75-year-olds shows many retirees are spending their money on the finer things in life.

Three-quarters of the 1,000 people surveyed said they found advertising aimed at their age group to be patronising and stereotypical, with 66% finding most advertising irrelevant to their needs or lifestyle.

That won't make marketing executives very happy, because the survey also indicates that many seniors have significant spending power – and they're willing to use it.

Up to 77% of those surveyed said they would buy a new car or go on holiday as and when they wanted, with 60% not worrying too much about budgeting.

These findings tally with Statistics New Zealand data, which shows that nearly a fifth of international Kiwi travellers are aged over 60 – proving that an OE is for life, not just your twenties! Of course, getting

out and about doesn't have to mean jetting off halfway around the world. There's often plenty happening right on your doorstep.

David Boyle of the Commission for Financial Capability says: “If you go to a concert, you see a lot of older people because they've got the money to spend. They contribute a lot more to the economy than mobility scooters and retirement villages.”

What about those who don't have funds readily available? While the majority of respondents to the TVNZ survey said they didn't worry about budgeting, more than a third felt differently.

Spending can be a big concern in retirement, especially when aligned with the common desire to leave an inheritance for family or charity. But dipping into savings or borrowing against assets to make the most

of life in later years could well be worth it.

STAY ACTIVE: STAY HEALTHY

Evidence suggests that staying socially active and connected increases retirees' quality of life. A study conducted over 12 years by the Rush Alzheimer's Disease Centre in Chicago showed that from a group of 1,100 retirees, the rate of cognitive decline was 70% less in people with frequent social contact than those with low social activity.

So why not join the jet set, or buy a new car so that you can get around to visit family and friends? It could be an investment in your health. While it's important to manage your funds throughout retirement, the benefits of spending money on the things you enjoy now may actually be priceless. So get out there and have fun – it's good for you!



Where there's a will, there's a way

Wills may not be the most pleasant thing to focus on, but having one in place – and updating it as circumstances change – ensures your wishes will be met with regard to whatever and whoever you leave behind.

The importance of wills isn't limited to the ability to leave behind final instructions; they can also take away a lot of the stress associated with a loved one's death by avoiding unnecessary conflict over a deceased person's estate.

A general rule of thumb is that if you have more than \$15,000 worth of assets, you should write a will. Research shows that only a third of Kiwis over age 18 have a will, while people are much more likely to have one after their 55th birthday.

A will should include an up-to-date list of your assets, including savings, investments, life insurance and valuables, so that executors and/or trustees don't have to go searching for details, which can lead to delay and confusion.

You can also leave instructions regarding the care of children and pets, or family heirlooms such as art and jewellery, plus any wishes you might have for the funeral and disposal of your body.

CHANGE OF CIRCUMSTANCES

Just as important as writing a will is making sure you update it whenever there is any significant change in your life, such as buying a home, the arrival of children or grandchildren, or the start of a new relationship.

If you marry or remarry, an existing will is automatically cancelled unless you've made provisions in the will for this happening. However, it's worth noting that in the event you and a significant other only separate, the will remains the same until you're divorced.

If wills aren't updated to reflect changes in circumstance, it can lead to what is

known as 'partial intestacy' – a potentially expensive and time-consuming exercise. A result of 'partial intestacy' could be that an estate can't be fully processed, or assets end up being distributed in way the deceased wouldn't have intended.

FAMILY FEUDS

New Zealand's largest will provider, Public Trust, says that around 5% of wills administered annually are contested. The most common reasons include unequal shares left between children or because of the involvement of a second family.

"Death is a topic none of us wish to dwell on, but with a little forethought and planning a will can remove significant problems and stress on loved ones during an incredibly stressful time," says Public Trust retail general manager Matt Sale.

Of the approximate 2,000 estates the trust deals with every year, around 100 leave behind no instructions. This is known as 'dying intestate'.

In this case, a court appoints an administrator who is then given the same powers as an executor named in a will, which can only happen once it is established that no will has been left behind. Who can apply to be an administrator, and under what circumstances, is specified by the Administration Act.

For example, a spouse or de-facto partner planning to apply to be the administrator will need to establish whether or not they intend to put in a relationship property claim; any spouse or partner making such a claim cannot be the administrator.

LOCATION, LOCATION, LOCATION!

Perhaps one of the most obvious and critical parts of a will is making sure to leave it somewhere it can easily be found. If you choose not to keep it with a lawyer or trust, make sure you leave clear instructions as to where it can be found – after all, it's no good detailing your final wishes if no one gets to read them!

Enduring power of attorney

Appointing someone you trust under an enduring power of attorney (EPA) is just as important as writing a will, but often overlooked. Giving someone EPA lets them make important life decisions for you when you can't.

Without it, your partner or loved ones may not be able to make decisions about your care, deal with your finances, or, if necessary, sell your home.

There are two types of EPA, personal care and property. A personal care EPA appoints someone to make decisions related to your personal care and welfare, such as whether you need to go into care or get medical treatment. An EPA for property gives the attorney the power to act on your behalf in relation to all property you own, including land, houses, bank accounts, and all other possessions and debts.

As an EPA can give considerable power over your affairs to someone else, it's important that this is a person you trust. You might also want to appoint a substitute attorney (also known as a successor attorney) in case something happens to your primary attorney.



Bird's eye view

Photo taken by Jan during her glide

Gliding isn't a typical hobby for an 84-year-old – but that's the pastime one Heartland Home Equity Loan customer has taken up in order to celebrate her new-found financial freedom.

