A guide for lay executors
Thank you

Our research depends on gifts in Wills, so your help is vital. Without gifts in Wills like the one you’re administering, one in three of our research projects would not be possible.

We’ve produced this guide to help you with any questions you might have about the role of an executor and administering the gift to Alzheimer’s Research UK.

How we can help

We’re here to help and support you in whatever way we can.

It’s our legal duty as a charity to maximise the value of every gift that is left to us. For example, this means that if there is a house to be sold as part of the gift, we will work with you to get the best possible price for it.

If the Will includes gifts to more than one charity, the charities will work together to make your job easier. We’ll normally pick a lead charity so that you only need to communicate with one person.

If there’s anything you’d like to ask us about, please don’t hesitate to get in touch. You can email us at giftsinwills@alzheimersresearchuk.org or call us on 01223 896606.
The role of executor

Being an executor is a big responsibility, and shows that the person who has passed away placed a great deal of trust in you. While there’s a lot to do, you can always instruct a solicitor to help you, who can be paid from the estate. An executor’s tasks include:

- Finding all of the relevant financial documentation.
- Getting valuations to work out the total value of the estate.
- Working out whether inheritance tax is due from the estate and arranging for this to be paid.
- Preparing, if necessary, the appropriate forms for submission to HMRC and the Court.
- Obtaining a grant of Probate or grant of confirmation in Scotland so that you can administer the estate.
- Establishing whether there are any claims on the estate.
- Paying any debts owing from the estate.
- Preparing estate accounts and settlement of income tax and capital gains tax.
- Distributing cash and assets according to the instructions left in the Will.

All the costs involved will be paid out of the estate, including your expenses, so you shouldn’t be out of pocket. If you have any concerns, do speak to a solicitor.

Terms in italics can be found in the list of key terms on p13.
Administering a charitable gift

Here’s a quick outline of the stages of administering a gift to Alzheimer’s Research UK.

1. Get in touch to let us know about the gift.
2. Send us a copy of the Will.
3. Work out any tax implications of the charitable gift.
4. Sell any relevant assets.
5. Where possible, make interim payments if most assets have been dealt with.
6. Send us a copy of the estate accounts for our review and approval.
7. Pay the full final amount of the gift to the charity.
First steps

Applying for Probate

For many estates, you will need to apply for a grant of Probate. Probate enables you to act on behalf of the estate – for instance, moving their savings from their bank account into the estate bank account so that you can distribute their money to their beneficiaries.

You might not need Probate if:

- The estate doesn’t include property like a house, flat or land.
- The estate only consists of cash in bank notes or coins and personal possessions.
- The amount of savings held by companies like banks, building societies and insurance companies is small enough that they are prepared to release it to you without Probate. This will vary depending on the company, so it’s best to contact them to find out their policy.

The specific process of applying for Probate varies depending on whether you live in England, Wales, Scotland or Northern Ireland.

Assets and liabilities

One of your first tasks as executor will be to find out the value of the assets and liabilities of the person whose estate you’re administering. All of their liabilities will need to be paid from the estate. If their debts exceed the value of their estate, you should get legal advice. No one else will have to pay any debts left over.

Once debts have been paid, you’ll give what remains of the assets to beneficiaries according to the wishes set out in the Will.

Claims on the estate

Depending on where you are in the UK, you may need to consider if there is anyone who has not been left anything in the Will who could have a right to make a claim on the estate, such as a child or co-habitant. Their rights vary depending on whether you are in England, Wales, Scotland or Northern Ireland. If claims on the estate are possible, then do consult a solicitor.
The gift to Alzheimer’s Research UK

If the gift is *pecuniary* or *specific*, please send us a copy of the relevant clause in the Will. It would be helpful to know when you expect Probate to be granted and if you anticipate any delays in administering the estate.

If the gift is *residuary*, please send all of the above plus a copy of the entire Will and any *codicils* or informal writings such as *letters of wishes*, as well as an estimate of assets and liabilities.

The gift may be left to Alzheimer’s Research Trust; this is our old name. If a gift has been left to this name, we will send you a copy of the Certificate of Incorporation on Change of Name. Our registered charity number remains the same. There may also be gifts for ‘dementia research’ or even to be left to charity generally. It’s your choice as executor how you carry out these wishes. We’d be extremely grateful to be your chosen charity.
Next steps

Selling property

The administration of the estate will often include the sale of a house, flat, land or other property. If that’s the case, it’s a good idea to get three valuations before putting it on the market.

If we are due to receive a residuary gift, we would appreciate being consulted and kept up to date in the process of selling any property. If there are stocks and shares or any possessions such as jewellery or artwork that would be included in the gift to Alzheimer's Research UK, we would request that these are sold and payment made to us.

