THE REPUBLIC OF UGANDA

IN THE HIGH COURT OF UGANDA SITTING AT ARUA

CIVIL SUIT No. 0009 OF 2008

presentative of Adam Kelili)	}	•••••	PLAINTIFF
	VER	SUS	
WALIB NOAH		}	
egal representative of Majid Noal	h)	}	
DAM JUMA		}	DEFENDANTS
ALIYAMUNGU MAJID		}	
Ĺ	egal representative of Majid Noal	WALIB NOAH egal representative of Majid Noah) DAM JUMA	WALIB NOAH } egal representative of Majid Noah) } DAM JUMA }

Before: Hon Justice Stephen Mubiru.

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15 **JUDGMENT**

The plaintiff sued the defendants jointly and severally seeking an award of general damages for trespass to land comprised in LRV 1567 Folio 16 Plot 14 Taban Lane, Arua Municipality, an order of vacant possession, mesne profits, interest and the costs of the suit. The plaintiff's claim is that at all material time before his death, the late Adam Kelili was the registered proprietor of the property in dispute, by virtue of being the administrator of the estate of his late brother, Musa Kelili arising from a grant made by the High Court in 1978. On divers dates during the year 1999, the defendants occupied some of the rooms comprising the building on that plot claiming to have purchased the same from relatives of the plaintiff. The defendants have since then refused to vacate the building.

In its written statement of defence, the first defendant contended that the true administrator of the estate of the late Musa Kelili is Ahmed Musa Kelili by virtue of letters of administration to that effect granted to him by the Grade One Magistrate's Court of Arua on 10th October, 1996. He bought shop No. 4 being one of the shops comprised in that building following and advertisement in The New Vision Newspaper of 29th January, 1999. The price was shs. 5,000,0000/= the agreement of purchase was executed on 23rd April, 1999 and he has since then occupied the shop peacefully.

In their joint written statement of defence, the second and third defendants contend that the true administrator of the estate of the late Musa Kelili is Ahmed Musa Kelili by virtue of letters of administration to that effect granted to him by the Grade One Magistrate's Court of Arua on 10th October, 1996. They respectively bought shops 5 and 6, being two different shops constituting that building, by agreements of purchase dated 16th February, 1999 (in respect of the second defendant) and 29th November, 1999 (in respect of the third defendant). While the second defendant paid shs. 5,000,000/= the third defendant paid shs. 8,500,000/= Both purchased after the property had been advertised for sale following foreclosure by NPART (Non Performing Assets Recovery Trust). The second defendant paid an additional shs. 1,000,000/= following an order of attachment and sale of the property as a result of proceedings against Ahmed Musa Kelili. The two defendants further counterclaimed against the plaintiff for recovery of the title deed to the property to enable them have it transferred into their names.

In his reply to both written statements of defence and by way of a defence against the counterclaim, the plaintiff contended that the grant of letters of administration to Ahmed Musa Kelili in 1996 was invalid in so far as a prior grant in respect of that estate had been made to the late Adama Kelili in 1978. The estate of the late Musa Kelili not having been party to the proceedings against Ahmed Musa Kelili, the property sold to the second and third defendants could not have been the proper subject of attachment in those proceedings. None of the defendants thus has any registerable interest in the property.

P.W.1 Adam Kelili Onencan testified that he sued the defendants because they occupied the property in dispute without his consent. When he confronted them they told him they had purchased it yet he had the certificate of title to the land which had since 20th May, 1987 been registered in his name. The original registered proprietor was his late brother Musa Kelili Okello who died in 1970 whereupon he obtained a grant of letters of administration to his estate by the High Court at Kampala on 28th August, 1978. Using his own resources, he completed construction of the building which the deceased had left incomplete and secured tenants to occupy it. He has since then managed the estate of the deceased. He was surprised when in 1999 he saw the defendants occupying the building which they claimed to have purchased from the sons of the late Musa Kelili Okello. This was after a meeting held on 11th June,1995 where the

beneficiaries of the estate expressed dissatisfaction with his administration of the estate of their father and appointed Ahmed Musa Kelili to replace him. This was after they accused him of selling off some of the moveable property comprised in the estate and mortgaging the title deed and failing to pay off a loan resulting in the property being advertised for sale by NPART. He claimed an interest in the estate in his own right because he had used his own money to complete the buildings the deceased had left incomplete.

P.W.2 Haruna Musa testified that he came to know the three defendants as tenants occupying a building that belongs to the estate of his late father Musa Kelili Okello who died during 1977. At a subsequent family meeting, P.W.1. was elected to apply for a grant of letters of administration to the estate of the deceased. The building which his late brother left on the disputed plot was destroyed during the war of 1980. P.W.1 took out a loan from U.C.B (Uganda Commercial bank) and re-constructed the building. The property was subsequently advertised for sale and somehow P.W.1 obtained money and paid off the loan. He later saw Ahmed Musa Kelili with a grant of letters of administration to the same estate. He did not participate in the family meeting that authorised Ahmed Musa Kelili to obtain that grant. He subsequently heard that Ahmed Musa Kelili had sold off some of the rooms to the defendants. This witness himself had on 14th February, 1991 secured a grant of letters of administration to this estate from the Chief Magistrate's Court of Arua. He executed a tenancy agreement with the second defendant on 29th November, 1999. He was sued by a tenant known as Jilda Chandiru and lost the case but appealed the decision although he does not know how the appeal ended. That was the close of the plaintiff's case

D.W.1 Majid Hussein testified that he knows the plaintiff as a brother to Mr. Ahmed Musa Kelili, one of the persons who sold him a room on the house in dispute located at plot 14 Taban Lane, in Arua Municipality. He bought the building from the from Non Performing Assets Recovery Trust with the knowledge of the beneficiaries following an advert in the "New Vision" Newspaper during January, 1999. The beneficiary Ahmed Musa Kelili went to him with a relative telling him that the bank wanted to sell the building off. They convinced him to buy the building so that the bank does not sell it at a lower price. He bought and has a receipt and an agreement of sale to that effect. He paid shs. 8,500,000/= as the price. He wants the court to help

him to obtain a transfer of ownership, together with Adam Juma who was the first to buy and he got room number five, himself and Maliayamungu were next and jointly bought room 6 with a store, the third was Noah Majidu who bought No. 4. The title was in the name of Musa Kelili and Mr. Ahmed Musa Kelili signed the agreement on behalf of the family, in the capacity of administrator of the estate of the late Musa Kelili. The title was to be transferred into the names of us the four new owners. We did not specify the date when this was to be done but they made us sign an agreement.

