



Syllabus

STEP Advanced Certificate in Administration of Trusts (Northern Ireland)



www.step.org/diploma

Administration of Trusts

Introduction

This document contains the detailed syllabus for the STEP Advanced Certificate in Administration of Trusts (Northern Ireland).

For more information about the course and how to apply, please visit the programme website: www.cltint.com/courses/step-advanced-certificate-in-administration-of-trusts-northern-ireland



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Module 1

INTRODUCTION TO THE LAW OF TRUSTS

This module covers:

- The development of common law and equitable principles
- How the law of trusts has evolved
- The relationship between the parties to a trust
- The nature of a beneficiary's equitable interest
- A comparison of fiduciary relationships
- A comparison of the concept of trust with other similar concepts
- The use of trusts today.

By the end of this module you should be able to:

- Explain the relationship between common law and equity and distinguish between legal and equitable rights
- Describe the nature of a beneficiary's equitable interest
- Explain how the trust concept has been allowed to develop
- Define the relationship between the parties to a trust
- Explain what is meant by a fiduciary relationship
- Describe the nature of the duties owed by a fiduciary to their principal
- Identify the fundamental features of a trust when compared with similar, but distinct, concepts
- State the ways in which trusts are used today.

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Module 2

CLASSIFICATION OF TRUSTS

This module covers:

- The rationale behind the classification of trusts
- The different types of trust.

By the end of this module you should be able to:

- Explain why it is necessary to attempt to classify trusts
- Identify, describe and explain the following types of trust:
 - Statutory trusts, including the express and implied statutory provisions for their creation
 - Express trusts (and describe conditions under which they are created)
 - Implied and resulting trusts (and demonstrate why they are essentially the same type of trust)
 - Constructive trusts (and explain why the courts might impose a constructive trust)
 - Public/private trusts (and where trusts of imperfect obligation may arise)
 - Statutory trusts as defined by the Inheritance Tax Act.

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Module 3

FIXED INTEREST TRUSTS

This module covers:

- A review of the main features of fixed interest trusts including:
 - Life interest trusts
 - Protective trusts
 - Trusts of land
 - Accumulation and maintenance trusts
 - Trusts for minors
 - Simple or bare trusts
 - Will trusts and trusts on intestacy.

By the end of this module you should be able to:

- Explain **and** differentiate between the following:
 - Life interest trusts
 - Protective trusts
 - Trusts of land
 - Accumulation and maintenance trusts
 - Trusts for minors
 - Simple or bare trusts
 - Will trusts
- Appreciate the rights of beneficiaries of different kinds of trust, and the limitations on those rights.

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Module 4

DISCRETIONARY TRUSTS

This module covers:

- A review of the key features of discretionary trusts including:
 - Choice of trustee
 - Uses of a letter of wishes in discretionary trusts
 - Rights of beneficiaries under a discretionary trust, and the limitations on those rights
 - Trusts for the disabled
 - Asset protection trusts.

By the end of this module you should be able to:

- Explain the key features of a discretionary trust including:
 - The choice of the trustee
 - The use of a letter of wishes in a discretionary trust
 - The rights of beneficiaries under a discretionary trust, and the limitations on those rights
 - Trusts for the disabled
 - Asset protection trusts.

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Module 5

RESULTING TRUSTS

This module covers:

- The nature and types of implied and resulting trusts
- The situations where a resulting trust will arise.

By the end of this module you should be able to:

- Identify the nature and types of implied and resulting trusts
- Analyse the situations where a resulting trust will arise
- Explain what happens on the failure of an express trust
- Explain what happens on the failure to divert the whole beneficial interest
- Understand the position on purchase in the name of another
- Understand the position on transfer into the name of others
- Determine when a trust will arise in the context of the family home.

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Module 6

CONSTRUCTIVE TRUSTS

This module covers:

- The nature of a constructive trust
- The situations where a constructive trust can arise
- The principle of proprietary estoppel.

By the end of this module you should be able to:

- Understand the nature of a constructive trust
- Identify the situations where a constructive trust can arise
- Analyse the nature of the fiduciary relationship
- Understand the impact of a stranger's intermeddling with trust property
- Determine the extent of the 'dishonest assistance' principle
- Explain the consequences of fraudulent dealing with trust property
- Explain the principles behind the concept of mutual wills
- Outline the principle of proprietary estoppel
- Appreciate the uncertainties surrounding determination of ownership rights in property for cohabitees.

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Module 7

THE REQUIREMENTS FOR THE CREATION OF A VALID TRUST

This module covers:

- The three certainties
- Requirements for creating various types of trust.

By the end of this module you should be able to:

- Describe the requirements necessary to create a valid trust
- Apply the three certainties of:
 - Intention
 - Subject matter
 - Objects
- Explain why the settlor must have capacity to create the trust
- Describe why any declaration of trust of land must be evidenced in writing
- Appreciate that any disposition of an equitable interest must be in writing
- Explain the creation of fully and half-secret trusts.

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Module 8

THE RULE AGAINST PERPETUITIES

This module covers:

- An explanation of the rule against perpetuities under both common law and statute.