Interim payments

*Interim payments* are those made when the process of administering the estate is still underway but most of the assets have already been dealt with. For example, these payments could be made from savings while a house is due to be sold. We’d be grateful for any interim payments that can be made, as these enable us to put the gift to work as soon as possible.
Tax considerations

If the estate is worth more than a certain amount, inheritance tax may be payable; see www.gov.uk/inheritance-tax for full details. Sometimes beneficiaries decide to use a deed of variation to reduce this.

But it’s not just inheritance tax that can affect the administration of an estate. If assets such as property have increased in value during the administration process, capital gains tax may be payable depending on the nature of the beneficiaries. If that is the case, taking professional advice can help you avoid paying tax on the estate unnecessarily.

Charities are exempt from inheritance tax and capital gains tax. We can also reclaim income tax that has been deducted from income raised while the estate is being administered.

Deeds of variation

In some circumstances, beneficiaries of the Will may wish to use a deed of variation. This may be done to reduce the burden of inheritance tax, to include relatives left out from the Will (for example, grandchildren born after the Will was written) or to increase the value of gifts left to charity. This must be done within two years of the death, and we’d recommend getting a solicitor to help. If a certain percentage of the value of the estate is left to charity, this reduces the rate of inheritance tax payable. For current rates, please visit www.gov.uk/inheritance-tax
Final steps

Estate accounts
If we have received a residuary gift, please send us a copy of the estate accounts once the administration of the estate is complete. All residuary beneficiaries are legally allowed to review and approve these accounts. As a charity, this is particularly important so that when we’re audited, we can show we’ve received what we were supposed to and complied with the wishes laid out in the Will.

Case studies
Talking about someone’s reasons for leaving a gift to Alzheimer’s Research UK can encourage others to do the same. If you would be willing to share your story of being an executor and the reason you think Alzheimer’s Research UK were included in the Will, we’d love to hear more from you. Please get in touch, or fill in the form you’ll receive at the end of the administration process.

Further contact from the charity
Would you like to be kept up to date with the work of Alzheimer’s Research UK and the research funded by gifts like the one that you have administered? We send out a regular newsletter 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 again for all your help, and please don’t hesitate to get in touch if you have any questions.
Useful information

The name of our charity:
From 1992 to 2011, we were called Alzheimer’s Research Trust. Some Wills use this name. Our current name is Alzheimer’s Research UK.

Our charity number:
Our registered charity number is 1077089 in England and Wales and SC042474 in Scotland.

How to make a payment:
You can make a payment to our charity by sending us a cheque payable to Alzheimer’s Research UK or send payment via BACS; please contact us to request bank details.

Useful links

www.gov.uk/wills-probate-inheritance
The UK government’s guide to Wills, inheritance and probate.

or www.lawscot.org.uk
The Law Society, where you can find a qualified solicitor to help with the administration of the estate.
Legal terms

**Assets** – everything the person whose estate you’re administering owned or was owed at the time of their death. This includes property, land, savings, unpaid wages, investments and personal possessions.

**Beneficiary** – any person or organisation due to receive funds from the Will.

**Capital gains tax** – a tax on the profit when you sell an asset that has increased in value (typically a house).

**Codicil** – a document that is used to amend a Will without the need for a new Will to be made, kept alongside the Will.

**Estate accounts** – also referred to as executry accounts, these are the final accounts of the assets and liabilities of the estate, tax paid and how the estate was distributed to beneficiaries.

**Grant of Probate or grant of confirmation** – the legal authorisation that allows you as the executor to administer the estate.

**Inheritance tax** – a tax on the estate of someone who has died. It is payable at varying percentages, but only on the part of the estate over a particular value (which varies depending on the assets and beneficiaries). Please visit [www.gov.uk/inheritance-tax](http://www.gov.uk/inheritance-tax) for current rates.

**Interim payments** – payments that are made before the administration of the estate has been finalised.

**Letter of Wishes** – a tool to express wishes that are not included in the Will or any Codicils. This might include funeral wishes or the distribution of smaller items such as books or jewellery.

**Liabilities** – any debts liable to be paid from the estate. As well as debts incurred in life, this includes funeral payments, inheritance tax payments and administration costs.

**Pecuniary gift** – a gift in a Will of a sum of money, whether that’s £100 or £1 million.

**Residuary gift** – a gift in a Will of all or part of the residue of the estate once liabilities and all other gifts have been paid. This could be anything from a fraction of 1% of the residue to 100%.

**Specific gift** – a gift in a Will of a specific item, such as a car or a painting.
We are the UK’s leading dementia research charity dedicated to making life-changing breakthroughs in diagnosis, prevention, treatment and cure.

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