



GOODSONS GAZETTE



CHRISTMAS 2009

F W G

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A FUNNY THING HAPPENED ON THE WAY TO 2010...

It's been a funny sort of year. I suppose I should have been warned when I ordered a bathmat boasting 29 suction pads and guaranteed to prevent mildew – a simple enough request, I would have thought – but received instead (and I quote) “An amazing undergarment designed to uplift and pull in one’s figure” - not mine, just “one’s” who would be about fifty years younger and several stones lighter, especially when my idea of weight lifting is standing up! Although the mistake was swiftly corrected, I found myself unable to get rid of the image of some glamorous young woman having eagerly opened my parcel, trying to make all those suction pads on the bathmat ‘uplift and pull in her figure’. At least she won’t get mildew!

I suppose that I still had that picture in my mind when Mark suddenly announced, “What you need, Mum, is a dongle!” (Now that was a surprise - I have to confess that I’ve thought for a long time that a face lift and a complete body make-over would be a good idea but I had never heard it called a “dongle” and I was a bit taken aback that Mark had, shall I say, been quite so blunt about it). I misjudged him, it was simply something to do with my computer but it gave me quite a turn initially. I am much more concerned about the fact that I am a personal disaster area where machines and electronic devices are concerned! Everything that is said to be a simple matter proves to be next to impossible when applied to anything with which I am involved. Ask Mark! He gets as nervous as a cat in a room full of rocking chairs when I get near any machine of his. Talking of disaster, it’s quite fashionable at the moment isn’t it, and all (seemingly) centred around the year 2012. Hundreds of years ago, the Mayans, a very clever race, made accurate

astrological observations that apparently allowed them to predict what would happen to the world far into the future - until the end of



December 2012, to be precise. Then it ceased, the inference being that some disaster would strike the planet and there was, therefore, no future to predict because the

world would end. My immediate response was that, by that date, Christmas cards etc. would still have had to be done! Ah, well, no rest for the wicked. Then, of course, there is the super-volcano beneath Yellowstone Park that is due to erupt - that's death and destruction to the world as well. The new disaster film, 2012 (no, it's not about Britain failing to win any medals at the Olympics), is spectacular but requires much of the viewing time to be spent in a state of suspended belief, with the occasional comment of, "Oh, come on!" thrown in. Good fun though. I won't mention wayward asteroids colliding with the world. In fact there is not much point in mentioning any of these things since we can't do anything about any of them. I prefer to think that by 2012, we have all learned to get on with each other and that we are due to enter a whole new era of goodwill, bringing us all a completely new future! Remember how panic stricken some people were when the year 2000 was approaching? Were we all going to survive? What about the computers? Would everything crash down about our ears? Would the world as we know it end? Well, we're still here now rolling into yet another year - 2010 - and all of us wish all of you good health and every happiness.

Anne

Office opening hours for the Christmas period -
We close at 1:00 pm on Thursday December 24th and
re-open at 9:00 am on Monday January 4th.

“I know that God will not give me anything I can’t handle but I just wish that he didn’t trust me so much”-Mother Teresa

Ok, so which is it?

No wonder we're confused! Thousands of pounds and as many man hours have been spent producing studies and surveys covering every area of our lives. Depending on who we listen to and what it is we're trying to achieve or avoid, we may discover conflicting views on a particular activity or treatment. For instance, here are some examples of some revolutionary "findings" that this research produces:

<i>One the one hand...</i>	<i>But on the other...</i>
<i>Have a shower instead of a bath. It saves water and energy, helping to reduce our carbon footprint.</i>	<i>Every time a shower is used thousands of viruses spray into our face as the shower head is a breeding ground for germs.</i>
<i>An aspirin a day helps prevent heart attacks.</i>	<i>Aspirin can cause internal stomach bleeding and other damage.</i>
<i>A glass of wine a day can help your heart and is believed to reduce the risk of getting dementia or Alzheimer's disease.</i>	<i>A glass of wine a day can cause heart disease and damage the liver and pancreas.</i>
<i>Regular exercise is essential in order to maintain good health.</i>	<i>Mr Fixit (exercise guru) and Leonard Rossiter both died exercising, and Paul Hogan (Crocodile Dundee) had a brain haemorrhage whilst exercising. (Incidentally, Robert Morley, the very chubby actor, was asked if he ever felt the need to take exercise. He said that he did, but usually had to have a lie down until the feeling wore off).</i>
<i>Smoking will kill you.</i>	<i>Smoking improves the memory.</i>
<i>Avoid chocolate—it is very high in fat</i>	<i>Chocolate is good for the heart (Yippee!)</i>
<i>Drink fruit smoothies to ensure that you get the recommended daily vitamin intake and ensure your children have their 5-a-day the easy way</i>	<i>Fruit smoothies ruin your teeth</i>
<i>Avoid stress—it's very bad for the heart</i>	<i>Stress sharpens the wits and fires up the metabolism</i>



So, if you'll excuse me, I'm going to have a lie down in a darkened room with a bottle of wine and a box of Black Magic chocolates. I'll take a few aspirins or other over the counter drugs (to which I will become addicted in a matter of days) in order to counteract the germs inhaled from my showerhead, then I'll wash them down my soon-to-become-toothless mouth with a fruit smoothie while I try to work out if I'm prolonging my life or committing suicide!

Goodson's Glossary

We are frequently asked about the terminology that is used in the field of Wills, Trusts, Probate and Powers of Attorney. We'd need a book to cover all of them but the following are the ones that we are asked about more often than others.

Executors: *These are the people you appoint in your Will to ensure that your final wishes are carried out and can also be beneficiaries. If they are actively dealing with the estate then they are called proving Executors.*

To die intestate: *To die without making a Will.*

Administrators: *The person or people who have to deal with the estate if you die intestate. There is a strict order of people who can apply.*

Personal Representative(s): *This is the person or persons dealing with the administration of an estate after someone has died. If they made a Will, it means the Executors, and if they died Intestate (see above) then it means the Administrators.*

Grant of Representation: *This is the Court Order appointing the Personal Representative(s) to deal with the Estate. It is a term that encompasses the Grant of Probate (where there is a Will) or a Grant of Letters of Administration (if someone has died intestate).*

To have 'Power Reserved: *This term is used when an Executor does not prove the Will but does not renounce either; he has "Power Reserved" to him and if something happens to the proving Executor he can take over by applying for a Grant of "Double Probate".*

En ventre sa mere: *in the mother's womb. A term used to ensure that a pregnant woman's unborn child is covered under the terms of a Will.*

Beneficiary(ies): *the person(s) or organisation(s) to whom you leave something in your Will.*

Bequest or Legacy: *Official term for the gift that you are leaving to someone or an organisation in your Will. There are several types of bequest, for example -*

Residuary Bequest: *a gift made of the remainder of the Estate once all other gifts have been handed out and debts paid off. It may be all or a percentage of the remainder of the Estate.*

Pecuniary Bequest: *A gift made of a fixed sum of money. Unfortunately, the value of a pecuniary gift will decrease over time as the cost of living increases.*

Specific Bequest: *A particular named item left as a gift in your Will. For example, a piece of jewellery, furniture, car, boat or a painting.*

Just when you thought you'd heard it all - part 1



I do hope that the lucky inhabitants of Solihull appreciate their good fortune in having such a diligent and far-sighted 'Elf and Safety Department. I am sure that no other council has been so quick to spot the hideous dangers to public safety posed by the display of BALLOONS outside a shop (yes, I did write 'balloons' - it is not a typing error). Ted Richards, speaking on behalf of Solihull Council, said that they take their responsibility for ensuring that people can use their roads and footpaths safely very seriously and balloons can distract motorists and cause accidents. If the balloons are not removed, he said, the Council can see no other option but to take the appropriate action! Does this mean "Pins behind the Council offices at Dawn?" The Council have overlooked one obvious hazard though. Suppose, horror of horrors, a balloon escaped! It might hit someone on the head! Honestly, you couldn't make it up, could you?