The customer in question, who we'll call Jan for the sake of the article, is more than happy to share her story.

"I had a number of home improvements that needed to be addressed and, despite still doing some freelance journalism, I couldn't cover the cost of doing all of them," says South Islander Jan. "The fridge needed to be replaced, the swimming pool motor died, and the house had to be re-carpeted.

"To add to the stress, one of my three alpacas had a fractured leg and the vet bill was going to be significant!"

Having lived in her home since she built it in 1983, Jan wasn't looking to move elsewhere.

"I bought the land for the view and built a house that suits me," she says. "It's easy to get around, I'm close enough to where I need to be and the views are fantastic."

Jan says taking out a Home Equity Loan wasn't

an overnight decision, she's been considering it for a few years.

"I don't have any immediate family that needs money, and I have a home I'm confident will sell easily when the time comes, so I found that the product really suited my situation," she says.

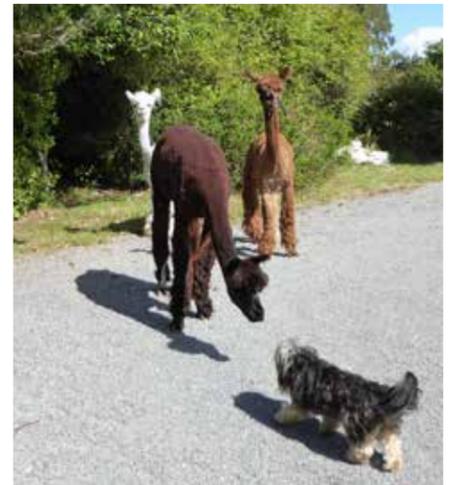
Once she'd taken care of all the required expenses and given her home a real lift, she decided to top it off with a lift of her own – by taking a gliding course!

"I went for the first time on my 80th birthday and loved it, so was keen to go again and it was just as incredible," she says. "It's an amazing feeling to have that sort of mobility – you're free as a bird!"

With her house in working order and her animals happy and healthy, Jan says she is sleeping much better.

"Waking up at 3am worrying about how you're

going to pay expenses isn't a nice way to live," says Jan. "I'm so glad that I could use my biggest asset to ensure that life is as enjoyable as it can be!"



Jan's terrier Millie attempts to muster Hector, whose leg is doing much better, and friends



Stay where you belong with a Heartland Home Equity Loan*

Heartland's Home Equity Loan enables seniors to stay in their own home and retire with dignity, and do the things they have always dreamed about. It's similar to an ordinary mortgage, but with no need to make regular repayments as it's designed specifically for New Zealand seniors.

If you would like to find out more call us on 0800 488 740

*Lending criteria, fees and charges apply for Heartland Home Equity Loans.

Delicious date loaf



Chelsea's latest book *Homemade Happiness* was released in November and quickly became a best seller. It's packed full of classic Kiwi favourites that are simple to make and even easier to eat! For more details on how to get your own copy, visit chelseawinter.co.nz

This moist, citrus-infused date loaf is the perfect complement to a mid-morning cup of tea or coffee. Best served warm with lashings of butter, it is sure to go down a treat with visitors – just make sure you hide some away for later! It's easy to make and a great way to spend a lazy Sunday afternoon.

Makes: 1 loaf

Prep time: 30 minutes

Cooking time: 1 hr 20 min

Ingredients

- 1½ cups chopped pitted dates
- ¾ cup water
- Zest and juice of 1 orange
- ½ cup milk
- 150g cubed butter, at room temperature
- 1½ cups brown sugar
- 1 free-range egg, at room temperature
- 1 free-range egg yolk
- 2 tsp vanilla essence or paste
- 2 cups plain flour
- 2 tsp baking powder
- ½ tsp baking soda
- 1 tsp ground cinnamon
- 1 tsp mixed spice
- 1 tsp ground ginger

1. Preheat the oven to 160°C regular bake. Grease and flour a loaf tin (about 23cm x 10cm), lining the base and sides with baking paper. Leave the paper sticking up past the sides by a few centimetres, as the loaf will rise and might need the support to stop it overflowing.
2. Add the dates to a small saucepan with the water, orange zest and juice, and simmer for 5-10 minutes until most of the liquid has evaporated. Stir in the milk, set aside and leave to cool to room temperature – you can put it in a bowl in the fridge or freezer if you need to speed things up.
3. Cream the butter and sugar until pale and fluffy. Add the egg and egg yolk, one at a time, beating well after each addition and scraping down the sides once or twice. Then beat in the vanilla.
4. Sift the flour, baking powder, baking soda, cinnamon, mixed spice and ginger into a mixing bowl. Whisk to combine.
5. Add the flour and cooled date mixture to the creamed mixture and fold gently until evenly combined and lump-free. Scrape the mixture into the tin and smooth out the top.
6. Bake for 1 hour 20 minutes, or until a skewer poked into the middle comes out clean (it may take a little longer, depending on your oven). Remove from the oven and cool for 10-15 minutes in the tin – then finish cooling on a wire rack.
7. It keeps well in an airtight container for about five days, or you can freeze individual slices in ziplock bags to make it last longer.

Contact us

Visit your local Heartland Bank branch or call us today to chat about which account or deposit is right for you, and for a copy of our Disclosure Statement, Product Fact Sheets and Account and Service General Terms and Conditions.

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