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His interest in the property is room 6 which is a shop and store. The store is behind five and six and it is attached to the building. He never trespassed on the building and did not enter into the property unlawfully. He occupied the building immediately after purchase and has remained there since then to-date. The room was vacant when he occupied it. He prayed that the court helps him get registered on the title and the plaintiff to pay him damages and costs of the suit.

Under cross-examination he testified that he knew the late Adam Kelili as Haruna's paternal uncle. The plaintiff's father was Musa Kelili. The building belonged to the late Musa Kelili but he was not aware that the plaintiff had been granted Letters of Administration in High Court Administration cause No. 32 of 1978. The agreement D. Ex.2 was executed on 16th February, 1999 when Adam Kelili was still alive but he is not among the people who signed because they did not know at the time that he had letters of administration. The other family members involved were; Abdu Kelili. He was an Alur related to Musa Kelili. Haruna Musa Alecho did not sign. Rver since he occupied the house, Adam Kelili did not approach him to claim rent. He came after nine to ten years to sue him. Although he used to see him around, he did not complained about his occupancy. He paid the agreed purchase price of shs. 8,500,000/= from UCB Arua Branch, by handing over the cash to him and he saw him banking it on what he told him was the loan account. He did not see Ahmed Kelili at the time he signed the agreement and does not know why the plaintiff was not involved. At the time of purchase the plaintiff was not around. He had committed an offence. He had removed a tenant unlawfully by de-roofing the house and rain destroyed the tenant's property. He was taken to civil court. He lost the case resulting in sale of part of the property now in dispute to Mr. Adam Juma in execution of the decree. This was before the purchase by this witness.

D.W.2 Twalib Noah, testified that Maliyamungu Majid is his elder brother, nut is now deceased. He obtained a grant of letters of administration and thus represents Majid Noah now in court as one of four joint administrators of his estate. When my late brother Majid Noah became sick, he called him and told him that he had bought room No. 4 at plot No. 14 Taban Lane following an advertisement in a paper. After the advert, a one Agau Rashid brought the information to him. After that he saw the advert in the papers he asked why they wanted to sell the house and he found out the owner had defaulted on a loan. He picked interest in the house and asked Agau Rashid to get him in touch with the people who were to sell. He said that because of his illness they were supposed to make the agreement in court. After that Agau Rashid brought the people who were supposed to sell and the agreement of sale was made in court by Magistrate Alioni. The purchase price of shs. 5,000,000/= was paid in court and the agreement was signed by the beneficiaries who had a grant of letters of administration. The receipt was issued by Ahmed Musa and it is dated 23rd April, 1999. At first the grant had been given to Haruna Musa and after that it was given to Ahmed Musa. He saw both grants because his late brother showed them to him before he died. In respect of the one given to Ahmed there were minutes of the meeting and an attendance list was made for revocation of the letters of administration granted to Haruna Musa. This followed a family meeting where it was decided that Ahmed Musa should be the administrator of the estate. The room was handed over to him and in the agreement it was stated that the family members would not disturb him and indeed there was no disturbance since then. He was doing business in the room until his death. After his death, the family rented out this room. His brother is not a trespasser on this land and should not be evicted. He prayed that the case should be dismissed with costs.

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Under cross-examination he stated that the name of the debtor in the advertisement was Adam Kelili Onencan and he is the one who filed a suit against his late brother. His brother did not tell him why he never bought from Adam Kelili Onencan. He did not know the late Adam Kelili Onencan before he died and not even present when the agreement was signed.

D.W.3 Adam Juma testified that he bought the property in dispute at an auction. He bought a shop with its store, numbered No. 5. His interest in the land in dispute is limited to room No. 5, which he has occupied since 1997. At the time of my purchase and occupation, the plaintiff was

aware of the sale. He and his family did not have any complaint against his occupation. They have never reported him to any authority, not even the police. He acquired the room from court after a warrant of execution. He paid the purchase price of shs. 5,500,000/= to the court bailiff. From what he heard, the plaintiff had let out room No. 5. There was misunderstanding bewteen him and the tenant and he climbed up and removed one of the iron sheets, it rained and the tenant's property was damaged. The tenant sued and the suit was decided in her favour. The plaintiff appealed to the High Court in Kampala and he lost the appeal. The High Court referred the file back to the Magistrate to see how the plaintiff was to pay the tenant. This witness was not a party to that suit and neither was he a tenant on the building at the time. There was a notice of sale pinned at the entrance to Market Lane and the old court building. It was also pinned on the suit property. He went to court after seeing the advertisement to confirm and was told it was available for sale and he paid in court. After two years the plaintiff went to him and told him he never benefitted from the sale of the room and that he should give him something. He wanted assistance of shs. 1,000,000/= The witness asked him to bring his brother and he brought his brother, Ahmed Musa the then administrator. He then gave him the money from court because it was additional to the price. It was a top up on the price. The Chief Magistrate put it in writing. The plaintiff signed the agreement and the brother signed as well. The witness too signed. The magistrate signed and so did Ahmed Musa. Having occupied the room after paying the purchase price in those circumstances, he is not a trespasser on the property. He prayed that the court makes an order giving him title to room No. 5 together with the store and costs.

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Under cross-examination he stated that all parties signed the agreement of sale before the Chief Magistrate in Court in Arua. After he paid in court, Haruna Musa Kelili came for the one million shillings and in total he paid 6,500,000/=. The receipt is dated 15th July 1997, the agreement is dated 29th November, 1999, two years later because that is when Haruna came to him.

D.W.4 Agau Rashid, testified that during the war both houses on plot No. 14 Taban Lane got burnt; one of Haruna and the other of Abdul Kadir. When people returned after the war, Adam Keril was administrator of the estate of Mzee Musa at the time and he went to borrow money to renovate the house. Mzee Abdul Kadir too got a loan. In 1999 after renovating the house Mzee Abdula Kadir callsed him to his home where he went during lunch and they had lunch together.