"Oh Doctor, I'm in Trouble" "Well goodness gracious me!"

Remember that Peter Sellers/Sophia Loren song? Well, much married Peter was in the process of divorcing his fourth wife, Lynne Fredericks, but before the divorce was absolute, he died and hadn't completed a new Will excluding her from his estate, apart from a settlement that both parties had agreed to previously. So, as Lynne was still married to him when he died, she inherited virtually the whole estate. Afterwards, she married Sir David Frost, divorced him and then, later, died herself. Her daughter, a lucky student in California, who was born four years after Peter died, inherited everything – houses around the world and the rights to all his films. Now you know why we are always trying to encourage our clients to keep their Wills up to date!



Lasting Powers of Attorney — another update!

We are now over 2 years into the new regime and the dust has had a chance to settle. The Office of the Public Guardian (OPG) have again revised the Lasting Power of Attorney (LPOA) forms which have shrunk from 26 pages to 12 pages (albeit with possible supplementary ones).

The old Enduring Powers of Attorney (EPOA) only gave the attorney power to deal with financial affairs. The LPOA for Property and Affairs has replaced that, but there are some important differences.



- 1) With the new LPOA, replacement Attorneys can be named whereas they couldn't before.
- 2) The EPOA permitted Attorneys to act jointly (i.e. together) or jointly and severally (i.e. together and also independently). The new LPOA permits Attorneys to act jointly as well as jointly and severally (for instance, jointly on some matters, jointly and severally on others).
- 3) When an EPOA is registered with the court, there is a prescribed list of people that need to be notified of the registration, which is basically the next of kin. With an LPOA, you can choose who is to be notified and can also elect for no-one to be notified at all! But, if you take this course of action, you need two certificate providers which could make it more expensive (see pricing structure below).
- 4) An EPOA could be used as a General Power of Attorney as well, and very often wasn't registered with the Court of Protection when someone lost their mental capacity. The LPOA can only be used once it has been registered and therefore helps prevent financial abuse.
- 5) The person making the LPOA (the donor) needs to have a certificate prepared by an appropriate person to show that they are fully aware of what they are doing at the time of making the LPOA. The document is invalid without it.

In addition to the LPOA for Property and Affairs, there is also an LPOA for Personal Welfare and this confers brand new powers on Attorneys. They now have the ability to make decisions on behalf of the donor such as what medication can be accepted or refused, and can negotiate with Social Services as to where the donor can live.

If you have not got an EPOA and have lost your mental capacity, then the process appointing someone to deal with your affairs is arduous and expensive. It can easily cost upwards of £1000 per year to just have the Court approve the annual accounts in respect of a Property and Affairs LPOA, and with Personal Welfare issues someone will have to approach the Court to be appointed as a "Deputy" in order to make decisions on behalf of the donor. Further, they may have to keep going back to Court in respect of any different decisions that need to be made (and pay the requisite Court fee on each occasion).

In short, it pays to have one of these documents, if only for the peace of mind it brings, knowing that your nearest and dearest aren't going to go through the trauma of dealing with the OPG at what will be a very emotional and difficult time for them anyway.

As the OPG have revised and simplified their forms, we have also revised our pricing structure and are pleased to announce that with immediate effect the following pricing will apply to both types of LPOA;

To prepare the document - £75 plus VAT

To act as Certificate Provider - £150 plus VAT

To Register the LPOA with the Court - £125 plus VAT plus Court fee (currently £120)

We recommend that clients have the document and certificate prepared at a combined cost of £225 plus VAT (which is going back up to 17.5% from 1st January 2010) but leave the registration with the Court until it is needed - which, hopefully, it never will be. Ask Mark or Colin for further details.



