

EDUCATION TRUST



**INFORMATION ON
MAKING A LEGACY PLEDGE
TO EPSOM COLLEGE**



“ I have enjoyed my time at Epsom, a school that offers a far more diverse range of opportunities than I would have received at my previous school. The experience transformed the number of paths for further education, which I never imagined were possible. I am extremely grateful for the assistance and bursary support, without which I would not have had access to the plethora of opportunities on offer. ”

An anonymous recipient and recent member of the Sixth Form

“ I owe everything I have ever achieved to Epsom. During my lifetime I am able to make relatively small gifts to the College. My legacy pledge allows me to make a much more meaningful contribution later. ”

**George Pincus MBE (H-S/F 1955-61)
Epsom College Governor**



HELPING FUTURE GENERATIONS

Pledging a legacy gift is one of the best ways you can support Epsom College and future generations of pupils. We encourage all donors to direct legacy gifts to bursaries, which will provide critical support in our effort to build a robust bursary endowment and widen access to the College.

During the 2014-15 academic year, over £720,000 has been allocated to 42 bursaries, which were funded through annual fee income, income generated from the College endowment and donations received by the Education Trust.

The Epsom College endowment (currently valued at £3.7m*) is relatively small when compared to similar schools. The long term aim of the Governors is to create a £12m endowment that would generate approximately £600,000 in annual income to continue this level of bursary provision in perpetuity.

*As noted in the College's most recent financial report.

TAX REFORM

As of April 2012, the Government introduced a new policy to encourage charitable giving. Any estate leaving 10% to charity can take advantage of a reduced Inheritance Tax (IHT) rate of 36%, versus 40%. The policy change has significant implications for the overall tax position of an increasing number of households and gives donors an opportunity to continue a lifetime of charitable support, while still looking after the needs of family members.

The table below demonstrates how, under these rules, a charitable donation of 10% impacts a £1m estate, where a donation of £67,500 can be given at a cost of £16,200 to the remaining estate.

WITH NO LEGACY DONATION	
Gross estate	1,000,000
Less nil rate band	-325,000
Net estate for legacy calculation	675,000
No charitable donation	0
Total taxable estate	675,000
Less 40% IHT	-270,000
Remaining estate (incl nil rate band)	730,000

WITH A DONATION WORTH 10% OF ESTATE	
Gross estate	1,000,000
Less nil rate band	-325,000
Net estate for legacy calculation	675,000
10% charitable donation	-67,500
Total taxable estate	607,500
Less 36% IHT	-218,700
Remaining estate (incl nil rate band)	713,800

ARRANGEMENTS TO CONSIDER

There are several types of legacy one can consider, all of which are exempt from UK Inheritance Tax. Any one of them can be specified in your Will or by codicil, in consultation with your solicitor.

A Residuary Legacy

A percentage or all of your estate after other legacies have been met

Pecuniary Legacy

A specific sum which could be index linked

Specific Legacy

Property, stocks and shares, works of art or other objects

Reversionary Legacy

Made payable after the death of another named person, often one's spouse. (This is an excellent way to provide for family members during their lifetime, while still making a gift to the College)

Conditional Legacy

Made payable after the conclusion of something else, such as the education of one's grandchildren



NOTIFYING THE EDUCATION TRUST

Those making a legacy gift are encouraged to notify the Education Trust of their intentions. This creates an opportunity for the donor to discuss and clarify his or her intentions and helps the College plan for the future. It is recognised that some donors prefer not to make their intentions known.

CREATING A MEMORANDUM OF UNDERSTANDING

Notifying the Trust creates an opportunity to draft a Memorandum of Understanding, which is a simple statement of one's present intentions. This document, which is in no way legally binding, is held by the Education Trust and can be attached to a Will to ensure the donor's intentions are clearly understood in the future.

ADDING A CODICIL TO AN EXISTING WILL

Adding a legacy gift to an existing Will can be done through a codicil. Below is a form of codicil which can be added to your existing Will to support bursaries at Epsom College. Please take care to ensure that it is signed, dated and witnessed by two independent witnesses as for a Will in its own right.

I _____ (*...your name...*) of _____ (*...your address...*),
declare this to be the first (*...or second...*) Codicil to my Will
dated and made on _____ (*...day, month, year...*).

In addition to the legacies given by my said Will, I give the
following further charitable legacy absolutely:

To Epsom College (Charity 312046-146) of Epsom, Surrey KT17 4JQ
("the Charity") the sum of £ _____

For its General Bursary Fund and with power to expend
its income for such purposes and I direct that a receipt of
the Bursar or other authorised officer for the time being of
the Charity shall be a good and sufficient discharge to my
Executors for the payment of the Charity. In all other respect I
confirm my said Will.



EPSOM

COLLEGE

Education Trust • Epsom College • College Road • Epsom • Surrey • KT17 4JQ
01372 821042 • educationtrust@epsomcollege.org.uk • www.educationtrust-oeclub.org/home

Creating educational opportunities at Epsom College through charitable support

Issue date: November 2014