He then told him that the bank had advertised their houses and wanted to sell them off. That time He asked him to find buyers of two units to avoid the bank selling. He got one buyer Aguta and took Mzeee to Aguta and they agreed among themselves then they came to court to wrote an agreement. He sold one unit to Aguta at shs. 5,000,000/= the other side was bought by a woman who was living there. Then Ahmed Musa, Issa Musa and Alhai Musa also came to him and told him to get them a buyer because the bank wanted to sell their house. It is the house now in dispute.

They came to him during that same year. He went to Majid Noah and explained to him and brought these people. He told Noah the people wanted to sell one unit to recover the bank's money. Majid agreed and he brought all these people to him. They sat down and agreed among themselves. On 23rd April 1999 they went to court to write the agreement. All the family members were present, those present were; Ahmed Musa, Issa Musa, Alhai Kelili, on the side of the sellers. As witnesses they had, Juma Kelili and Abdu Kelili. On Majid's side we were two witnesses; himself and Abima Zuberi.

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Before the magistrate His Worship Alioni drafted the agreement, he first asked them questions why they were selling. He then drafted the agreement. The unit was sold at shs. 5,000,000/= and the money was paid in court and the receipts issued. When Majid told him that Mzee had brought him to court, he therefore wondered whether there was honesty anymore among these people because they forgot about the time when they were helped. Mzee Adam Kelili was the first administrator when the father of these people had died. Later on these people called for a meeting and they removed him and had Haruna appointed as Administrator. Later Haruna was removed. There was another case when Mzee Adam Kelili removed iron sheets from a roof and he was removed as administrator as well. Later they had Ahmed Musa as administrator. Noah bought when Ahmed Musa was the administrator.

Under cross-examination he testified that he knows that Ahmed Musa was the first administrator. Even at the time they went to write an agreement in court, the whole family had agreed although there is no document in court cancelling the grant. At the time the agreement was signed before the magistrate, Adam Kelili was at his home in Euata. The family had passed a resolution to

remove him. The buildings were hit during the war that toppled Idi Amin. The house on Taban Lane (now Market Lane) Plot No. 14 was renovated by Adam Kelili. It is Mzee Abdul Kadir who told him that they had obtained loans with Adam Kelili to renovate the houses. He confirmed this to be true when later the children approached him and told him the bank was selling the property. There are three sellers; Ahmed Musa Kelili, Issa and Allahai. It is Ahmed Musa who received the shs. 5,000,000/= in court.

D.W.5 Awuga Maliamungu testified that he jouintly bought a room with Majid Hussein. Their joint interest in the land in dispute is limited to room No. 6 which they purchased on 16th February, 1999 and he thereafter occupied it on 16th February, 1999 and it is 19 years now since he occupied it. The plaintiff was aware of his occupation all along. None of the family members complained until when he received summons from court after the suit was filed in 2008. That was ten years after he had been in occupation. He was not paying rent to anyone for the ten years. Before purchasing that unit, he had seen an advert in the New Vision and Ahmed Musa Kelili, the plaintiff's brother came to him and told him they had problems and wanted to sell. He bought it through court and was issued a receipt for the sum of shs. 8,500,000/= He was never a tenant on this property. He took possession after buying the plot. The property was sold to him by Ahmed Musa Kelili who had a grant of letters of administration given to him by the court. He took possession after he paid the purchase and he is therefore not a trespasser. The court should help him to process the title to the land. He wants to be registered as a co-owner with the other purchasers. He has incurred costs since 2008 and has been inconvenienced by having to come to court.

Under cross-examination he stated that he has occupied the room personally, and has never let it out. He was using it as a shop but when the construction of the market started, he converted it into a store. He has never paid rent for it because he purchased it before he occupied it. He did not know the late Adam Kelili nor that he was the registered owner but he knew him as the owner of the plot because he had a grant of letters of administration. I did not go to the land office to search, he only saw the letters of administration.

In their joint memorandum of scheduling, the parties and their counsel agreed on the following issues for the determination of court;

- 1. Whether the defendants are trespassers on the suit property.
- 2. Who is the lawful administrator of the estate of the late Musa Kelili?
- 3. Whether the plaintiff should surrender the duplicate certificate of title to the second and third defendants.
- 4. What remedies are available to the parties?
- In his written final submissions, counsel for the plaintiff Mr. Paul Manzi argued that on various 10 dates during the year 1999, the defendants unlawfully entered onto the property in dispute belonging to the estate of the late Anecho Haruna Musa, in respect of which the plaintiff is the holder of a grant of letters of administration, and have since then refused to vacate. The persons from whom the defendants purport to have purchased the property had no authority to sell it. The first defendant claims to have purchased room 4 from Issa Ahmed Musa, Issa Musa Kelili and 15 Issa Alhai Kelili by an agreement dated 23rd April, 1999 (exhibit D. Ex.7) following an advertisement by NPART. The second defendant too claims to have purchased room 5 from Ahmed Musa Kelili and Haruna Musa by an agreement dated 29th November, 1999 (exhibit D. Ex.10) pursuant to a court order of attachment and sale. The third defendant too claims to have purchased room 6 from Ahmed Musa Kelili by an agreement dated 16th February, 1999 (exhibit 20 D. Ex.2) pursuant to a court order of attachment and sale. The grant of letters of administration in 1996 by the Chief Magistrates' Court to Ahmed Musa Kelili is void since the High Court in Kampala had in 1978 made a prior grant to Haruna Musa Kelili.
- He submitted further that at the time of the impugned transactions, the title to the property was registered in the names of the late Haji Adam Kelili Onencan as administrator of the estate of the late Musa Kelili Okello. Therefore the Ahmed Musa Kelili did not have the capacity to dispose of the property, despite the fact that he had a grant for the Chief Magistrate's Court, which was issued in error.

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In response, counsel for the first defendant Mr. Samuel Ondoma submitted that the administrator of the estate of late Musa Kelili Okello is Ahmed Musa Kelili by virtue of grant of letters of administration of 10th October, 1996 by the Grade One Magistrate's Court of Arua in Civil Suit No. 39 of 1996 which have never been granted to-date, the grant that had previously been made to the plaintiff Haji Adam Kelili Onencan having been previously revoked during the year 1991 at a family meeting following his mismanagement of the estate. The grant that had been made to Haruna Kelili on 14th February, 1991 was revoked by the same court in the same court proceedings and replaced with the grant to Ahmed Musa Kelili. It is him who sold the property in dispute to the three defendants. At the time the first defendant purchased Room 4 on 23rd April, 1999, the lawful administrator of the estate was Ahmed Musa Kelili, and not the plaintiff. The grant to Haruna Kelili of 14th February, 1991 was a de-facto revocation of that which had been made to the plaintiff on 28th August, 1978. This explains why the plaintiff who since 1999 was aware of the first defendant's purchase of Room 4 did not challenge that sale and actual possession subsequent thereto until the filing of this suit on 2nd July, 2008, nine years later. The first defendant therefore is not a trespasser on the property, having bought a part thereof from the then lawful administrator of the estate. The first defendant is entitled to be declared a co-owner, as a tenant in common, with the rest of the defendants who purchased other units in more or less the same circumstances.

