

Administering an Estate

In brief

Administering an estate can prove extremely onerous. Even where the assets are relatively modest, complications can quickly arise, for example if there's a dispute between beneficiaries or unusual assets. We can help you through what's often a very stressful time, if necessary taking over the entire administration on your behalf.

What are your responsibilities as an Executor?

When you agree to become an Executor of someone's Will, you become responsible for winding up their affairs after their death – paying off any debts, sorting out their tax bill and distributing their assets in accordance with their wishes. To do this, you need to obtain what's called a 'Grant of Representation' from the Probate Court. If you don't administer the estate properly e.g. you overlook a debt, you may be held personally liable out of your own pocket to make good any loss suffered.

When should you call on expert help?

There are some estates that you can handle fairly easily on your own. Usually, this will be where you know the full ins and outs of the dead person's affairs, where the assets are comparatively few and of modest value, where there's no outstanding tax liability and where the terms of the Will are completely clear. However, you will probably need some form of help if:

- the dead person was a beneficiary of another estate that still hasn't been wound up
- the dead person received income from a trust
- the Will creates a trust
- the Will is unclear or possibly invalid
- a beneficiary can't be found
- the assets include foreign stocks and shares and property or unusual assets such as intellectual property rights and royalties
- the debts are bigger than the assets
- there's a dispute, for example between beneficiaries or with the Inland Revenue.

How can we help?

We can administer estates of all sizes, helping as little or as much as you want. For example, we can limit our help to advising you on the terms of the Will or on the other hand we can provide a

comprehensive service including everything from minimising the estate's inheritance tax liability to investing assets on behalf of beneficiaries. The breadth of knowledge within the firm means we have immediate access to all the necessary experts as and when required.

What our service will involve

No two Wills are exactly the same. However, administering an estate on your behalf would usually involve the following steps:

- advising you on the terms of the Will and any other relevant documents
- registering the death with all relevant third parties (e.g. banks) and obtaining details of the assets and liabilities
- arranging for all the assets to be valued
- collating the detail and preparing the probate papers
- making an application to the registrar for the Grant of Representation
- obtaining the Grant of Representation and registering it with all relevant third parties
- arranging for an advance or loan to pay Inheritance Tax or the Probate Court fee
- collecting in the assets, paying debts and settling any cash legacies
- placing a 'Trustee Act notice' requiring claims against the estate to be made in writing before a certain date
- letting the main beneficiary know what they've been left and finding out how they wish to take their entitlement e.g. if they've been left shares they may want to take cash instead
- advising you, if relevant, on how to minimise the inheritance tax bill and also when it would be appropriate to make a partial distribution
- liaising as necessary with HM Revenue & Customs
- dealing with all the paperwork e.g. maintaining estate accounts, submitting the Executor's Income Tax and Capital Gains Tax returns and preparing final estate accounts

Need more information?

If you've been appointed Executor of a Will and would like help administering the estate, either now or in the future, please call 0870 160 1300 or email pcd@thomaseggar.com.