

# Trusts & Succession

Tuesday 13 May 2025

12pm to 1.30pm

Candidates are required to answer TWO out of three questions.

## Question 1

Diana Lamb comes to see you for advice following the death of her husband, Jackson Lamb, who died in December 2024. Jackson and Diana had two children together, River and Roddy.

The couple had separated five years ago, when Jackson had an affair with Emma, but the couple had not got round to getting a divorce. Jackson moved into Emma's house and had lived there ever since. Emma's son from a previous relationship, Sid, lives there too, and called Jackson "Dad".

Diana stayed in the family home in Aberdeen with the children, even though the title to the house was in Jackson's sole name, with no survivorship provision in the title. It is currently worth £400,000.

The furniture in the family home is worth £60,000, owned equally by Jackson and Diana. Jackson had further assets in a share portfolio, ISAs and bank accounts which total £900,000.

Jackson made a will last year, which leaves the family home in Aberdeen to Diana. The will directs that everything else passes to Emma.

Advise Diana on her potential claim to Jackson's estate, and the legal rights of her children. Make reference to appropriate authority in your answer. (Ignore any inheritance tax issues.)

## Question 2

Donald died intestate. At the time of his death, he was in a civil partnership with Iain, but the couple were separated. They had not got around to arranging a dissolution or formalising their separation. Iain moved out of the house three years ago, and into rented accommodation. Donald had no children. Iain has several children from various relationships. Donald is survived by his sisters, Wendy and Ruth. Donald owned his house worth £700,000 in his sole name, with no outstanding mortgage and no survivorship provision in the title. He also left £39,000 worth of furniture, £289,000 in cash and £60,000 in shares.

Donald died on 6th April 2025. How would his estate be divided? Your answer should ignore any inheritance tax implications, and must make reference to appropriate authority.

### Question 3

Guneet Khan, one of the trustees of a charity called GreenJog, seeks your advice. GreenJog organises weekly jogs in green spaces around Scotland. Guneet created the charity by trust deed. The trust deed states that she is a trustee sine qua non. There are currently five trustees.

- a) As part of their fundraising to cover the costs of the organisation, the charity has various sponsors. One of these is a leisure wear company, Dontra. Dontra produces and sells GreenJog branded products, and GreenJog receives a small percentage of the profits on the products sold. Guneet has recently discovered that one of her fellow trustees, Rick Carson, received commission from Dontra when the clothing line was set up. This was not disclosed to his fellow trustees, and they did not approve him receiving the commission.
- b) The charity has just received a large donation of £100,000 from a local sportsperson. There are no projects currently needing funding so the trustees are planning to invest the funds for the medium term. One of the trustees, Cressida Cowper, has been trying to convince her fellow trustees to invest the whole sum in cryptocurrency. Guneet tells you she does not know very much about investment, but Cressida seems very confident. The trust deed does not have any restrictions on the types of investment the trustees can make.
- c) Unfortunately, one of the trustees, George Welsh, has suffered a brain injury and lacks capacity.

Explain the legal issues arising in a), b) and c). Your answer should refer to any liability arising in relation to any breaches of trustees' duties, and suitable remedies they might seek.

**END OF PAPER**