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On his part, counsel for the second and third defendants Mr. Ruhinda submitted that the current plaintiff Anecho Haruna Musa, having obtained a grant of letters of administration to the estate of the late original plaintiff Haji Adam Kelili Onencan, limited to the suit rather than the estate of the late Musa Kelili Okello, the registered proprietor of the property in dispute, he lacks capacity to maintain the suit. The second defendant lawfully purchased Room 5 consequent on a sale in execution of a decree of court following attachment of the property, in proceedings where the original plaintiff in the current suit was the judgment debtor, i.e. Arua Grade One Magistrate's Court Civil Suit No. 62 of 1993; Jilda Chandiru v. Haruna Musa. The sale estopped the plaintiff from further claims over the property since he did not filed any objector application. The plaintiff claimed an additional payment from the second defendant which was paid in court. The second defendant henceforth enjoyed quiet possession of that room until the current proceedings.

With regard to the third defendant, he submitted that he purchased Room 6 pursuant to an advertisement by NPART for sale of the property. He was approached by the family of the deceased proprietor who sought to avoid a sale by auction. He purchased from the then lawful administrator of the estate of the deceased, Ahmed Musa, and is therefore not a trespasser on the land. The family of the deceased took out a series of grants and have not come to court with clean hands. The defendants therefore should be declared co-owners of the property as tenants in common, be awarded general damages and the costs of the suit and the counterclaim.

Second issue: Who is the lawful administrator of the estate of the late Musa Kelili?

This issue arises from the fact that various courts of judicature have on divers occasions issued grants of letters of administration to the estate of the late Musa Kelili Okello. The first one was a grant by the High Court at Kampala to Haji Adam Kelili Onencan on 28th August, 1978 (exhibit P. Ex.2). Following a family meeting at which it was resolved that another administrator be appointed to replace Haji Adam Kelili Onencan, a grant was subsequently made by the Chief Magistrate's Court of Arua to Haruna Musa Kelili on 14th February, 1991 without a revocation of the previous grant. Thereafter, by a decree of the Grade One Magistrate's Court of Arua in Civil Suit No. 39 of 1996 between Ahmed Musa and Musa Khelili (exhibit D. Ex.6) that grant was on 10th October, 1996 revoked and its place a fresh grant was made by the same court to Ahmed Musa (D. ID.1). Haji Adam Kelili Onencan having died during the hearing of the suit, a grant of letters of administration to his estate, limited to the suit in terms of section 222 of *The Succession Act*, was given to Anecho Haruna Musa.

According to section 180 of *The Succession Act*, an administrator of a deceased person is his or her legal representative for all purposes, and all the property of the deceased person vests in him or her as such. Letters of administration entitle the administrator to all rights belonging to the intestate as effectually as if the administration has been granted at the moment after the death of the deceased (see section 180 of *The Succession Act*). At that point in time the beneficial interest passes and all assets are then held by the administrator on bare trust for the beneficiaries, since the administrator's role is merely distribution. All that the grant does is give the administrator the legal power necessary to deal with the assets. Therefore, after a grant of letters of administration,

no person other than the person to whom the same has been granted has the power to sue or prosecute any suit, or otherwise act as representative of the deceased, until the probate or letters of administration has or have been recalled or revoked (see section 264 of *The Succession Act*).

The administration period itself commences with the appointment of the administrator and ends when the last asset of the estate has been distributed to the beneficiaries. According to section 278 (1) of *The Succession Act*, a legal representative is required "within six months from the grant of letters of administration, or within such further time as the court which granted the letters may from time to time appoint, exhibit in that court an inventory containing a full and true estimate of all the property in possession, and all the credits, and also all the debts owing by any person to which the executor or administrator is entitled in that character." The personal representative generally is under a legal duty to account for the assets, distribute them the beneficiaries, and wind up the affairs of the estate. The duties of an administrator were never designed to take a lifetime to discharge or to be unnecessarily prolonged. It is intended to be a short-lived process. The confusion surrounding the matters of the estate at hand are a result of a failure to perform the duties of administrator in an expeditious, efficient, and lawful manner.

It is trite that it is incumbent upon a personal representative to discharge three functions in relation to the estate of the deceased. First, the personal representative is to pay the just debts and testamentary expenses of the deceased. Secondly, the personal representative is to marshal or collect and realise the assets of the deceased. "Marshalling" assets is the term used to describe taking control of all of the assets of the estate. This involves registering assets, such as bank accounts, real estate, automobiles, etc., in the name of the administrator as guardian, conservator, or personal representative. Thirdly, an administrator is to distribute the assets of the estate. There can be no effective management of the estate without the proper collection and realisation of the assets of the deceased, which must of necessity include their protection from adverse claims.

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The length of time it takes for the assets in an estate to be distributed after the grant of Letters of Administration has been obtained varies depending on the assets the deceased person owned. How long it will take to administer the estate depends on a variety of factors, which include: the

complexity of the assets owned; the extent of the estate debt; business interests of the deceased, for example where there are assets in the estate which are continuing to generate income or constitute some form of contingent assets; disputes about the ownership of property; disputes about the value of property; and complications to do with the guardianship of minor children of the deceased. Many estates therefore may remain in administration for very long periods. The administration period ends on the day that all assets and liabilities of the estate have been quantified, finalised and distributed. After an administrator has distributed all of the property of the estate, he or she may then close the estate by filing final accounts verified by an affidavit, in accordance with section 278 (2) of *The Succession Act*. Once the court approves the accounting, the administrator is discharged.