MIMI'S MEWINGS

Thank goodness we have all been healthy this year. Last week, when Kitty and Gus went to the vet to have their annual check-ups and injections, they saw Laura (she was the one who saved Gus when he was so ill). When she managed to get Gus out of the carrying basket - a difficult job - she pronounced him to be 'magnificent'! She also said Kitty was 'beautiful'. Ain't it the truth, ain't it the truth! Anne didn't mind paying the bill! Well, not much, anyway. Wait until Laura sees me next week! I'm not really a 'moany' sort of cat, not often anyway, but I would like to put in a plea about stopping the apparently never ending fireworks that keep going off round here. Kitty, who sits on Anne's lap and watches the news, says that sometimes it is like living in a war zone. Kitty and especially Gus are nervous wrecks. We're not the only ones, of course, lots of animals feel the same. Please give us all a break!



Have a wonderful Christ-mouse and a purr-fect New Year

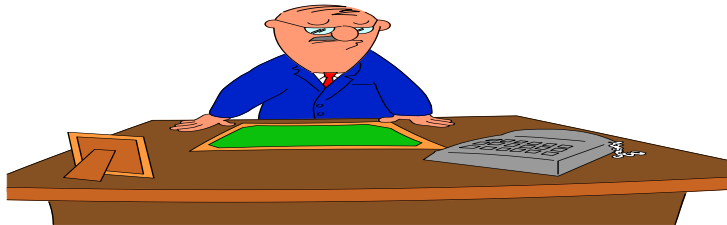
Mimi, Kitty and Gus

Just when you thought you'd heard it all - part 2

Every now and then we all encounter some unbelievable excuses that are given for something or other... one of the favourites being something like "The dog ate my homework". If this were true on every occasion then I would have thought some entrepreneur somewhere would have thought of producing a range of dog food with flavours like, "Maths Quiz in Jelly", or "History chunks in text book gravy". These of course are teenager excuses but I'm sure all of us have also heard (or maybe even used!) some absolute corkers when it comes to the working environment. Well, our Rachel came up with something so incredibly ridiculous that it simply must be true as it wouldn't have been possible to make it up. Picture the scene... her bedroom door opens inwards, doesn't lock and has a ball catch rather than a lever mechanism, so in theory all you have to do to open the door is pull it. You can imagine her surprise therefore when, one morning recently, she got up for work, went to open the bedroom door... and found it just wouldn't budge! Using her cordless phone - that was rapidly running out of battery as the base station was outside the bedroom PLUS she had no credit on her mobile - she managed to call her brother-in-law for assistance but unfortunately she had double locked all the outside doors and so he couldn't get in. Getting out of the window was a non-starter as she was on the second floor, but the worst bit of all was that she was busting to use the loo! Using a pair of nail scissors as a makeshift screwdriver she removed the door handle but that proved to be of no assistance as there was actually no mechanism to the door handle at all. Hopes of an early release were fading faster than her phone battery, which was by this time was quite dead and there was no one to call out of the window to as it overlooked her garden and no neighbours were about. As panic stations were being reached (on more than one level!) she found an old base station from her previous set of cordless phones that, miracle of miracles, fitted the newer phone and she was able to charge it up and call the lettings agent, who she thought may have a spare key. Sadly, they couldn't help but contacted the builder they use who went round and came to Rachel's aid. He had to break a window to get in though! The first thing she did was make a mad dash for the bathroom before returning and thanking her rescuer. So, what was it that had stopped the door from opening? Well, during the night, apparently a large mirror that had been standing on a chest of drawers alongside the door had fallen over (probably caused by the vibration from the lorries on the main road) and across the door, wedging itself behind the handle, thereby acting as a batten. She'd never have shifted it! As you can imagine, she's come in for some friendly stick about the whole episode since. Check out the prize competition on page 7, which was inspired by this incident.



Fred's Forum !



Each issue, Fred will provide answers to some frequently asked questions relating to Wills, Trusts and Probate

How much am I allowed to give away tax free each year?

