



# The Role of Executor

Here at ShelterBox, we understand that being an Executor of a Will is a big responsibility. A great deal of trust has been placed in you. Our guide aims to explain the duties of the executor and administrator & where to go for help





## What is an Executor?

- After someone dies, their property, possessions, money and other affairs must be sorted out. This is called dealing with their estate. If the person who died left a Will, this will name an executor, which is the person responsible for doing this work. If there is no Will then the person responsible for doing this work is called the administrator, and this is usually the next of kin.
- The executor or administrator is the person who has the legal authority to do this work and they can ultimately be held accountable for any mistakes made.
- You might also hear executors or administrators referred to as personal representatives. This is a general term for the person responsible for dealing with the estate.





While there's a lot to do, you can always instruct a solicitor to help you, who can be paid from the estate. An executor's tasks include:

- ✓ The first thing you'll have to do is *Value the Estate*. You'll need to gather all the financial details all assets & liabilities to establish if you need to pay *Inheritance Tax (IHT)*
- ✓ Get professional valuations where required.

[What to do when someone dies: step by step - GOV.UK \(www.gov.uk\)](http://www.gov.uk)



# Role of the Executor - Probate

- ✓ You might need to apply for **probate**, before you can deal with the property, money & possessions (the 'estate')
- ✓ Prepare if required the necessary forms for submission to the HMRC & the court
- ✓ **Obtain a grant of Probate** or Grant of Confirmation in Scotland  
[Applying for probate: Apply for probate - GOV.UK \(www.gov.uk\)](https://www.gov.uk/apply-for-probate)

Probate enables you to act on behalf of the estate – for instance, moving their savings from their bank account to the estate bank account so they can distribute monies to the relevant beneficiaries written in the Will.

You may not need to apply for probate if

- The estate doesn't include property or Land
- The Estate only consists of cash/coins or personal possessions
- The amount of savings held by companies i.e. .banks, building societies is small enough that they are prepared to release without probate. NB\* this will vary depending on the company, you will need to contact them to find out their policy.





## If you're dealing with an estate with someone else

- If you're not the only personal representative dealing with the Estate, you should agree with the others
- Where to hold the financial assets – you can set up a bank account known as 'executorship account' if needed
- Rules on making withdrawals or payments from any accounts connected to the Estate
- What assets you need to sell & when

Remember a maximum of four people can apply to the probate registry to prove the Will & be named on the grant of probate.

You can choose not to be involved in the administration of the estate. You can renounce the role altogether or have the 'power reserved' this means you can step back at a later point





## Role of the executor Continued

- ✓ Once all the debts have been paid, you'll give what remains to the beneficiaries as according to the wishes set out in the Will
- ✓ Remember as the executor, it's your responsibility to consider if there maybe any claims on the estate. If there is anyone who has not been left anything in the Will, who would have the right to make a claim against the estate, such as a Child or a co-habitat of the deceased. Their rights vary depending on whether you are in England, Wales, Scotland or Northern Island.

**If claims on the Estate are possible, consult a solicitor.**

- ✓ If you have to **sell property** this includes the sale of a flat, land or other property. It's helpful to get three valuations before putting it on the market. If **ShelterBox** are due to receive a residuary gift, we would really appreciate being consulted & kept up-to-date in the process.





## Role of the Executor Continued

- ✓ **Place a notice in the Gazette** [Place a deceased estates notice | The Gazette](#) giving creditors 2 months to claim anything they're owed. **Do Not** distribute the estate's assets until the 2-month period is up. If you do & the estate cannot afford to pay the debt, you may be personally responsible.
- ✓ **Tax.** If the Estate is worth more than a certain amount, IHT will be payable. Some beneficiaries decide to use a **Deed of Variation** to reduce this.

But it's not just IHT that can affect the administration. If you sell shares, investments or property that belong to the estate you may have to pay **capital gains tax (CGT)** <https://www.gov.uk/capital-gains-tax>

- If they've gone up in value since the person died
- They've gone up in value since being valued for IHT
- You do not pay CGT from the estate if you transfer the assets directly to a beneficiary
- If you owe CGT on a residential property, you usually have to report this within 60 days
- If you sell land or property, you must also update the property register [Update property records when someone dies: Update property records when someone dies - GOV.UK \(www.gov.uk\)](#)





## Deeds of Variation

Family members & other beneficiaries of the Will may wish to use a *deed of variation*. This may be done to reduce the burden of Inheritance Tax (IHT), to include relatives left out of the Will (for example, grandchildren born after the Will was written) or to increase the value of gifts left to charity.

*This must be done within 2 years of death. We recommend getting a solicitor to help. If a certain percentage of the value of the Estate is left to charity, this reduces the rate of IHT payable.*

[How Inheritance Tax works: thresholds, rules and allowances: Overview - GOV.UK \(www.gov.uk\)](https://www.gov.uk/how-inheritance-tax-works-thresholds-rules-and-allowances-overview)







## Final Steps

- ✓ Complete the **Estate accounts**. All the residuary beneficiaries are legally allowed to review & approve these estate accounts. As a charity, this is particularly important. When we are audited, we can show we've received what we're entitled to & have complied with the wishes laid out in the Will.
- ✓ If you'd like to **stay up-to-date** with ShelterBox and how Gifts in Wills enables ShelterBox to do what it does, we'd be delighted to send you our monthly newsletter keeping you informed.
- ✓ **Case studies** talking about someone's reason for leaving a gift to ShelterBox can be a powerful way to remember loved ones and encourage others to do the same. If you want to share your story, we'd love to hear more.





## Five Common examples of where Executors go wrong

1. Misunderstanding of the meaning of the Will. Wills are often complex and written in complex legalese with many laws that apply to the Estate. Ensure that you have the latest Will.
2. The administration of an Estate can take a long time often between 9 – 18 months
3. Keep clear records – you'll need to produce detailed accounts to finalize the estate
4. Communication, charities work together so its wise to appoint one charity. They will communicate with all the other charitable beneficiaries on your behalf.
5. Safeguarding the estate, there's a strict outlined in law detailing the order in which the estate should be distributed. Failure to do this could result in you the PR being personally responsible.



## Useful Information

- ✓ The name of our charity: ShelterBox Trust
- ✓ Charity Number: 1096479
- ✓ Address: Falcon House, Charles Street, Truro, TR1 2PH
- ✓ How to make a payment: you can make a payment by sending a cheque made payable to ShelterBox Trust or send a payment via BACS; please contact [pruefisher@shelterbox.org](mailto:pruefisher@shelterbox.org) for details

### Useful links

[What to do when someone dies: step by step - GOV.UK \(www.gov.uk\)](https://www.gov.uk)

The U.K governments guide

[Find a Solicitor - The Law Society](https://www.lawsociety.org.uk)

The Law Society, where you can find a qualified solicitor to help with the administration of the Estate.