According to section 278 (1) of *The Succession Act*, a legal representative is required "within one year from the grant, or within such further time as the court may from time to time appoint, to exhibit an account of the estate, showing the assets which have come to his or her hands, and the manner in which they have been applied or disposed of." The purpose of this accounting is to explain to the Court and beneficiaries what has transpired during the period of administration of the estate and gain court approval for all acts completed and to be completed. If it is possible to close an estate within one year of the appointment of the administrator, the only accounting that will be required is the final accounting. If the estate cannot be closed within one year from the date of initiation, then this account, which is in essence an interim or annual accounting will be required.

Act generally includes information in the following areas: (i) a general statement made as to assets, income, and balances on hand; (ii) receipts of income from assets of the estate by the administrator; (iii) gains and losses on sales or other dispositions of capital assets; (iv) disbursements of income; (v) distributions of assets and income to estate beneficiaries; and (vi) reserves held and proposed schedule of final distribution. That return is due within sixty (60) days of the anniversary of the date of appointment of the administrator, or within such further time as the court may from time to time appoint, and thereafter each and every year until the administrator is discharged upon court's approval of final accounts verified by an affidavit, filed

in accordance with section 278 (2) of *The Succession Act*. Each return is an accounting, under oath, of the receipts and expenditures on behalf of the estate during the year preceding the anniversary date, together with a statement of any other facts which are necessary to show the true condition of the estate.

Each return should contain an updated inventory of the assets of the estate as of each anniversary. The administrator is expected to inform court at to the status of the administration of the estate, including what tasks remain so that the administration of the estate can be completed. The Court may then set deadlines for completing the tasks and for filing the final accounts. The Court expects some good ground to be shown for exercising its power under section 278 (1) of *The Succession Act* of allowing the exhibition of an inventory and account after a lapse of one year. The court may require the administrator to provide an affidavit explaining what is causing the estate to stay open for so long, examine the condition of the estate, and may give opportunity to anyone interested in the estate to be heard regarding the estate distribution, before granting such extension.

The final accounting required by section 278 (2) of *The Succession Act* includes a declaration verified by an affidavit under penalty of perjury of information including; (i) the period of time covered by the accounting; (ii) the total value of the property subject to administration as reflected on the Inventory, or if there was a prior account, according to the balance of the prior account; (iii) all money and property received during the period of the accounting; (iv) all disbursements made during the period covered by the accounting, including vouchers for all disbursements set out in chronological order unless otherwise provided by order of the court; (v) all of the money and property held by the administrator as of the ending date of the accounting; (vi) other information considered necessary to explain the condition of the estate, that the administrator considers necessary or that the Court may require. The final accounting is comprised of two parts; the narrative section and the supporting attachments or exhibit section.

The narrative section of the accounting provides the opportunity to explain to the Court and the beneficiaries what has occurred during the administration. This section should include information regarding the treatment or disposition of all assets managed by the administrator. It

should also include information concerning all claims presented against the estate and the status or disposition of all such claims. It should also include a recitation concerning any and all disputes which occurred during the course of the administration between beneficiaries or others and the steps taken to resolve such disputes. In addition, the narrative section should include information regarding adjustments to inventory, advancements, partial distributions, disclaimers, or any other information regarding the condition of the estate. It must also include a statement regarding whether any claims remain unpaid and whether the administrator is aware of any further debts, obligations or claims. It must also include a statement or statements regarding computation of the administrator's fee or whether such fee will be waived, and that remaining claims and expenses of administration will be paid out of the estate upon approval of the final accounting.

The second section of the final accounting includes anexures of documents referenced in the body of the accounting. The annexures must contain information listing: (i) the assets for which the administrator is chargeable according to the inventory, an amended or supplemental inventory or from a prior accounting, if any; (ii) all receipts of money and property by date, source and amount; (iii) all disbursements made during the period covered by the accounting listing date, check number (where applicable), payee, purpose and amount; (iv) a summary of all property of the estate as of the ending date of the accounting; (v) an Asset Schedule containing 5 columns showing a description of each asset, value of each asset at beginning of accounting period, value and date of later acquired asset, value and date at disposition, and current value of assets held at the end of the accounting period. The totals of each of the second through fourth column should be included at the bottom of each of those columns.

The final account should be supported by the originals of all vouchers, bills, statements of account, or other evidence of the correctness of the entries on the return or alternatively the administrator may file an affidavit to the effect that he or she has compared the originals with the entries on the return and the return is correct. Unless exempted, a voucher for each disbursement reported in the accounting must accompany the accounting as a separate annexure. An annexure must be included for real property sales. If a claim remains un-discharged, the statement should state whether the administrator distributed the estate subject to possible liability with the

beneficiary's agreement or detail other arrangements that have been made to accommodate outstanding liabilities.

In general, there is no set time by which an administrator must close an estate and distribute the estate assets. It must be done pursuant to the reasonable person standard. If the administrator does not move things along in a reasonable amount of time, the court or the beneficiaries may intervene. According to section 323 of *The Succession Act*, at the expiration of the time named in the notices for sending in claims, the Administrator is then at liberty to distribute the assets, or any part of them, in discharge of such lawful claims as he or she knows of.

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In the instant case, there is no evidence to show that since the grant of letters of administration to Haji Adam Kelili Onencan on 28th August, 1978, he ever filed an inventory in accordance with section 278 (1) of *The Succession Act*, an account after a lapse of one year and forty (40) years after that grant of the letters of administration, the estate is still open and under administration. A final account s yet to be filed in accordance with section 278 (2) of *The Succession Act*. Although there is no set time by which an administrator must close an estate and distribute the estate assets, that this estate is still open forty year after the grant can only be justified by an exceptionally peculiar reason.

As matters stand, there is no evidence of any complexity pertaining to the assets comprising the estate, any serious estate debts, any disputes about the ownership of property comprised in the estate, any disputes about the value of property or complications to do with the guardianship of minor children of the deceased, as would justify the prolonged delay in closing this estate. The only aspect that may justify such a prolonged period of administration is the fact that the property comprised in LRV 1567 Folio 16 Plot 14 Taban Lane, Arua Municipality continued to generate income for the beneficiaries of the estate until the current dispute sprung up. That notwithstanding, this is not a persuasive reason for having kept this estate open for this long. Property of this nature in an estate can be divided equally among the beneficiaries so that each owns a common interest in the specific property, or it can be divided by giving interests separately to beneficiaries in such a manner as to effect an equal distribution based on value. It cannot take forty years for this to be done.