Fred says: You can give away whatever you like, but the key is that you have to live 7 years before it is free from your estate for tax purposes. There are however lifetime gifts that carry an exempt status, which is what I think you mean. Basically, there are two types of gift; one from capital and one from income. With capital, there is an allowance of £3000 per year to any one person (or £1500 to two people, for instance) and £250 to any number of people (except the one(s) who either received or shared the £3000). This can be rolled back one year if the previous year's exemptions have not been utilised, so, the first time a gift is made up to £6000 is exempt. There are special additional exemptions to cover gifts made in contemplation of a civil partnership or marriage (£5000 from each of the four parents) and also gifts in respect of maintenance. Income gifts relate to excess income and are wholly exempt; therefore, if, in a tax year you earn £100,000 but only spend £30,000 then you could technically give away £70,000 tax exempt. The key to this is that you must not compromise your lifestyle in order to do it. With any lifetime gift, it is good practice to record it properly so there can be no dispute with the tax man. We can prepare Deeds of Gift to cover this eventuality for prices from £50 plus VAT.

If I give away a substantial amount and die within seven years, then I've heard that there is taper relief to reduce the amount of Inheritance Tax payable on my death. Is this correct?

Fred says: Only Partly. This is a common misconception that, in my experience, seems to fox both public and practitioners alike. The rule is that if you die within 7 years of making a gift in excess of £3000 (otherwise known as a Potentially Exempt Transfer (PET) as it is a transfer that becomes ex-

empt after 7 years), then that amount comes back into your estate for Inheritance tax purposes. Taper relief is available on a sliding scale, depending on how far into the 7 years you survive, but the relief is applicable to the rate of tax payable and **NOT THE AMOUNT OF THE GIFT!** Therefore, if you make a gift of any amount up to the value of the Nil Rate Band (NRB) - currently £325,000 and going up to £350,000 in April - then there is no tax payable at all because the gift is within the band where tax is payable at 0%! So, to illustrate, let's say Mr A gave his son a PET of £100,000 in October 2003 but dies in March 2010. The PET fails as he has not survived the full 7 years and the gift comes back into his estate for tax purposes. His NRB is £325,000 and so the gift uses up part of that allowance. His estate then only has a remaining NRB of £225,000 and everything over and above that is subject to Inheritance Tax (IHT) at a flat rate of 40%. If Mr A had survived beyond October 2010, the PET would have become wholly exempt and Mr A's estate would have got the NRB back.

Now, if Mr A had given away £425,000 in October 2003, the Nil Rate Band would have been fully utilised and Mr A's estate would have been wholly liable to IHT at 40%. Further, there would be tax payable on the £100,000 over and above the NRB. However, this is where the taper relief comes in. The relief applies to the rate of tax (40%) and whilst no relief is available at all if someone dies within 3 years of making the PET, the rate of tax then decreases at a rate of 20% per year. If death occurs years 3-4 following the gift the tax is payable at 80% of the rate, in years 4-5 it is 60%, years 5-6 is 40% and 6-7 is 20%. Mr A falls into that final category, so a reduced rate of 20% of the applicable rate (40%) will apply and this equates to just 8% tax, or £8,000 in this example. Crucially, it is payable by the recipient of the gift, i.e. the son, and not by Mr A's estate.

PRIZE COMPETITIONS

Every year we get more and more entries for our competition, which, if nothing else, at least shows you all read the Gazette and we figure it must be therapeutic over the busy Christmas period to keep the grey matter busy either thinking up captions, doing wordsearches, etc. etc. This year we have decided to have two prize competitions - both having prizes of £30 of Marks and Spencer vouchers for the winner and runners up prizes of £10 of M&S vouchers for second and third place.

Competition 1 -The Rachel Begley "You couldn't make it up" award.

To fully appreciate this competition, you should read the article on page 5 entitled "**Just when you thought you'd heard it all - part 2**". That essentially referred to an excuse for not being at work that was so extraordinary and ridiculous it just had to be true as Rachel would have never thought of inventing the situation.

