



THE BRITISH
HOME

Caring for severely disabled people

MAKING OR CHANGING YOUR WILL

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Important Note: If you have any questions at all in relation to the enclosed sheets, or if you require further information on The British Home or leaving a legacy, please call 0208 670 8261 and ask for Victor Kallai or visit our website: www.britishhome.org.uk

INTRODUCTION

Thank you for considering The British Home (full name: 'The British Home and Hospital for Incurables') as a beneficiary in your Will. The enclosed information sheets have been put together to help you in the process of making or changing your Will.

The attached sheets are meant as guidelines only and are intended to answer the questions most people ask when it comes to making or changing their Will.

These guidelines have been checked by legal advisors and are intended to be used by you in conjunction with your solicitor, legal advisor or other professional Will-writer.

The British Home strongly suggests that you use a professional solicitor to prepare or amend your Will. If you use someone without the right background and training or try to write your own Will, you risk having an invalid Will drawn up – one small error can invalidate the whole Will.

WHY DO I NEED TO MAKE A WILL?

Over half the people living in Britain still do not have a Will. If you die without making a Will, it is often your family and those for whom you have worked so hard in your lifetime who will suffer.

- Wills are for everyone, not just for people with money.
- If you die without making a Will, everything you own will not automatically go to your husband, wife, partner or family.
- Without a Will, those left behind may have to deal with complicated paperwork and may have to pay more tax.
- If you have no living relatives and do not make a Will, everything will go to the State.

THE BENEFITS OF MAKING A WILL?

- A Will sets out clearly your wishes.
- It gives security to you and your family, knowing that everything is resolved in a legally binding way.
- It ensures the minimal amount of legal paperwork after your death and the lowest possible payments to the Inland Revenue.

WHAT IF I HAVE CHILDREN OR GRANDCHILDREN?

- If you want your children to inherit a share of your property or possessions, you need to say so clearly in your Will.
- This is especially important for people with young children – you will need to provide for their financial security if you should die whilst they are still young.
- If you have grandchildren, you may want to set up a special trust to look after their inheritance until they reach a certain age. Your solicitor can help you with this.

HELPING YOUR FAVORITE CHARITIES

Once you have provided for your family and friends, you may wish to remember your favourite charities in your Will. Legacies are an important source of income to most charities and are always gratefully received.

Even if you have no immediate family, making a legacy to charity is a way to ensure that your money still goes to something you care about. Remember, if you don't make a Will, there's a chance that everything you own will go to the State.

WHY DOES THE BRITISH HOME NEED LEGACIES?

The British Home relies on legacies to continue its essential support for people with severe disabilities. The demands on our services are increasing year on year as our residents become increasingly disabled and dependent and as other people come to need our care.

By leaving the British Home a legacy in your Will, you can help provide essential support for disable people now and for many years to come.

For further information on the work of The British Home, please call us on 020 8670 8261.

MAKING YOUR WILL - Before you see your Solicitor

1. Draw up a list, if possible including addresses of all the people and charities you would like to benefit from your Will.
2. Work out a rough figure of how much your estate is worth (see page 7 for guidelines on what to include)
3. Consider whom you would like to appoint as Executor to your Will. Your Executor is the person responsible for ensuring that your wishes are carried out. It can be your solicitor, bank manager, friend or any member of your family. It is advisable to appoint two executors in case one is unable to fulfil their duties.
4. If you are considering leaving a legacy to The British home, please take this document with you when you go to arrange your Will as it contains important information for your solicitor.

LEAVING A LEGACY TO THE BRITISH HOME

There are several ways you can leave a gift in your Will to The British Home:

- A **residuary bequest** means that after all your expenses and other bequests have been paid, the rest of your estate will go to The British Home.
- A **pecuniary bequest** is when you specify an exact sum of money to The British Home
- A **reversionary bequest** is a gift made to The British Home after the death of the original benefactor. For example, you may leave your house to someone in your Will but after that person's death, the property would go The British Home.

