



Syllabus

STEP Advanced Certificate in Administration of Trusts

(England and Wales)



www.step.org/qualifications

Administration of Trusts

Introduction

This document contains the detailed syllabus for the STEP Advanced Certificate in Administration of Trusts (England and Wales).

For more information about the course and how to apply, please visit the [course page](#) on the CLTI website.



Our education partner



In association with



Administration of Trusts

Module 1

DEFINING AND CLASSIFYING TRUSTS

This module covers:

- How common law and equitable principles developed
- The essential features of a trust
- The relationship of the parties to a trust
- The nature of a beneficiary's equitable interest
- The fiduciary relationship between trustee and beneficiary
- The classification of trusts
- Different types of trust
- The uses of trusts today

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

- Explain the relationship between common law and equity
- Distinguish between legal and equitable rights
- Describe the nature of a beneficiary's equitable interest
- Appreciate how the trust concept has been allowed to develop
- Define the relationship between the settlor, trustees and beneficiaries of a trust
- Explain what is meant by a fiduciary relationship
- Describe the nature of the duties owed by a fiduciary to their principal
- Identify different types of trust
- State the ways in which trusts are used today



Our education partner



In association with



Administration of Trusts

Module 2

THE REQUIREMENTS FOR THE CREATION OF A VALID TRUST

This module covers:

- The 'three certainties'
- The requirements for creating various kinds 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 and objects
- Identify that the settlor must have capacity to create the trust
- Explain that any declaration of trust of land must be evidenced in writing
- Appreciate that any disposition of an equitable interest must be made in writing
- Describe the creation of fully and half-secret trusts



Our education partner



In association with



Administration of Trusts

Module 3

THE RULES AGAINST PERPETUITIES AND ACCUMULATIONS

This module covers:

- The rules against perpetuities and accumulations under both common law and statute

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

- Identify which perpetuity regime applies to a trust
- Identify that a trust does not offend the rules against perpetuities and accumulations



Our education partner



In association with



Administration of Trusts

Module 4

FIXED INTEREST TRUSTS

This module covers:

- 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 different fixed interest trusts
- Appreciate the rights of beneficiaries of different kinds of trust, and the limitations on those rights



Our education partner



In association with



Administration of Trusts

Module 5

DISCRETIONARY TRUSTS

This module covers:

- The key features of discretionary trusts, including:
 - The choice of the trustee
 - The use of a letter of wishes
 - The rights of beneficiaries and the limitations on those rights
 - Asset protection trusts

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

- Explain the key features of discretionary trusts, including:
 - The choice of the trustee
 - The use of a letter of wishes
 - The rights of beneficiaries and the limitations on those rights
 - Asset protection trusts



Our education partner



In association with



Administration of Trusts

Module 6

VULNERABLE BENEFICIARY TRUSTS

This module covers:

- The nature and types of vulnerable beneficiaries
- The types of vulnerable beneficiary trust that will qualify for special treatment

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

- Explain who will qualify as a disabled beneficiary
- Understand the two different types of disabled person's trust and their requirements
- Explain who will qualify as a bereaved minor or beneficiary of an 18-25 trust
- Explain the requirements of bereaved minor's and 18-25 trusts



Our education partner



In association with



Administration of Trusts

Module 7

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
- Explain the position on purchase in the name of another
- Describe the position on transfer into the name of others



Our education partner



In association with



Administration of Trusts

Module 8

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



Our education partner



In association with



Administration of Trusts

Module 9

PURPOSE TRUSTS

This module covers:

- Why trusts established to benefit a purpose rather than persons are invalid
- The exceptions to the general rule

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
 - Valid charitable trusts



Our education partner



In association with



Administration of Trusts

Module 10

CHARITABLE TRUSTS

This module covers:

- The qualifying requirements for a charitable trust
- The *cy-près* rule and its application

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

- Outline the main features of a charitable trust
- Provide a working definition of a charity
- Evaluate the content of charitable trusts
- Understand the extent of public benefit required for the trust to be classified as charitable
- Explain the operation of the *cy-près* doctrine
- Understand how charities are administered
- Outline the advantages of charitable status



Our education partner



In association with



Administration of Trusts

Module 11

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:

- Describe the impact of taxation on the main types of trust, including
 - Inheritance tax
 - Capital gains tax
 - Income tax



Our education partner



In association with



Administration of Trusts

Module 12

THE OFFICE OF TRUSTEE

This module covers:

- The role of the trustee
- How trustees are appointed
- The rules on retirement and removal of trustees
- How trustees are remunerated
- How trustees recover their out of pocket expenses

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

- Describe the responsibilities of the trustee
- Explain who can act as a trustee
- Explain how trustees are appointed
- Specify some special types of trustee
- Set out the rules on retirement and removal of trustees
- Describe how property is vested in new trustees
- Explain how a trustee may be remunerated and recover any out of pocket expenses



Our education partner



In association with



Administration of Trusts

Module 13

FIDUCIARY AND GENERAL DUTIES OF TRUSTEES

This module covers:

- General duties of a trustee
- Trustees' duties in respect of investment of trust assets
- Trustees' duties of conversion, apportionment and distribution

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

- Identify the key duties of trustees
- State the trustees' duties in respect of investment of trust assets
- Outline the trustees' duties of conversion, apportionment and distribution



Our education partner



In association with



Administration of Trusts

Module 14

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 trustees' decision-making powers
- Explain how trustees should comply with fiduciary obligations and meet appropriate standards of care
- Identify the extent of trustees' powers of:
 - maintenance
 - advancement
 - appointment
 - appropriation
- Outline the trustees' other general powers



Our education partner



In association with



Administration of Trusts

Module 15

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 a 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
- Explain how courts measure loss in breach of trust cases
- Describe 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
- Outline the remedies available to courts to rectify loss resulting from a breach of trust
- Explain the proprietary remedy of tracing



Our education partner



In association with



Administration of Trusts

Module 16

VARIATION OF TRUSTS, REMEDIES FOR MISTAKE AND SETTING TRUSTS ASIDE

This module covers:

- 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
- The rules governing the court's inherent jurisdiction to vary a trust
- The statutory ability for the court to vary a trust
- When the court will interfere with trusts when looking at financial remedies

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
- State the rules governing the court's inherent jurisdiction to vary a trust
- Explain the use of statutory provisions to vary a trust
- Consider the court's ability to vary trusts in the course of matrimonial proceedings.

Administration of Trusts

Module 17

REMEDIES FOR MISTAKE AND SETTING TRUSTS ASIDE

This module covers:

- The court's jurisdiction to remedy mistakes in relation to the creation of trusts and dispositions
- The circumstances in which the courts will set aside a trust on the grounds of public policy

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

- Explain when a court can rectify a trust instrument
- Understand the basis for equitable mistake
- Understand what is meant by the rule in Hastings-Bass
- Outline the circumstances in which the courts will set aside a trust on the grounds of public policy
- Describe the rules governing trusts that are designed to evade creditors, and illustrate these.

Administration of Trusts

Module 18

TRUST ADMINISTRATION: REGISTRATION, GDPR, FATCA AND OTHER REPORTING REQUIREMENTS, PRACTICALITIES ON CHANGING TRUSTEES

This module covers:

- The types of trust that need to be registered with the trust registration service (TRS)
- The trusts which are excluded from the requirement to register
- The information required to register trusts with the TRS
- The financial reporting obligations on trustees
- The practicalities when changing trustees

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

- Identify which trusts need to be registered with the TRS and what information needs to be provided
- Explain the basis of trustee remuneration
- Identify the extent of a trustee's right of indemnity



Our education partner



In association with