However, we're sure you've heard (or used!) ones at least as good if not better... So, your mission, should you choose to accept it, is to send in your real life excuses that were so unbelievable or far fetched they simply had to be true. It doesn't have to be an excuse for missing work, it could be anything!

Competition 2 -Caption Competition.

Back in the summer, Mark had a working holiday in Capendu, France (near Carcassonne) where he was a chef for 20 people on a yoga retreat. That's another story in itself - but here is a photograph of a yoga session that took place one morning by the pool.

Using your wonderful imaginations, perhaps you can come up with a caption for this one. Put in as many entries as you like.



How to Enter

For both competitions, please send your entries to FWG, 24a Broadway, Leigh-on-Sea, Essex SS9 1AW. Feel free to email if you prefer - mark@fwgoodson.co.uk is the email address to use. Don't forget to include your name and address.

The entries will be judged by the staff here and winners will be announced on Monday February 4th 2010. The closing date for entries is Sunday January 27th. The Editor's decision is final and no correspondence will be entered into. Winners will be notified by post or e-mail. Details of the winning entries will be displayed in our reception throughout February and are available on request.

Last year's winning entries

The winning entries to last years prize caption competition were -

1st place - Bob Wilkins, with "Fred notices that Brussel Sprouts really do affect Anne".

2nd place - Roger Shinn, with "Yes, we're ready to order. I'll have the Suffolk herb sausage and horseradish mash and can you put one of the bangers behind my wife to wake her up please?"

3rd place - David Willsmore, with "Never mind Anne, perhaps they'll take us to McDonalds next time."

WE WISH YOU ALL A MERRY CHRISTMAS AND A HAPPY NEW YEAR

CHRISTMAS 2009

As Registered Trust and Estate Practitioners, we can offer you a comprehensive range of services, including :

*Wills & Living Wills
Probate and Administration service
Executor Services
Estate and Inheritance Tax Planning
Powers of Attorney
Protecting assets
Deeds of Variation
Trusts and Trust Management
Golden Charter Funeral Plans
Commissioner for Oaths*

and we can point you in the right direction for :

*Personal Injury Claims
Conveyancing
Litigation
Matrimonial*

and every other legal problem!

For all the latest up to date news and general information, don't forget to log on to our website where you can also find this publication in colour.

www.fwgoodson.co.uk

Not many people can do this!

Sit down, rotate your right ankle clockwise, and then try to draw a figure '6' with your right hand. Can you do it? No? Didn't think so.

You'll find that your ankle rotation will change direction.

It's all to do with the fact that the left side of the brain controls both the left eye and the right side of the body and the right side of the brain controls both the right eye and the left side of the body. Therefore two conflicting actions on the same side can't be multitasked. It will only work if you start the figure 6 at the bottom and draw it clockwise as well. Here endeth today's lesson...

On a lighter note...

Amazing Anagrams - whoever discovered this clearly has too much time on their hands. Just look at these examples!

Presbyterian

When you re-arrange the letters becomes
Best in prayer

Astronomer

When you re-arrange the letters becomes
Moon starer

The eyes

When you re-arrange the letters becomes
They see



George Bush

When you re-arrange the letters becomes
He bugs Gore

The Morse Code

When you re-arrange the letters becomes
Here Come Dots

Dormitory

When you re-arrange the letters becomes
Dirty room

Slot machines

When you re-arrange the letters becomes
Cash lost in me

Election results

When you re-arrange the letters becomes
Lies - let's recount

Snooze alarms

When you re-arrange the letters becomes
Alas! No more Z's

A decimal point

When you re-arrange the letters becomes
I'm a dot in place

The Earthquakes

When you re-arrange the letters becomes
That queer shake

Eleven plus two

When you re-arrange the letters becomes
Twelve plus one

And the last one, for all Les Dawson fans

Mother-in-Law

When you re-arrange the letters becomes
Woman Hitler