The wording you should use to make your gift to The British Home depends on the type of bequest you wish to leave. Some examples of wording are set out on page 8. Your solicitor can talk the issues through with you and select the correct wording.

CHANGING YOUR WILL – reasons for changing your Will

- If you **marry**. Marriage revokes a Will unless the Will has been made specifically in anticipation of a marriage. You will probably want to include your spouse in your Will.
- If you **divorce**. Divorce automatically cancels any bequest made to a former spouse, so if you want a former husband or wife to benefit, you must state this.
- If you **separate**. If you are separated from a spouse but not divorced, he or she still has a legal claim on your estate (however long you have been apart). If you are living with a new partner, they are not legally entitled to anything unless you have made a specific provision for them.
- **Births and Deaths**. The birth of a child or grandchild may mean that you want to change your Will to include a gift to them. Or someone to whom you have made a gift dies and you need to reallocate that gift to someone else. If you do not do this, the gift will become part of the residuary estate (what is left of your estate once specific gifts have been made).
- **Changes in the value of your estate**. If your financial circumstances change, you will need to amend your Will. You may have received an inheritance yourself or won the Lottery! Your tax situation may have changed and you may be able to avoid having to pay inheritance tax by leaving a legacy to charity.
 - *Equally you may have lost a lot of money for some reason and you would need to think about changing your Will to take account of this.*
- **Changing your mind**. You may decide that you want to change the beneficiaries of your Will in some way or change the guardians you have nominated for your children; there may be an organisation or charity that you would now like to help.

The Law Society now recommends that, as a rule, you review, update or amend your Will every 6-10 years.

HOW TO CHANGE YOUR WILL

Minor changes or additions can be incorporated into your Will by making a **CODICIL**. A Codicil is an instruction that is added to your existing Will and can change it in any way you wish. It is a legal document and must be signed and witnessed by two people in the same way as your original Will. A codicil may be something like the purchase of a new necklace that you want to leave to a granddaughter.

If you want to make a bigger change then it is better to make a new Will, for example if you have divorced or remarried into a larger family.

You can make as many codicils as you wish, but if you want to make a significant change and have several codicils, it is better to make a new Will.

WORDING FOR A CODICIL

Once you have decided on the changes you wish to make you would be best advised to see your solicitor to help you draw up a codicil. If you want to add a codicil to your Will in order to make a bequest to The British Home, the suggested wording is shown on Page 9

WHAT ABOUT INHERITANCE TAX?

Inheritance tax may be payable on your death in your estate is worth more than the tax-free threshold which is currently £325,000.

Some of your assets may be exempt from inheritance tax. **All gifts to registered charities are exempt from inheritance tax.** Husbands and wives can leave their whole estate to each other without being liable to tax.

Leaving a legacy to The British Home could reduce the tax bill on your estate since all charitable gifts are exempt from inheritance tax. Your gift to The British Home can be deducted from the value of your estate before it is assessed for tax. If your gift reduces your estate value to £325,000 or less, then no Inheritance Tax will be payable.

HOW MUCH WILL MY ESTATE BE WORTH?

Before meeting with your solicitor, it is worthwhile putting some figures down on paper to work out what your Estate may be worth. The following is a rough checklist of assets and liabilities:

A) WHAT YOU OWN	£
Property (at present market value):	_____
Car:	_____
Furniture, pictures and jewellery:	_____
Any other assets:	_____
TOTAL (A)	_____

B) CASH	£
Money in savings accounts:	_____
Financial Investments:	_____
Life Insurance:	_____
Money owed to you:	_____
TOTAL (B)	_____

C) WHAT YOU OWE	£
Mortgage on your house:	_____
Other debts, including hire purchase:	_____
TOTAL (C)	_____

YOUR NET WORTH (Calculate totals of A+B – C)	_____
Provisions for family and friends	_____
Remainder available:	_____

WORDING FOR BEQUESTS TO THE BRITISH HOME

1. Wording for a general bequest

'I give to The British Home, Registered Charity Number 206222 of Crown Lane, Streatham, London SW16 3JB the residue (or % share of the residue) of my estate absolutely and I direct that: 1) The proceeds may be used for the general purposes of The British Home and 2) a receipt signed by a person for the time being authorised by the Board of Trustees of The British Home shall be a good and sufficient discharge to my executors'.

