

Unit 8: Level 4 - PROBATE ACCOUNTS

Unit Description:

The unit provides the learner with the accounting knowledge and skills required for drafting a set of estate accounts.

Having obtained a grant of representation, the learner will need to ensure they are able to confidently record all the transactions in and out of a testate and intestate estate because they will owe a duty to the court and the residuary beneficiary. This will mean the learner having to record the sale of assets in a capital account, to record debts and liabilities in a separate account, the recording of income generated during the administration into an income account and balances, if any, transferred to a distribution account. Beneficiaries' accounts may have to be set up. Calculation of inheritance tax, capital gains tax and income tax will all have to be made and recorded. Legacies paid and the residue paid to the residuary beneficiary will have to be recorded and the accounts signed by the residuary beneficiary.

The unit builds on Unit 3, Wills, Succession and Probate Practice, and Unit 6, Probate Procedure and Practice by providing an opportunity to the learner to apply their legal knowledge and skills in drafting a set of accounts that accurately reflect the financial movements in and out of the estate.

The Learning Outcomes below may be subject to change.

Learning Outcomes	Assessment criteria for pass To achieve each outcome a learner must demonstrate the ability to:
1. Know how to be able to create a set of estate accounts.	Explain the accounting duty to keep proper records.
	Explain how to divide the set of accounts into separate accounts.
	Explain how to construct a schedule of assets and debts.
2. Know how to make estate calculations.	Demonstrate how to make calculations of tax.
	Demonstrate how to make other key estate calculations.

3. Know how to record transactions in the estate distribution process.	Know how to record all transactions in the accounts.
	Know how to evidence transactions.
	Know how to account to the residuary legatee and close the file.