By the end of this module you should be able to:

- Ensure that a trust does not offend the rule against perpetuities.

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Module 9

PURPOSE TRUSTS

This module covers:

- The reasons why trusts established to benefit a purpose rather than persons are invalid
- The exceptions to the general rule
- The main features of a charitable trust.

By the end of this module you should be able to:

- Explain the reasons why trusts established to benefit a purpose rather than persons are invalid
- Identify the exceptions to the general rule, namely:
 - An anomalous group of private trusts of imperfect obligation
 - Trusts in favour of incorporated associations
 - Charitable trusts which are valid
- Outline the main features of a charitable trust
- Provide a working definition of a charity
- Evaluate the content of charitable trusts
- Explain the extent of public benefit required for the trust to be classified as charitable
- Describe the operation of the cy-près doctrine
- Explain how charities are administered
- Outline the advantages of charitable status.

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Module 10:

THE OFFICE OF TRUSTEE

This module covers:

- The role of trustee
- Who can act as trustee
- Rules for appointment and removal of trustees.

By the end of this module you should be able to:

- State the responsibilities of a trustee
- Identify who can act as a trustee
- Explain how trustees are appointed
- Describe some special types of trustee
- Identify the rules on retirement and removal of trustees
- Explain how property is vested in new trustees.

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Module 11

FIDUCIARY AND GENERAL DUTIES OF TRUSTEES

This module covers:

- General duties of a trustee
- Trustee's duty to invest and investment powers
- The duties of conversion, apportionment and distribution.

By the end of this module you should be able to:

- Explain the trustee's duties to:
 - Comply with the terms of the trust
 - Take control of the trust property
 - Act impartially
 - Take reasonable care
 - Keep accounts
 - Provide information
 - Act unanimously
 - Consult
 - Act personally
- Describe the trustee's duties in respect of investment of trust assets
- Outline the trustee's duties of conversion, apportionment and distribution.

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Module 12

POWERS OF A TRUSTEE

This module covers:

- Fiduciary powers
- How fiduciary powers should be exercised
- Trustees' general powers.

By the end of this module you should be able to:

- Explain the general principles applicable to the exercise of a trustee's decision-making powers
- Describe how trustees should comply with fiduciary obligations and meet appropriate standards of care
- Evaluate the extent of the trustee's powers of:
 - Maintenance
 - Advancement
 - Appointment
 - Appropriation
- Identify the trustee's other general powers.

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Module 13

BREACH OF TRUST

This module covers:

- The alternative actions that a trustee may take when faced with an anticipatory breach of trust
- The general principles of liability governing breach of trust.

By the end of this module you should be able to:

- Explain the alternative actions that a trustee may take when faced with an anticipatory breach of trust
- Describe the general principles of liability governing breach of trust
- State how courts measure loss in breach of trust cases
- Explain the extent to which a trustee may be indemnified or receive contribution from co-trustees
- Explain the potential defences that may be raised by a trustee who is being sued for breach of trust
- Describe the remedies available to courts to rectify loss resulting from a breach of trust
- Explain the proprietary remedy of tracing.

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Module 14

VARIATION OF TRUSTS AND SETTING TRUSTS ASIDE

This module covers:

- Variations without the assistance of the court
- The courts jurisdiction to vary a trust
- Setting aside of trusts by the courts.

By the end of this module you should be able to:

- Explain the indirect ways in which a variation of the terms of a trust can be made without having recourse to the assistance of the court
- Outline the rules governing the court's inherent jurisdiction to vary a trust
- Describe the Hastings-Bass rule
- Identify the circumstances in which the courts will set aside a trust on the grounds of public policy
- Explain how the use of statutory provision can vary a trust
- Describe the rules governing trusts that are designed to evade creditors.

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Module 15

PRINCIPLES OF THE TAXATION OF TRUSTS

This module covers:

- The impact of taxation on the main types of trust.

By the end of this module you should be able to:

- Evaluate the impact of taxation on the main types of trust, including:
 - Inheritance tax
 - Income tax
 - Capital gains tax
- Describe the tax treatment of trusts for disabled and other vulnerable beneficiaries
- Describe the transitional provisions applying to IIP trusts and trusts created before and after 22 March 2006.

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Module 16

DRAFTING AN EFFECTIVE TRUST DEED

This module covers:

- The key issues arising from the drafting of a trust deed
- Language, style and construction
- Specific drafting issues
- The content of certain trust precedents.

By the end of this module you should be able to:

- Outline the key issues arising from the drafting of a trust deed (settlement)
- Describe the impact of issues of language, style and construction
- Explain certain specific drafting issues including:
 - Definitions
 - Power to add and exclude beneficiaries
 - Overriding powers
 - Perpetuities
 - Life interests
 - Powers of appointment, resettlement and advancement
 - Discretionary trusts
 - Special clauses
- Describe the content of certain trust precedents.

Contact us

For full details of the programme visit:

www.cltint.com/courses/step-advanced-certificate-in-administration-of-trusts-northern-ireland

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