

Fact Sheet - Becoming a Trustee

A trustee is a person who is legally responsible for any assets that are held within a trust. A trust is a legal arrangement used to protect a person's assets, such as property, land or money, for the benefit of the trusts' beneficiaries. Trustees are appointed in the document that creates the trust – usually a person's Will.

As a trustee, your role will include:

Dealing with the trust property in accordance to the Will, which includes making payments and passing assets to the beneficiaries, as the Will directs.

- Managing the trust on a day-to-day basis, such as paying any taxes that are due.
- Keeping the assets within the trust safe.
- Making decisions about how to invest the property, or how the property is to be used.
- Dealing with tax returns to the HMRC, and paying any tax due.

Your main duty as a trustee is to act in accordance with the rules of the trust. Your other duties, as imposed by the law, include:

- Acting impartially, in the best interests of all of the beneficiaries.
 - Finding out what assets are owned by the trust, and make sure these assets are kept safe. You may also need to find out if any monies are owed to the trust and recover them.
 - Formally reviewing any investments annually.
 - Keeping detailed records of how you are managing the trust. The beneficiaries of the trust will have the right to see this documentation.
 - Acting with reasonable care and skill.
 - Not benefitting from the trust yourself. You must not act in your own interests, or charge for any time spent administering the trust, unless you are a professional trustee, such as an accountant or solicitor.
- Powers are given to the trustee, usually within the Will and generally include the following:
- The power to invest monies held under the trust
 - To insure the trust property
 - To delegate some of their powers to a professional such as a solicitor, however not all powers can be delegated.
 - To be paid for their work, but only if it is stated within the trust deed.

Being a trustee is a legal responsibility, and you may have some concerns about doing something wrong. This should not be too worrying as long as you act in the best interest of the beneficiaries, as if you don't you can be taken to court, and the penalties can be severe.

Being a trustee can be of great help to someone that is important to you. As you have been asked to be a trustee they must trust you to do the right thing for them.

Please contact us if you have any questions or queries about your role as a trustee, or to create your own trust and appoint trustees.

