

Legacy Information Sheet ¹

Make a difference to our future

A legacy or bequest is the most personal gift that you can give to Music in the Round. Through a legacy, the method you use to leave some of your assets in your Will to a person or charity, you can make a direct and lasting contribution to Music in the Round, helping us to achieve our aims of promoting the best in chamber music and increasing music-making opportunities for children and young people.

Why legacies are important to us

Music in the Round grew out of a passionate belief that chamber music is for everyone, whatever their background or circumstance. Since 1984 the company has established the renowned annual May Festival, regular concert series in Sheffield, Doncaster and Barnsley, a national touring programme, which takes music to venues where there is little or no provision of chamber music and a thriving Music in the Community programme, which supports children and young people to develop their musical skills and horizons.

The generosity of our Friends and Patrons over the years has contributed enormously to our success. The gift of a legacy from you would help us continue to provide inspiring music at affordable prices and free or low cost educational opportunities. It allows you to leave a footprint in the future and your money to make a significant difference to the world, even after you have gone.

Inheritance Tax

At the time of writing (February 2015), the inheritance tax threshold, known as the Nil rate band is £325,000 for an individual. This is the amount that can be distributed in your Will without paying any inheritance tax. It effectively means a couple can give away up to £650,000 tax free, if done for each individual. It should be noted that any asset transferred in your Will to your spouse, eg your house, is tax free and becomes part of the survivor's estate. At the time of writing anything above the threshold would normally be taxable at 40%.

In addition and importantly all legacies to registered charities are completely exempt from inheritance tax so such donations may help reduce the overall amount of tax payable on your estate if it is over the exempt threshold. For example, Music in the Round would get the full benefit.

There is one further benefit of including or increasing the legacies to charities in your Will. In broad terms if 10% of the 'net estate' (i.e. after the inheritance tax threshold) is given to charity, then the tax rate payable of the rest of your estate drops from the normal tax rate to a lower rate (40% to 36%). This can sometimes mean that by slightly increasing the amount you give to charity to get to 10%, the other beneficiaries of your estate, such as children, may actually receive a bit more because less tax is paid on their inheritance.

Up to date information on tax rates and thresholds can be found [here](http://www.hmrc.gov.uk/rates/iht-thresholds.htm), (www.hmrc.gov.uk/rates/iht-thresholds.htm)

¹ This document is for guidance only, and is not intended to constitute legal advice by the organisation. Potential legators should seek their own professional advice.

Different types of legacy

There are several different types of legacy:

- Pecuniary:** when you leave a specified amount of money to a person or charity. You may want to request that it be linked to inflation in order for it to retain its value over the years.
- Residuary:** when you leave some or all of what is left over in your estate to a person or charity after all other legacies, debts, fees and other charges have been met. You can leave whole or part of the residue of your estate to Music in the Round. The value of a residuary legacy is not affected by inflation in the same way as a pecuniary legacy.
- Specific:** a legacy need not be a sum of money. Instead, you can leave assets such as property, stocks, shares, library collections, artefacts or other valuables.
- Contingent:** a gift in your Will that depends upon the occurrence of an event which may or may not happen, for example a bequest to a charity which applies only if other beneficiaries named in the Will die before you.

More information can be found at the Institute of Fundraising website: <http://www.institute-of-fundraising.org.uk/guidance/tax-effective-giving/legacies/legacies-for-donors/>

Charities Aid Foundation

If you have a Charities Aid Foundation account you can use this to make a gift to Music the Round in your Will by naming it as a charity you wish to support. This service is flexible because it allows you to change your list of beneficiaries at any time without needing to update your Will. CAF will make sure your chosen charities get the money you've left to them. Or if you'd prefer, the legacy can go into a charitable trust, to be managed by your successors.

For more information call CAF on 01732 520 357 or visit their website www.cafonline.org

Suggested wording for your Will²

Residuary bequest

I give all or a ...% share (please specify) of the residue of my estate to Music in the Round, registered charity number: 326811 to be used for its general charitable purposes and I declare that the receipt of their treasurer or other proper officer shall be a full and sufficient discharge.

Pecuniary bequest

I give free of tax to Music in the Round, Registered charity number: 326811, the sum of £... (please specify) to be used for its general charitable purposes and I declare that the receipt of their treasurer or other proper officer shall be a full and sufficient discharge.

Additional clause - It is suggested that you add the following clause after the bequest:

"If at the date of my death a charity named as a beneficiary in this Will or in any Codicil to my Will has changed its name or amalgamated with or transferred its assets to another charity or body then my Executor(s) shall give effect to any gift made to such charity as if it had been made (in the first case) to the body in its changed name or (in the second place) to the body which results from such amalgamation or to which such transfer has been made."

What next? - Consult your solicitor. If you wish to include a gift to Music in the Round, please let your solicitor know our registered charity number: 326811, and our address: Music in the Round, 4th Floor, Sheffield Central Library, Surrey Street, Sheffield, S1 1XZ. We are also a company limited by guarantee (see below).

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Please let us know

If you have made or are going to make your Will and are leaving a legacy to Music in the Round, please let us know on the pledge form included. It won't commit you to anything and you may still change your Will at any time, but it will help us to plan ahead and we would also like to be able to thank you and keep you posted on our work.

Pledge Form

First Name(s).....Surname.....

Address.....

.....Postcode.....

Telephone.....Email.....

I would like to remember Music in the Round with a:

Residuary Bequest

Pecuniary Bequest

Specific Bequest

Contingent Bequest

(Please see fact sheet for details.)

I have already included a legacy to Music in the Round in my will.

Amount.....

Type.....

I would like my legacy to remain anonymous.

I am not ready to consider making a legacy at present.

Please return to Deborah Chadbourn, Executive Director, Music in the Round,
4th Floor, Sheffield Central Library, Surrey Street, Sheffield, S1 1XZ.

Tel: + 44 (0) 114 281 4660

Email: deborah@musicintheround.co.uk