

A Guide to Estate Administration

This guide sets out what has to happen, from a legal and financial perspective, when somebody dies.

The process of obtaining probate is set out in our Guide to the Probate Process.

Administering the estate

We will now focus on how Personal Representatives wind up an estate and, in particular, the following five key elements involved in the process:

- a) The duties of, and powers and protection available to, Personal Representatives when administering the estate;
- b) Collecting the deceased's assets;
- c) Paying the deceased's funeral and testamentary expenses and debts;
- d) Distributing the legacies; and
- e) Completing the administration (including finalising the tax position).

Once the grant of representation has been received you will need to send a copy to the deceased's asset holders, such as banks, building societies etc.

At this point you can start liquidating the deceased's assets, providing funds to clear debts, pay funeral and testamentary expenses, and cover any additional tax arising from the estate.

As the personal representative you have certain responsibilities to act in the best interests of the beneficiaries but, you may be personally liable if you distribute the estate to the beneficiaries before all debts are settled or, after distribution, an additional beneficiary appears.

To protect yourself from a creditor making a claim after the estate has been distributed to the beneficiaries or against another beneficiary coming to light you can give notice to potential creditors under Section 27 of the Trustees Act 1925. This involves placing an advert in the deceased's local paper and in the London Gazette. Potential claimants have a set timeframe for responding, which can be no less than 2 months and one day from publication of the notice.

Preparing estate accounts

Once all claims on the estate have been investigated and all debts and taxes have been paid, you can proceed to distributing the estate.

Tina is accredited and licensed by the Association of Chartered Certified Accountants in England and Wales to provide this service.

As the personal representative for the estate you must distribute the estate assets to the beneficiaries as identified in the will, or by statement of the law, if there isn't a will.

All beneficiaries should sign a discharge to confirm receipt of their assets or funds.

Residuary beneficiaries will normally sign the estate accounts that you will need to prepare to confirm that they are happy to accept the amount left to them once all other payments have been made and confirm that they have no further call on the estate.

Tina Richardson of Clear Accountancy and Tax is pleased to offer a professional and competitively priced service in all aspects of Probate and Estate Administration.

Contact Tina on 07986264512 to discuss your requirements. Clear Accountancy and Tax provides as much or as little support as you need to get things done.

As licensed practitioners for probate related work and specialists in all aspects of taxation, accounts preparation and estate planning, Clear Accountancy and Tax are well placed to take care of your probate and estate administration work.

Tina is accredited and licensed by the Association of Chartered Certified Accountants in England and Wales to provide this service.