By way of analogy, item 1(4) of the Second Schedule of *The Succession Act* (stipulating Rules relating to the occupation of residential holdings), requires all premises owned by the intestate and not comprising residential holdings occupied or not occupied by the intestate prior to his or her death as his or her principal residence, to form part of the estate of the intestate and to be distributed in accordance with the Act. Other real property in an estate can be divided equally among the beneficiaries so that each owns a common interest in the specific property, or it can be divided by giving items separately to beneficiaries in such a manner as to effect an equal distribution based on value.

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It is elementary that an administrator is under a peremptory duty to account for the assets of the 10 estate coming to his or her possession or knowledge; and if, through failure of the fiduciary duty, he or she is unable to do so, he or she is chargeable with their full value. It is a primary duty of one exercising such trust functions to gather in the assets of the estate; and while it is incumbent upon him or her, in the discharge of this duty, to use only such care, skill, diligence, and caution as a man or woman of ordinary prudence would practice in like matters of his or her own, it is 15 also held to the upmost good faith. I have not found a justifiable reason to explain the delay in distributing the property comprised in LRV 1567 Folio 16 Plot 14 Taban Lane, Arua Municipality. In fulfilling duties under a fiduciary relationship, the fiduciary, at all times, should be governed by a "prudent person" standard. I therefore find that Haji Adam Kelili Onencan did 20 not meet that standard in the way he went about the management and distribution of the estate of the late Musa Kelili Okello since there is clearly an inordinate delay on his part in distributing and closing it.

It is no surprise that in 1991, thirteen years after the grant, Haji Adam Kelili Onencan was accused by the beneficiaries of the estate, of its mismanagement culminating in a family resolution to replace him as administrator. He was accused of selling off two lorries and a plot at Nvara that formed part of the estate of the deceased. Under section 234 (1) of *The Succession Act*, a grant of probate or letters of administration may be revoked or annulled for just cause, where "just cause" includes the fact that the person to whom the grant was made has wilfully and without reasonable cause omitted to exhibit an inventory or account in accordance with the Act. The Court, however, has the power to revoke a grant, at its discretion, having regard to all the

circumstances and a court may revoke a grant for failing to file accountings or delay if the omission of this duty is sufficiently grave to materially injure or endanger the estate (see *Silver Wakayinja and two others v. Petwa Babirye (Administratrix of the estate of the late Silvester Wakayinja, H. C. Civil Suit No.89 of 2014*). It so happens that the beneficiaries did not invoke this provision to have the grant revoked. They instead caused a grant to be made the Chief Magistrate's Court of Arua to Haruna Musa Kelili on 14th February, 1991 without a revocation of the previous grant. Thereafter, by a decree of the Grade One Magistrate's Court of Arua in Civil Suit No. 39 of 1996 between Ahmed Musa and Musa Khelili (exhibit D. Ex.6) that grant was on 10th October, 1996 revoked and its place a fresh grant was made by the same court to Ahmed Musa, with whom all the defendants dealt in acquiring interests in the property. The existence of two concurrent grants over the same estate has led to the current controversy.

While the plaintiff relies on the legal principles that an administrator of a deceased person is his or her legal representative for all purposes, and all the property of the deceased person vests in him as such (section 180 of *The Succession Act*) and that letters of administration entitle the administrator to all rights belonging to the intestate as effectually as if the administration was granted at the moment after the death of the deceased (section 180 of *The Succession Act*), the defendants have invoked equity arguing that it would be unfair to annul the sales by reason of the fact that the concurrent existence of the two grants was the product of internal wrangles among the beneficiaries of the estate and the failure of the successive administrators, Haji Adam Kelili Onencan and Haruna Musa Kelili after him that culminated in the grant to Ahmed Musa with whom they dealt as the legal representative of the estate of the deceased in good faith in due course of the administration. The plaintiff relies on the law while the defendants invoke equity.

Firstly it is trite that a grant remains valid until revoked. It has been observed that even in cases where grant has been obtained by fraud, so long as the grant remains unrevoked, the grantee represents the estate of the deceased (*Gilbert William James Pais and another [1993 (2) Kar. LJ 301*). It is not in dispute that there was dissatisfaction by the beneficiaries with the way both Haji Adam Kelili Onencan and Haruna Musa Kelili administered the estate. The beneficiaries went about resolving their dissatisfaction by deposing the first administrator without following the established procedure under section 234 and 238 of *The Succession Act*. The question then boils

down to whether or not this procedural lapse should form the basis of annulment of the sales executed by the subsequent administrator Ahmed Musa.

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Although under section 180 of *The Succession Act* an administrator of a deceased person is his or her legal representative for all purposes, and all the property of the deceased person vests in him as such upon the grant, at that point in time the beneficial interest passes and all assets are then held by the administrator on bare trust for the beneficiaries, since the administrator's role is merely distribution. It is for that reason that as from the date of the grant the beneficiary has, in equity, a proprietary interest in the estate property, which proprietary interest will be enforceable in equity against any subsequent holder of the property (whether the original property or substituted property into which it can be traced) other than a purchaser for value of the legal interest without notice. Therefore all that the grant does is to give the administrator the legal power necessary to deal with the assets. Therefore, after a grant of letters of administration, no person other than the person to whom the same has been granted has the power to sue or prosecute any suit, or otherwise act as representative of the deceased, until the probate or letters of administration has or have been recalled or revoked (see section 264 of *The Succession Act*).

That notwithstanding, protection of the interests of those beneficially interested is of paramount importance and the object of the power to revoke a grant is to ensure the due and proper administration of an estate and protection of the interests of those beneficially interested. The principle was enunciated *In the goods of William Loveday [1900] P 154* thus;

The real object which the court must always keep in view is the due and proper administration of the estate and the interests of the parties beneficially entitled thereto; and I can see no good reason why the Court should not take fresh action in regard to the estate where it is made clear that the previous grant has turned out abortive or inefficient. If the court has in certain circumstances made a grant in the belief and hope that the person appointed will properly and fully administer the estate, and it turns out that the person so appointed will not or cannot administer, I do not see why court should not revoke an inoperative grant and make a fresh grant.

Situations will arise, such as in the instant case, where the due and proper administration of the estate and the interests of the parties beneficially entitled thereto will demand that the equitable proprietary interest of the beneficiaries of the estate should supersede the procedural

requirements of termination of the authority of bare trust vested in the administrator, especially where the rights of third parties dealing bona fide with the estate, are involved. Where the administrator's continued disregard of duty, misconduct or negligence, exposes the estate to a significant risk or danger of loss, then sufficient grounds exist for the revocation of the grant. Revocation may also be justified where the administrator has a private interest, whether direct or indirect, that might tend to hinder or be adverse to a fair and proper administration of the estate.

