

# Berensens

SOLICITORS

## TRUSTS

**A trust is a legal arrangement for managing assets (money, investments, land or buildings). In a trust, assets are held and managed by one person or people (the Trustee) to benefit another person or people (the Beneficiary). The person providing the asset is called the Settlor.**

Trusts can provide flexibility, protection and efficiency for estate planning purposes. They can hold property, investments, cash or other assets, and in turn the trustees can manage these assets in accordance with your instructions, even after your death.

A trust can be set up at any time or written into your Will.

### **Reasons to set up a trust;**

- ❖ To control and protect family assets and to pass on to the next generation.
- ❖ To help support vulnerable or disabled persons.
- ❖ To manage and mitigate the impact of inheritance tax and other taxes.
- ❖ To fund the costs of education for children and grandchildren.
- ❖ To manage and protect personal injury compensation.
- ❖ To help protect assets against a potential divorce or bankruptcy.
- ❖ To bypass the requirement for obtaining a Grant of Probate.

### **Types of Trust;**

There are a number of types of trust depending on its purpose. These include;

- ❖ Bare Trust
- ❖ Interest in Possession Trust (Life Interest Trust).
- ❖ Discretionary Trust
- ❖ Personal Injury Trust
- ❖ Vulnerable Persons or Disabled Persons Trust
- ❖ Charitable Trust
- ❖ Non-Resident Trust
- ❖ Settlor Interested Trust
- ❖ Mixed Trust

## Trustees Responsibilities

A Trustee is responsible for managing the assets in a trust and fulfilling the purpose of the Trust.

The role of a Trustee carries a lot of responsibility. Trustees must be willing to put in the time and effort necessary to make sure the Settlor's wishes are carried out and that the assets are managed responsibly for the beneficiaries.

The Trustee will be liable for any required registration of the Trust as well as being responsible for reporting and paying tax on behalf of the Trust.

## How Berensens May Help

**Settlers** - We can help you set up your trust and will guide you in setting out what assets you are including, the appointment of trustees and beneficiaries and when the trust becomes active. Different types of trust are taxed in different ways. Berensens can provide advice on the options available and how the various types of trust will be taxed.

**Trustees** - A Trustee's responsibilities will depend on the type of trust and any instructions from the person who set up the trust. We can help Trustees understand and carry out their responsibilities and ensure they are aware of their duties as a trustee including providing taxation and trust registration advice.

**Beneficiaries** – We can advise beneficiaries on what they should expect from the trustees, how the trust should be managed, what their entitlement is likely to be and how the trust works as well as when/if distributions should be made to them.

The team here at Berensens have expertise in setting up trusts, managing trusts and bring them to a close and are happy to provide you with advice and help with any trust queries you may have.

Should you wish to arrange an appointment to discuss Trusts further, please contact us;

By post;                   **Berensens LLP**  
                                  **15 The Crescent**  
                                  **Taunton**  
                                  **TA1 4EB**

By telephone;         **01823 756060**

By email;                [stuart.bagshaw@berensens.co.uk](mailto:stuart.bagshaw@berensens.co.uk)

Or via the enquiry facility on our website [www.berensens.co.uk](http://www.berensens.co.uk)