



Your guide to being an executor

We are truly grateful for the kind gift your loved one has left to PDSA. They have made such a wonderful gesture to the future of animal welfare. Without the kindness of people who choose to remember PDSA in their will, we simply wouldn't be able to treat the 470,000 pets seen each year at our 48 hospitals throughout the UK. We receive no Government funding for our veterinary services so rely entirely on the generosity of our supporters.

The task of administering the estate of a loved one can feel like a daunting task at an already difficult time. To help you in your role as an executor this guide will provide information and answers to questions that may arise during the administration of an estate where PDSA has been left a gift.

I hope you will find this guide useful. If we can assist any further please do not hesitate to get in touch with me or the team on **01952 797359** or by email at legacies.estates@pdsa.org.uk. We are available Monday to Friday 9am until 5pm.

Thank you for all your help in ensuring your loved one's wishes are fulfilled and letting their love of pets live on.

Best wishes

Marie Parrish (Solicitor)
Legacy Manager

Gifts in Wills
fund two out of
three pets treated
by our vets
and vet nurses

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Jargon Buster

Beneficiary

A person or organisation to whom a gift in a will has been left to.

Bequest/Legacy

A gift to a person or organisation. There are different types of bequests for example:

- *Pecuniary* (a fixed sum of money)
- *Residuary* (remainder of the estate)
- *Specific* (items of jewellery or furniture or a property for example).
- *Life interest* (for example giving someone the right to live in a property or to benefit from an investment fund for the remainder of their life)
- *Interest in Remainder* (for example once the person with the life interest passes away the benefit of the property or investment fund passes to this person/charity)

Codicil

A separate document that makes a change or addition to an existing will.

Conditional Legacy

A gift which someone is only entitled to in a fall-back situation like the early death of one of the beneficiaries

Grant of Probate

A document issued by the Court confirming both the validity of a will and the executor's right to administer the estate.

Liabilities

The debts outstanding when our supporter died. This could include outstanding credit card payments and utility bills, funeral expenses and care home fees.

Income

The money that has been received on our supporter's assets since their date of death. For shares, it takes the form of dividends and on bank and building society accounts, it takes the form of interest.

Trust

A written arrangement where appointed people (Trustees) are given assets to hold and manage for the benefit of those named in the Deed or Will which created the trust.

Trustee

Individuals or an organisation named in a Deed or Will who take responsibility for the assets and manage them.

Where to begin

When PDSA is to receive a share of an estate, we would be very grateful if you could let us have the following information.

Details of our Supporter

Please let us have our supporter's full name, address and date of death. Also, if possible any other names they may have been known by and any previous addresses. This information will ensure our records are up to date and will enable us to stop any future correspondence which our supporter enjoyed during their lifetime.

A copy of the Will

A Will becomes a public document once probate is granted. Early access to a full copy helps us to understand our supporters last wishes and ensures we can honour any special requests.

A list of assets and liabilities

Understanding as much as possible about our supporter's gift and their estate helps us to make sure we contact you at appropriate times. Please provide us with a list of any possessions and debts that our supporter had which will form the value of our supporter's estate. The list doesn't need to be in a particular format. You can just send us a copy of the Inheritance Tax Forms – IHT205 or IHT400 and schedules which you have sent to the Probate Registry or HMRC.



Lead Charity

If there are a number of charities named in our supporter's Will, it may make it easier for you to contact and update one charity beneficiary for example PDSA and we can then contact all the other charities on your behalf throughout the estate administration.



Tax information

As a registered charity, PDSA benefits from valuable tax exemptions. These exemptions increase the value of the generous gifts left to us by our supporters. We are able to reclaim the tax paid on our share of residuary gifts.

Income Tax

Unless PDSA's share of any income tax is minimal, please complete Form R185 (Estate Income), which you can get from HMRC's website gov.uk/personal-tax/income-tax or by phoning **0300 200 3300**. The form should contain PDSA's share of the income received after the date of death. This can include interest from rental income and bank accounts.

You can ask banks and building societies to provide certificates showing the tax paid.

Inheritance Tax

Without an instruction to the contrary in the Will, any Inheritance Tax payable from the residue is deducted exclusively from the shares passing to non-exempt beneficiaries i.e. people not charities.

Guidance on the impact of this for tax calculation purposes can be found on HMRC's website gov.uk/inheritance-tax

Capital Gains Tax

Capital Gains Tax arises when an asset, such as a property or shares, increase in value from the date of our supporters death to the date of sale. In order for PDSA to be exempt from paying CGT, we need to give you as executor consent to appropriate (transfer) the beneficial ownership to us before the sale takes place. Please contact us on 01952 797 359 or email legacy.estates@pdsa.org.uk for a template memorandum of appropriation.

Tax issues in the administration of estates can be complicated. For help and advice about a supporter's estate you can contact **HMRC Trusts and Estates** on their helpline **0300 123 1072** or you may wish to seek independent legal advice.

Property information

We will support the sale of the property as we know that an unsold property can be a great worry and involves additional maintenance responsibilities.

Below are a few pointers which we hope will help you when you come to sell the property. We appreciate that these will not suit every sale and they are simply suggestions:

- Please keep the property insured. If necessary, notify the insurers that it is unoccupied and comply with any policy conditions.
- Please try to obtain two or three independent valuations from estate agents and ask the agent to assess the property's potential for development as this may influence the sale price. If substantial development is identified it may be helpful to contact a planning consultant.
- Please keep the property on the open market for at least four weeks. This is the only way to assess a property's real value. If no offers are received in this period, please speak to the estate agent to seek appropriate next steps.
- Once an estate agent is instructed, please could you let us know their contact details so we can monitor the progress of the sale of the property without troubling you unnecessarily.
- When a sale is agreed, please request written confirmation from the estate agent that the best price has been achieved and if the offer should be accepted.
- If the property is sold at a price above the value given at the time of our supporter's date of death, you may need to consider Capital Gains Tax (CGT), please refer to page 7 for further information.
- If CGT is applicable, a report called a S119 report (S119 Charities Act 2011) will be required before exchange of contracts takes place. If you require further information or contact details of a surveyor who can carry out the report, please do not hesitate to contact us.