An administrator must keep the estate assets totally separate and apart from his or own. An administrator is not intermingle the estate assets with his or her personal assets, or use them for his or her own purpose. Contrary to this duty, in his testimony P.W.1 Haji Adam Kelili Onencan stated that; "

I completed the building myself with the money I got as a soldier...the children of the late did not contribute because they did not have money.... I never distributed the estate. It is true I have my interest in plot 14 Taban Lane. The interest I have in plot 14 is that the house was built by me. Their father died when the house was incomplete. In 1980 the house was burnt. I renovated it myself. It belongs to all of us. It belongs to me because I have It is true I built the house but it belongs to us all. We all get money and share it. We share the proceeds with the children because the property was left in my hands... I share what we get from the property and I do not want anything to get lost. I share the proceeds because I am the manager of the estate.... the property belongs to the children, I am only the administrator. The family placed the property in my hands......

This part of the plaintiff's testimony discloses actual conflict of interest in his mind, despite his position as administrator of the estate. He considers himself owner of the property and thus entitled to a share in its proceeds and in the same breath acknowledges that the it belongs to the children of the deceased. This may explain why for thirteen years before the family resolved to depose him, he failed to distribute it among the beneficiaries. Proceeding to deal with it in the manner he did at the very least raised the spectre of a conflict of interest. It was held in *Boardman and another v. Phipps [1966] WLR 1009* that a person occupying a position of trust must not make a profit which he can acquire only by use of his fiduciary position or if he does he must account for the profit so made.

The main object of vesting the property of a deceased person in the administrator as a legal representative is to marshal the assets and distribute them among the beneficiaries. A beneficiary has the right to have the estate duly administered by the personal representative in accordance with law. Equity will intervene to prevent an administrator from using his or her position as such to the detriment of the beneficiaries of the estate. The term "equity" is in a general sense, associated with notions of fairness, morality and justice. Equity is triggered by unconscionability. One of the main reasons for equity intervening is that a party acted unconscionably. When equity intervenes, it will operate on the conscience of the owner of the legal interest (see *Westdeutsche Landesbank Girozentrale v. Islington LBC [1996] AC 669*). In the case of a fiduciary, the conscience of the legal owner requires him or to carry out the purposes for which the property was vested in him (express or implied) or which the law imposes on him by reason of his unconscionable conduct.

Equity applies its doctrines to the substance, not the form, of transactions. In respect of the rule against self dealing for administrators or persons holding positions of trust "equity looks beneath the surface, and applies its doctrines to cases where, although in form a trustee has not sold to himself, in substance he has (see *Tito v. Waddell (No 2); Tito v Attorney General [1977] Ch 106; [1977] 3 All ER 129; [1977] 3 WLR 972*). Equity regards the beneficiary as the true owner and will not allow a statute to be used as a cloak for fraud by an administrator. Equity prevents a party from relying upon an absence of a statutory formality if to do so would be unconscionable and unfair. In any event, is not necessary to show an actual conflict of interest in order to revoke a grant of letters administration; it is sufficient that the likelihood of a conflict is shown.

The conscience of a court of equity will not permit an administrator to continue if there is any misconduct on his or her part. The general rule for the removal of an administrator is that his or her acts or omission must be such as to endanger the estate property or to show a want of honesty or want of proper capacity to execute the duties or a want of reasonable fidelity. In the instant case, the plaintiff not only wilfully and without reasonable cause omitted to exhibit an inventory or account in accordance with *The Succession Act* in a manner sufficiently grave to materially injure or endanger the estate, he also placed himself in a position of conflict to the detriment of the beneficiaries of the estate by failing to distribute and close the estate of the deceased, forty

years after the grant. He is not entitled to the aid of a court of equity when that aid has become necessary through his or her own fault. A court of equity will not assist a person in extricating himself or herself from the circumstances that he or she has created.

Equity will not permit justice to be withheld just because of a technicality. This is reflected in article 126 (2) (e) of *The Constitution of the Republic of Uganda*, 1995 that requires substantive justice to be administered without undue regard to technicalities. Formalities that frustrate justice will be disregarded and a better approach found for each case. Equity enforces the spirit rather than the letter of the law alone. Although no statute or rule of positive law has fixed any time certain, within which a final inventory and account must be filed, still reason and justice prescribe some limitation to calls of this sort, almost necessarily. This inordinate lapse of nearly half a century, taken in conjunction with all the circumstances of the case, affords a reasonable presumption that the estate ought to have been fully administered and disposed of by the time of the impugned transactions.

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The maxim that "equity follows the law" implies that equity works as a supplement for law and does not supersede the prevailing law. Equity respects every word of law and every right at law but where positive law is defective, in those cases, equity provides equitable right and remedies. A party cannot insist that a strict technicality be enforced in his or her favour when it would create an injustice because equity will instead balance the interests of the different parties and the convenience of the public. Equity enforces the spirit rather than the letter of the law alone. In the circumstances of this case equity demands that the grant of administration made to the plaintiff on 28th August, 1978 be deemed to have been revoked prior to the grant made pursuant to the decree of the Grade One Magistrate's Court of Arua in Civil Suit No. 39 of 1996 between Ahmed Musa and Musa Khelili (exhibit D. Ex.6) on 10th October, 1996 revoking the earlier grant and its place making a fresh grant to Ahmed Musa. Equity treats that which ought to be done as done (see *Re Anstis* [1886] 31 *Ch D* 596).

There is nothing in section 234 (1) of *The Succession Act* to prevent a revocation from operating retrospectively, especially where such revocation will not annul any intermediate acts of disposition by the administrator. In this regard section 266 of *The Succession Act* is instructive. It

provides *inter alia* that where any letters of administration are revoked, all payments bona fide made to any administrator under the administration before its revocation shall, notwithstanding the revocation, be a legal discharge to the person making the payments; and an administrator who has acted under any revoked administration may retain and reimburse himself or herself in respect of any payments he or she made, which the person to whom letters of administration shall be afterwards granted might have lawfully made. Such revocation does not obliterate bona fide transactions entered into by the administrator during the pendency of the administration.

