

Grant application and estate administration

We anticipate this will take between 20 and 40 hours work with the total costs on average being in the region of £4,000 to £12,000 plus VAT. The exact cost will depend on the individual circumstances of the matter, for example, if there is one beneficiary and no property, costs will be at the lower end of the range. If there are multiple beneficiaries, a property and multiple bank accounts, costs will be at the higher end.

On average, estates that fall within this range will take 6-9 months to complete. Typically, obtaining the grant of probate takes 10-12 weeks. Collecting assets then follows, which can take between 4-8 weeks. Once this has been done, we can distribute the assets, which normally takes 4-6 weeks.

Where we are instructed in the administration we will handle the whole process for you. The cost range above would apply to estates where:

- There is a valid will
- There is no more than one property (the cost of the sale of the property is charged separately)
- There are no more than 10 beneficiaries
- There are no disputes between beneficiaries on division of assets. If disputes arise this is likely to lead to an increase in costs
- There are no claims made against the estate
- There are no assets outside of the UK.

We would carry out the following work on your behalf:

- Write to the asset holders to collect the date of death information;
- Prepare and submit the inheritance tax return;
- Pay any inheritance tax due;
- Prepare the probate application (the oath) and submit to the probate registry;
- Arrange legal notices;
- On receipt of the Grant collect in the assets;
- Settle any liabilities;
- Liaise with HMRC in relation to any inheritance tax;
- Prepare full estate accounts;
- Make the distributions to the beneficiaries

Disbursements could include:

Expense	When payment is likely to be needed	Cost £
Probate Court Fees	On application for the Grant	£155 (plus 50p for each office copy required)
Executor's Oath Fee	Completion of Executor's Oath	£5 plus £2 for each exhibit (such as the Will)
Inheritance Tax	Application for Grant	40% on the net estate over the IHT nil rate band of £325,000 and any exemptions/reliefs available.
Legal notices (advert to unknown creditors in The London Gazette and the local paper)	On application for the Grant	£100-£250 depending on the publication.

Potential additional costs

If any of the following apply the range of costs quoted above is likely to increase:

- If there is no will.
- If the estate consists of more than five individual share holdings (stocks and bonds) and more than five different banks/building societies;
- HMRC raise additional queries, known as a compliance check;
- The deceased made valuable complex lifetime gifts;
- There are any issues with unknown creditors;
- Further assets come to light after submission of the inheritance tax return.

Actual case example

Estate value <£1million

B P Collins Trust Corporation as sole executor.

Full administration of the estate:

1. Arranging the funeral

2. Valuing the assets by contacting all asset providers including banks, pension providers
3. Completing and submitting the inheritance tax account
4. Calculating and settling the inheritance tax liability using all reliefs available and obtaining clearance
5. Preparing oath and submitting the probate application to the probate registry
6. Once probate granted, collecting in the 5 bank accounts and settling liabilities, no property to sell.
7. Payment of legacies
8. Income tax returns for the estate administration period
9. Full estate accounts and distributions to beneficiaries

Total estate administration fees: £5,806.80 (£4,839 + £967.80 VAT) plus disbursements for probate court fee and swear fee. The grant application only element totalled £3,086.40 (£2,572 + £514.40 VAT). Fee earner charge out rate £200 + VAT. Total time: 24 hours.