



**FPC005 Estate and
Succession Planning**



Subject outline

FPC005 Estate and Succession Planning

Section 1 — General information

1.1 Administrative details

Duration	Credit points	Level
One study period (12 weeks)	6	AQF8

1.2 Core or elective subject

This is a core subject for the Graduate Diploma of Financial Planning and Master of Financial Planning.

1.3 Delivery mode

This subject is delivered online.

1.4 Prerequisites

There are no prerequisites for this subject. However please review the 'Assumed knowledge' section below to understand the prior knowledge Kaplan advises you should hold before enrolling in this subject.

1.5 Assumed knowledge

Whilst there are no prerequisites for this subject. Kaplan assumes that students have completed FPC003 Superannuation and Retirement Advice and FPC004 Insurance Advice or understand the content covered in those subjects, prior to undertaking FPC005 Estate and Succession Planning.

1.6 Course transition subject equivalence

Students may not be required to complete this subject if they have transitioned from a SIA/Finsia/Kaplan course and have completed the following subject:

- there are no equivalences for this subject.



1.7 Work integrated learning

There are no placements, internships or work experience requirements associated with undertaking this subject.

1.8 Other resource requirements

Students do not require access to specialist facilities and/or equipment to undertake this subject.



Section 2 — Academic details

2.1 Subject overview

This subject focuses on issues relating to succession and estate planning. It addresses estate and non-estate assets, complex estates, succession planning for businesses, trusts and other ownership structures. It also explores the tax implications on death of a member or owner of these arrangements. The subject examines the role of the financial adviser and the necessity to work with referral partners to incorporate estate planning into financial advice to provide effective and comprehensive client solutions.

Students will respond to a fictitious case study through the assessment, so that they can apply their understanding of the above concepts, to provide effective and comprehensive client solutions.

2.2 Subject learning outcomes

On successful completion of this subject, students should be able to:

1. Explain the initial and ongoing financial planning advice you provide to clients regarding estate management issues.
2. Demonstrate knowledge and understanding of how assets are treated upon death, incapacity, divorce or insolvency.
3. Analyse the initial and ongoing estate planning and succession risks faced by clients.
4. Propose a range of strategies and potential solutions to manage clients' estate risks.
5. Propose a range of strategies and potential solutions related to business succession planning including rural circumstances.
6. Explain the implications of choosing various estate or succession planning strategies to clients.

2.3 Topic learning outcomes

Topic 1: Introduction to estate and succession planning

On successful completion of this topic, students should be able to:

- describe the importance of estate planning
- outline how estate planning supports the different domains of financial planning
- discuss the attributes of an effective estate plan
- identify the key professionals involved in an estate plan and describe the role each professional plays
- explain the implications of the Australian Privacy Principles for the sharing of information between professionals and conflicts of interest.

Topic 2: Wills

On successful completion of this topic, students should be able to:

- explain key issues relevant to ensuring a valid and effective will
- discuss the implications of informal, statutory and mutual wills
- describe the key issues relevant to the challenging of a will
- explain the role and duties of the executor in the administration of the estate and the disbursement of assets in accordance with the client's will
- outline the implications of someone dying without a valid will
- discuss the implications of disclaiming an inheritance.

Topic 3: Attorneys and guardians

On successful completion of this topic, students should be able to:

- outline the different types of powers of attorney that are available
- explain key issues to consider when making a valid power of attorney
- identify key issues relevant to guardianship
- explain estate planning issues and strategies relevant to beneficiaries with special needs.

Topic 4: Asset ownership and trusts

On successful completion of this topic, students should be able to:

- list and explain key issues relevant to the succession of assets held personally
- list and explain key issues relevant to the succession of assets held in entities such as companies and trusts
- explain the general implications of ownership structures in estate planning.

Topic 5: Family law, insolvency and philanthropy

On successful completion of this topic, students should be able to:

- discuss the use of testamentary and discretionary trusts in the management of assets at risk due to family law proceedings
- discuss the use of testamentary and discretionary trusts in the management of assets at risk due to bankruptcy
- discuss practical considerations for charitable giving.

Topic 6: Dealing with superannuation

On successful completion of this topic, students should be able to:

- describe to whom a death benefit can be paid and the tax impact relating to the type of beneficiary and lump sum or income stream payment
- discuss the importance of maintaining up to date documentation such as binding death benefit nominations or trust deeds for self-managed superannuation funds
- outline strategies to maintain estate intentions.

Topic 7: Overview of business succession planning

On successful completion of this topic, students should be able to:

- describe what is meant by business succession planning and when it is appropriate to put a plan in place
- identify the main problems that affect business succession planning
- describe the benefits of a properly prepared business succession agreement and the problems that can arise without an agreement
- discuss the impact of different business structures on the transfer of a business, including rural property
- describe the processes for information gathering, documenting and implementing a business succession plan.

Topic 8: Business succession strategies

On successful completion of this topic, students should be able to:

- explain a buy-sell agreement and the legal documents that facilitate the plan
- detail the potential problems with different buy-sell agreements
- explain the funding agreements that can be used in a business succession plan
- identify the problems that can arise from different funding agreements
- describe the problems associated with using superannuation to fund a buy-sell agreement
- discuss the basic taxation implications of the various business succession strategies and understand when clients ought to be referred for specialist taxation advice.

2.4 Assessment schedule

Assessment	Description	Week	Topics	Weighting	Subject learning outcomes assessed
Exam	Multiple-choice questions, short-answer and long-answer questions	Week 6	1–5	50%	LO1–LO4
Assignment	Case study with an extended response	Week 12	5–8	50%	LO1–LO6

Please refer to our website <www.kaplanprofessional.edu.au> to review student policies relating to your assessment, including the *Kaplan Assessment Policy* and *Academic Integrity and Conduct Policy*.

2.5 Prescribed text

There is no prescribed text for this subject. Students are provided with key readings and access to Kaplan's online databases. Students are encouraged to research and read widely on the topic.

2.6 Study plan

Week(s)	Topic name	Study load in hours
1	Topic 1: Introduction to estate and succession planning	10
2-3	Topic 2: Wills Topic 3: Attorneys and guardians	20
4-5	Topic 4: Asset ownership and trusts Topic 5: Family law, insolvency and philanthropy	20
6	Exam (Weighting 50%)	20
7	Topic 6: Dealing with superannuation	10
8	Topic 7: Overview of business succession planning	10
9	Topic 8: Business succession strategies	10
10-12	Assignment (Weighting 50%)	20
Total minimum study load		120 hours

Additional study hours (if required), dependent on knowledge and personal commitments	60 hours
Total study load, including additional study hours	180 hours