The object of the section 266 of *The Succession Act* is to make it safe for the public to freely deal with the administrator. The theory of relating back the vesting of the estate in the administrator at the moment of death of the testator upon a grant being made, is true enough for the administration of estate but it is subject to the qualification that the grant even if erroneously made is revocable if the circumstances in the explanation to section 234 (1) of *The Succession Act* exist. However, till the grant is revoked, the grantee is the only legal representative of the deceased and people may safely deal with such representative in good faith in due course of administration and such dealings will be protected even if the grant is subsequently revoked. Accordingly, it was held that revocation of the grant does not make the grant void *ab initio* and will not invalidate any intermediate acts done in good faith in due course of administration of estate. There being no dealings that require protection even if the grant is revoked retrospectively, the grant of letters administration to the plaintiff made on 28th August, 1978 is herby deemed to have been revoked on the day prior to the grant made pursuant to the decree of the Grade One Magistrate's Court of Arua in Civil Suit No. 39 of 1996 between Ahmed Musa and Musa Khelili (exhibit D. Ex.6).

Since Haji Adam Kelili Onencan died during the hearing of the suit, and a grant of letters of administration to his estate, limited to the suit in terms of section 222 of *The Succession Act*, was given to Anecho Haruna Musa, as his administrator he did not become the representative of the late Musa Kelili Okello. It was necessary to appoint him administrator to represent the interests of the late Haji Adam Kelili Onencan, limited only to the conclusion of the suit. It was a not a grant of administration *cum testament annexo de bonis non administratis*, for short called *de bonis non* for effects left un-administered in the estate of the late Musa Kelili Okello.

If an executor to whom probate has been granted has died, leaving a part of the testator's estate un-administered, a new legal representative may be appointed for the purpose of administering such part of the estate (see section 229 of *The Succession Act*). Similarly, whenever an administrator dies before the estate of the deceased is closed, a grantee of letters of administration *de bonis non* is entitled to receive all the un-administered effects which at the time of such death, are in the administrator's hands, or for which the administrator is answerable. According to section 274 of *The Succession Act*, The administrator of effects un-administered has, with respect to those effects, the same powers as the original executor or administrator. A grant of letters of administration limited to the suit under section 222 of the Succession Act is not such a grant. The grant given to Anecho Haruna Musa did not constitute him the representative of the late Musa Kelili Okello.

In the final result, in answer to the first issue I find that the lawful administrator of the estate of the late Musa Kelili is Ahmed Musa by virtue of the grant made pursuant to the decree of the Grade One Magistrate's Court of Arua in Civil Suit No. 39 of 1996 between Ahmed Musa and Musa Khelili (exhibit D. Ex.6) on 10th October, 1996 revoking the earlier grant that had been made to Haruna Musa Kelili on 14th February, 1991.

Second issue: Whether the defendants are trespassers on the suit property.

Having found Ahmed Musa to be the lawful administrator of the estate of the deceased the late Musa Kelili Okello, he had the capacity to dispose of the property comprised in LRV 1567 Folio 16 Plot 14 Taban Lane (now Market Lane), Arua Municipality when by an agreement dated 23rd April, 1999 (exhibit D. Ex.7) following an advertisement by NPART, he sold off Room 4 to the first defendant; by an agreement dated 29th November, 1999 (exhibit D. Ex.10) pursuant to a court order of attachment and sale, he sold off Room 5 to the second defendant and by an agreement dated 16th February, 1999 (exhibit D. Ex.2) pursuant to a court order of attachment and sale, he sold off Room 6 to the third defendant. Each of the said defendants entered into possession of their respective units after the sale and cannot therefore be characterised as trespassers on the property.

In the alternative, their claim to proprietorship may also be founded on the doctrine of proprietary estoppel as against the plaintiff. As holder of the prior grant, Haji Adam Kelili Onencan by conduct permitted the then apparent administrator and owner, Ahmed Musa to sell the property to the defendants and to grant them physical possession. In other words, the evidence has shown that with the tacit consent of the plaintiff, the then ostensible administrator Ahmed Musa was able to represent himself as the owner of the property to the defendants as purchasers for value without notice.

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A party is estopped by acquiescence, when by active or passive encouragement, he or she knows of the existence of his or her legal right and of the stranger's mistaken belief in his or her own inconsistent legal right, begins to invest in land supposing it to be his or her own, and the true owner, perceiving the stranger's mistake, abstains from setting the stranger right, and leave him or her to persevere in his or her error. A Court of equity will not allow the true owner afterwards to assert his or her title to the land on which the stranger has expended money on the supposition that the land was his or her own. It considers that, when the true owner saw the mistake to which the stranger had fallen, it was the true owner's duty to be active and to state his or her adverse title; and that it would be dishonest in the true owner to remain wilfully passive on such an occasion, in order afterwards to profit by the mistake which he or she might have prevented (see *Ramsden v. Dvson (1866) L.R. 1 H.L. 129; Taylors Fashions Ltd v. Liverpool Victoria Trustees Co Ltd[1982] QB 133; The Law of Real Property (8th Edition)* at pages 710 to 711, para 16-001; *Kammins Ballrooms Co Ltd v. Zenith Investments (Torquay) Ltd [1971] AC 850, 884*; and *Willmott v. Barber (1880) 15 Ch D 96*). The second issue is therefore answered in the negative. None of the defendants is a trespasser on the property in dispute.

25 **Third issue:** Whether the plaintiff should surrender the duplicate certificate of title to

the second and third defendants.

Fourth issue: What remedies are available to the parties?

The two issue will be considered concurrently. The plaintiff's grant of letters of administration having been revoked, he is not entitled to any of the remedies he sought since they were premised on his being the rightful administrator of the estate. Accordingly the suit is dismissed

with costs to the defendants. The second and third defendants have succeeded on their joint counterclaim and thus judgment is entered in their favour with the following orders;

- a) The plaintiff should forthwith hand over to the defendants the duplicate certificate of title to the land comprised in LRV 1567 Folio 16 Plot 14 Taban Lane (now Market Lane), Arua Municipality to enable them, together with the first defendant, secure their registration as proprietors (tenants in common), of that property.
- b) The estate of the late Haji Adam Kelili Onencan is to meet the defendants' costs of the suit and of the counterclaim.

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Dated at Arua this 9 th day of A	pril, 2018
•	Stephen Mubiru
	Judge,
	9 th April, 2018.

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