



FTL Estate Services

Administering Estates

Many people find themselves in the position of acting as an executor or assisting with the affairs of a family member or friend.

In some cases, the tasks can be attended to without the need for any special assistance. Most people however come up against many unexpected barriers when attempting to deal with the estate assets, the requirements of government and other authorities and generally carrying out the duties required and imposed by law on executors or administrators.

Executors and Administrators

Upon death, the executors appointed under a Will have many responsibilities. Depending upon the nature and size of the assets held in the sole name of the deceased, it often includes obtaining a Grant of Probate of the Will before the estate can be administered and finalised.

Where a person dies intestate (without a valid Will), State laws determine:

- Who can be an Administrator - usually one or more of the nearest next-of-kin.
- The beneficiaries entitled to share in the estate (not necessarily equally). Again this is usually the nearest next-of-kin but certain persons (e.g. a spouse) may have an additional preferential entitlement

The proposed Administrator(s) may require to obtain a Grant of Letters of Administration prior to having the authority to act in the estate.

Duties of Executors and Administrators

Some of the important duties are:-

1. Identify and interpreting the last Will (Executors), determine each beneficiary's correct entitlement and advise them accordingly.
2. Ascertain and respond to the immediate needs of the family.

3. Confirm all assets and known liabilities (with values and descriptions) at the date of death and ensure all assets are protected (e.g. insurance, make secure).
4. Arrange for the preparation and lodgement of the appropriate Court documents required to obtain Probate or Letters of Administration.
5. Arrange for the preparation and lodgement of date of death and trust Income Tax returns and obtain any refunds or meet the assessments.
6. Attend to the collection of assets, payment of debts, funeral expenses and any cash or specific gifts made under a Will.
7. Attend to the sale of any assets (in consultation with the beneficiaries) and attend settlement.
8. Establish any trusts for minors or other long-term beneficial entitlements.
9. Arrange for the transfer of assets and make cash distributions to the appropriate beneficiaries.
10. Provide detailed tax and accounting information to all relevant parties.
11. Prepare / distribute statements of account to the beneficiaries recorded during the above processes.

Responsibilities of Executors and Administrators

- Must act prudently and fairly in all matters.
- Ignorance is no excuse. Consider seeking help and assistance at the expense of the estate on any matter. This will provide the estate with proper management and reduce the risk of personal liability.
- If also a beneficiary, they must differentiate between their role as an Executor or Administrator and also that of being a beneficiary. They must wear the Executor or Administrator 'hat' in preference to their beneficial interest.
- Act impartially and endeavor to resolve any family disputes or claims in the interest of all parties.

Further details can be found in our brochure "Executor Assist" or by contacting your local FTL Estate Services office or national free-call 1800 623 530.

www.flinderstrustees.com.au

The above is intended to provide general information only and must not be taken or used as advice when preparing any document.