Stocks and shares

If the estate includes stocks and shares, please arrange to sell PDSA's proportion of the investments as soon as possible after probate is granted.

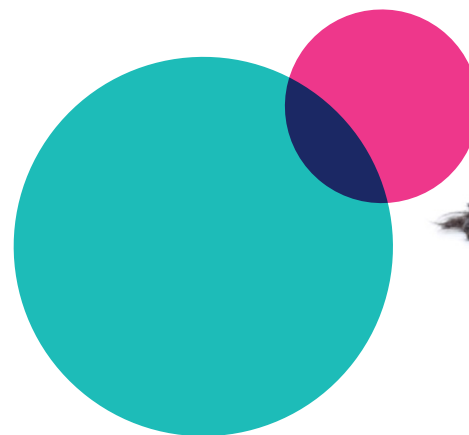
We do not manage a portfolio of our own so prefer not to have any holdings transferred into PDSA's name.

If the stocks and shares are going to sell for more than the value at our supporter's date of death, then CGT may be payable. If this is the case, the investments will need to be appropriated. Please refer to page 7 for more information on CGT and next steps.

Claims against an estate

When a claim has been made against an estate it's appropriate for executors to adopt a neutral stance, leaving the person making the claim and the residuary beneficiaries to resolve any dispute amongst themselves.

Please notify PDSA as soon as you are aware of a potential claim.



Interim payments

The administration of our supporter's estate may take some time to complete. If possible, we would be grateful for regular payments once probate has been granted. We can then ensure our supporter's gift helps to treat sick and injured pets as soon as possible.

Please put all money you receive into an interest bearing account until it's distributed to the beneficiaries.

Payments and receipts

It would be really helpful if you could make any payments by direct bank transfer. If you are paying a large amount of money and you would like the peace of mind we are happy to accept a same day payment.

Our bank details:

Bank: Lloyds Bank **Branch:** Birmingham

Sort code: 30-18-55 **Acc No.:** 02383859

Please quote our reference number which is found at the top left hand corner of our letters or the surname and initials of our supporter when making payment. This helps us to allocate your payment as quickly as possible. Unfortunately we are unable to accept payments by credit card over the phone but payments can be made online at www.pdsa.org.uk/legacy-payment

Estate accounts

Residuary beneficiaries should receive a copy of the estate accounts which set out the story of the administration. As a charity, we are audited on a regular basis and the estate accounts are checked by our auditors.

There is no set form for Estate Accounts but it would be helpful if you could draft something that sets out the assets, liabilities, income and expenses. Please look at our jargon buster at the beginning of the guide for more information on assets and liabilities or visit pdsa.co.uk/giftsinwills for an estate accounts template.

If income is recorded separately from capital in the estate accounts, it helps us reclaim the income tax paid after death from HMRC. This includes any income deducted at source.

Frequently asked questions

To help you, we have set out some frequently asked questions:

Can friends or family members select items from the deceased's belongings?

Yes we are happy for sentimental items to be distributed to family or friends.

Can the estate fund the cost of a memorial headstone or addition of an inscription to an existing memorial?

We are happy for the cost of a memorial to be deducted from the estate.

The executor wants to make a gift that wasn't in the Will. Will PDSA give consent?

Charities don't have the same freedom and discretion as private individuals about approving such gifts. Guidance on when such gifts can be referred by PDSA to the Charity Commission for approval can be found in publication CC7 on the Charity Commission's website:
www.gov.uk/government/publications/ex-gratia-payments-by-charities-CC7

Can we sell the property to a relative/family friend and avoid estate agent's fees?

We would prefer a period of open marketing. It's hard for executors to show that the best price has been achieved for the estate if the property hasn't been on the open market. The open market is the only true test of a property's value. Executors can be personally liable for a sale at an undervalue and should protect themselves accordingly.

The executors would like to renovate the property to improve its value.

If this is the estate agent's recommendation we would agree to works being carried out.





Your loved one's gift will help treat sick and injured pets and let their love of pets live on

Patsy's Story



Mary 'Patsy' Rushton kindly included a quarter of her estate to PDSA in her Will. Patsy's mother used PDSA's Coventry Pet Hospital for her two small dogs and relied on our support. It was important to Patsy that her mother's memory lived on and other people like her mother, could be sure to get help for their pets regardless of their financial status. Patsy passed away in 2017.

It would be lovely to hear the reasons why your loved one decided to leave a special gift to PDSA in their Will. If this is something you would be happy to share with us please get in touch.

Telephone: 01952 797359
or Email: legacy.estates@pdsa.org.uk.

Further contact from the charity

Would you like to be kept up to date with the work of PDSA and the pets that we treat, many of which are funded by gifts like the one that you have administered? We send out a regular communications and we'd be delighted to stay in touch with you. Please let us know if you would like to hear more from us.

Thank You

Thank you again for all your help, and please don't hesitate to get in touch if you have any questions.





**2.7
million**

treatments
every year



470,000

pets treated
every year



48

PDSA Pet
Hospitals

We receive no
HM Government
funding for our
veterinary services,
so rely entirely on
public support.

With **you** we
make **one**
amazing team.

E: legacy.estates@pdsa.org.uk
T: 01952 797 359

pdsa.org.uk/giftsinwills

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SAVING PETS CHANGING LIVES