2. Wording for a pecuniary bequest

'I give to The British Home, Registered Charity Number 206222 of Crown Lane, Streatham, London SW16 3JB the sum of £_____ And I direct that: 1) such money may be used for the general purposes of The British Home and 2) a receipt by a person for the time being authorised by the Board of Trustees of The British Home shall be a good and sufficient discharge to my executors'.

3. Wording for a specific bequest

'I give to The British Home, Registered Charity Number 206222 of Crown Lane, Streatham, London SW16 3JB, my shares in ABC company/paintings/jewellery/ personal effects and I direct that: 1) such assets may be sold and the proceeds used for the general purposes of The British Home and 2) a receipt by a person for the time being authorised by the Board of Trustees of The British Home shall be a good and sufficient discharge to my executors'.

WORDING FOR A CODICIL FOR A BEQUEST TO THE BRITISH HOME

"This is the first (or whichever number) codicil of me _____(your name)

Of _____

_____(your address)

To my Will dated _____(date of original Will)____

1. In addition to any legacies given by me by my said Will, I give to The British Home, Registered Charity Number 206222 of Crown Lane, Streatham, London SW16 3JB, the sum of £_____(for pecuniary bequest) for its charitable purposes and I declare that a receipt signed by a person for the time being authorised by the Board of Trustees of The British Home shall be a good and sufficient discharge to my executors.
2. In all other respects I confirm my Will (you must include this clause)

In witness thereof I have hereunto set my hand

This _____(date of codicil)

Signed by the said _____

(your full name) as a codicil to his/her Will

Dated _____(date of Will)

Signed by _____(your name)

In our presence and then by us in his/hers. Two signatures should follow, with names in block capitals and addresses with details of occupations (ensure neither witness is a beneficiary to your Will).

SOME LEGAL TERMS EXPLAINED

Administrator	Someone appointed by the court to arrange your affairs if you die without making a will.
Beneficiary	A person or organisation who will receive a gift in your will.
Bequest	The gift you leave in your will.
Codicil	A separate document altering or adding to your existing will.
Crown/Treasury	The tax authorities.
Chattels/Movables	Your personal possessions, including car and furniture.
Estate	All the assets you leave after your death, including money, investments and property minus outstanding debts.
Executors	The person or people you choose to make sure the wishes in your will are properly carried out. They can be friends, family or professional.
Intestate/Intestacy	Describes a person or situation in which someone dies without making a will.
Legacy	A gift left in your will
Legatee	A person or organisation who will receive a gift in your will
Life interest	A two-stage form of legacy in which the first beneficiary has the use of and income from your property during their lifetime; then after their death possession passes to a second beneficiary named by you in your will.
Pecuniary legacy	A gift of a set sum of money or set percentage of the value of your estate.
Probate	The right granted to your executors by the court to distribute your estate according to your will.
Residue	The amount left in your estate after all debts, taxes, costs and gifts have been paid.
Residual Legacy	A gift of all or part of the residue of your estate.
Specific Legacy	The gift of a particular item rather than money
Testator	A person who make a will
Trustee	Someone appointed to administer any part of your estate that you leave under trust or a person on the board of a charity.
Witness	Two witnesses must see you sign your Will and you must also watch both of them sign the Will. No one benefiting (or their spouse) should sign the Will. If they do then they will not receive any gift left to them in the Will.

INFORMATION FOR YOUR SOLICITOR

Your client is in the process of making or changing his or her Will and is considering making a bequest to The British Home, a registered charity, number 206222.

It is essential that the wording is used in your client's Will to ensure his or her wishes are carried out properly, especially as The British Home is known by several versions of it's name in the local area.