

## What to expect as a Beneficiary

The purpose of this factsheet is to provide you with some information about the steps that are commonly needed in the administration of an estate, and the likely timescale of each stage. Please note that the timescales are only estimates. It is inherently difficult to provide accurate timescales, as for large periods of time we are entirely reliant upon the speed with which other organisations or individuals respond to our communications.

### STAGE 1: INFORMATION GATHERING TIMESCALE 2–12 WEEKS FROM RECEIPT OF NECESSARY INFORMATION

- Sending out Client Engagement letter and Terms of Business to the Executor(s) / Personal Representative(s)
- Sending out to each beneficiary a letter confirming their entitlement and requesting their identification and bank details
- Carrying out bankruptcy searches on all Executors/Personal Representatives and beneficiaries
- Verifying the whereabouts and validity of the last Will (if applicable)
- Obtaining the original Will (if applicable)
- Registering the estate with HMRC (if necessary)
- Contacting all asset holders to verify nature, extent and value of assets. If appropriate, arranging for valuations of assets such as shares, property, and personal possessions
- Arranging and/or attending to weekly property inspections as a requirement of the building insurance
- Arranging unoccupied property insurance
- Identifying and investigating any gifts made by the deceased during their lifetime
- Carrying out an asset search
- Contacting the benefits agencies and pension agencies

- Identifying the nature, extent and value of any liabilities
- Arranging for statutory notices to be placed
- Where appropriate, liaising with house insurer, utility companies and arranging redirection of post
- In the case of intestacy, carrying out a beneficiary search and preparation of a family tree
- Gathering the necessary information to complete any self-assessment tax returns that were outstanding for the period prior to the deceased's death
- Submitting the above mentioned tax return(s)

### STAGE 2: APPLYING FOR GRANT OF PROBATE/ LETTERS OF ADMINISTRATION

#### TIMESCALE 2 – 4 WEEKS FROM STAGE 1

- Preparation of Inheritance Tax Return to include, where appropriate, an application for the transferable nil rate band, residence nil rate band and transferable residence nil rate band, to include collating the necessary information to support such a claim. As appropriate, liaising with any accountant or financial advisor
- Preparation of the Oath, which is the document which leads our application for the Grant
- Providing Executor(s)/Personal Representative(s) with drafts of the above papers for approval, and then arranging for them to swear/sign the same once they are happy
- Advising on any Inheritance Tax liability and arranging for the sum due to be raised and paid
- Applying for and receiving the Grant
- Liaising with the District Valuer (if required)
- Marketing the property

### STAGE 3: COLLECTION OF ASSETS AND SETTLEMENT OF LIABILITIES

#### TIMESCALE 8 – 20 WEEKS FROM OBTAINING THE GRANT

- Notifying all asset holders and creditors of the extraction of the Grant
- Liaising with Executor(s) / Personal Representative(s) regarding liquidation or appropriation of assets and preparing forms to carry out the same
- Calling in the proceeds of assets, including closing any accounts and reconciling closing statements
- Selling or transferring shares (as necessary), sometimes with the assistance of an external organisation
- Selling individual items, sometimes with the assistance of an external organisation
- Arranging for the property to be transferred to a beneficiary, if it is not being sold
- Carrying out the conveyancing process in relation to any property sale (please note the conveyancing costs are not part of the administration expenses detailed in the client engagement letter, a quote for these will be provided once an offer has been accepted)
- Arranging for the property to be cleared and/or cleaned, usually by an external agency
- Closing all utility accounts upon completion of the sale of the property
- Cancelling the house insurance upon completion of the sale of the property
- Paying off any liabilities
- Liaising with the Department for Work & Pensions in respect of any benefits and estate enquiries

### STAGE 4: CONSIDERATION OF PAYMENTS TO BENEFICIARIES

#### TIMESCALE 2 – 4 WEEKS FROM OBTAINING COLLECTION OF ASSETS AND SETTLEMENT OF LIABILITIES

- Distributing any specifically bequeathed items to the beneficiaries
- Paying any fixed lump sum legacies (known as pecuniary legacies)
- If sufficient funds are available once the above two steps have been taken, and provided all liabilities have been settled in full, the Executor(s) / Personal Representative(s) may be able to consider a part payment of the residuary beneficiaries inheritance. They must however consider potential claims against the estate before making such payment (see below)

### STAGE 5: FINALISATION

#### TIMESCALE: 8 – 16 WEEKS FROM CONSIDERATION OF PAYMENTS TO BENEFICIARIES

- Accounting to the Revenue for any Income Tax and Capital Gains Tax for the period of estate administration
- Obtaining a clearance certificate from H M Revenue & Customs for Inheritance Tax (if necessary)
- Preparation of Estate Accounts for approval by the Executor(s) / Personal Representative(s) and beneficiaries
- Final distribution of the estate (together with tax certificates for the beneficiaries) after everyone has approved the Estate Accounts

### IF AN ESTATE IS CONTESTED

Regretfully it is now commonplace for claims against or relating to estates to arise. If any claim or dispute arises, the timescales may be affected quite significantly. Whilst we currently have no reason to anticipate a claim or dispute, if this arises I will notify you of the impact this will have on timescale and charges, as best I can.

### TIMESCALE FOR DISTRIBUTION

Please note that we have advised the Executor(s) / Personal Representative(s) to delay final distribution until a period of 10 months from the date of the Grant has expired. This is to protect the Executor(s) / Personal Representative(s) from personal liability if a claim is brought against the estate. Once further progress in the administration has been made, I will discuss timings of distribution with the Executor(s) / Personal Representative(s) further.