California Court Accounting Checklist

For a decedent's estate, trust, conservatorship or guardianship account in the format of Probate Code sections 1060 to 1064. § = California Probate Code section. General information, not legal advice: check current law and your court's local rules.

1. GATHER

- ☐ **Every statement for every account, for the whole period.** Including accounts opened or closed during it.
- ☐ **The statement before the period begins, for each account.** It proves the opening cash and holdings.
- ☐ **The statement that covers the last day of the period, for each account.** It proves the ending cash and holdings.
- ☐ **The opening figures.** First account: the inventory and appraisal. Later account: the prior account's ending property (§1061(a)(1)).
- ☐ **Carry values.** From the inventory or prior account, plus the cost of anything bought since.
- ☐ **Receipts and bills.** For any disbursement the statements do not explain.
- ☐ **Closing documents for sales.** Escrow statements for real property; papers for any sale outside a brokerage account.
- ☐ **Property held outside the accounts.** Real estate, vehicles, business interests, notes, and property received after the inventory.
- ☐ **Debts still owed at the end of the period.** Liens, taxes due but unpaid, notes payable and judgments (§1063(g)).
- ☐ **The papers that give authority.** Letters, prior orders, fee and sale orders; for a trust, the instrument and any written waivers.

2. BUILD THE ACCOUNT

- ☐ **State the period covered.** The beginning and ending dates (§1061(a)).
- ☐ **Property on hand at the beginning.** The inventory value for a first account, or the prior account's ending property for a later one.
- ☐ **Receipts.** Date, source, and nature or purpose (§1062(a)). Sale proceeds are not receipts.
- ☐ **Gains and losses on sales.** Proceeds less carry value, sale by sale (§1062(d)); not the brokerage cost basis.
- ☐ **Disbursements.** Each one with its date, the payee, and its nature or purpose (§1062(b)).
- ☐ **Distributions.** The date and amount of each; property distributed is shown at its carry value (§1062(e)).
- ☐ **A trade or business, if there is one.** Its net income or loss (§1062(c)).
- ☐ **Purchases and other changes in form.** A schedule of them (§1063(b)); not needed for transfers among cash, bank and money market accounts.
- ☐ **Property on hand at the end.** Each item listed at its carry value (§1061(a)(10), §1062(f)).
- ☐ **Market value.** At the end and, after the first account, at the beginning (§1063(a)); good faith estimates for assets without a ready market.
- ☐ **Carry value and market value kept apart.** Carry value balances the summary; market value is reported beside it.
- ☐ **Income and principal.** An allocation schedule when distribution goes to an income beneficiary (§1063(c)); for a trust, the instrument and the Uniform Fiduciary Income and Principal Act (§16320 and following).
- ☐ **The other schedules that apply.** Liabilities at the end of the period (§1063(g)) and any proposed distribution (§1063(f)).
- ☐ **The summary of charges and credits.** In the format of §1061(b), each line carried from its schedule.

3. CHECK IT

- ☐ **The account balances.** Total charges equal total credits, to the penny (§1061(c)).
- ☐ **Every account ties to its statement.** Ending cash to the penny; each holding share for share.
- ☐ **The beginning ties.** Opening figures match the prior accounting's ending figures or the inventory and appraisal.
- ☐ **No month is missing.** Or the gap is explained from the balances on either side.
- ☐ **Every transfer appears on both sides.** Out of one account, into the other; neither a receipt nor a disbursement.
- ☐ **Sales use carry value.** And what was sold has left the property on hand.
- ☐ **Fees were authorized.** By court order or, for a trust, the instrument; any paid without a prior order is disclosed (§1064(a)(3)).
- ☐ **Every entry is complete.** Each receipt and disbursement has its date, its source or payee, and its purpose.
- ☐ **Market values are there.** At the end of the period and, after the first account, at the beginning (§1063(a)).
- ☐ **The unusual is explained.** In the petition or report, with whether all cash stayed invested (§1064(a)(1), (2), (5)).
- ☐ **Private numbers are out of the public file.** Last four digits only of Social Security and account numbers (Cal. Rules of Court, rule 1.201).

4. PETITION, NOTICE AND SERVICE

- ☐ **The petition or report.** Filing the account petitions for its approval; fee requests may be joined (§1064(b)). Include the §1064(a) disclosures.
- ☐ **The papers for the kind of case.** Probate: report of administration (§10900). Conservatorship or guardianship: supporting documents (§2620(c)).
- ☐ **A hearing date.** Get it from the court when the petition is filed; how varies by county.
- ☐ **Notice of the hearing, on time.** At least 15 days: probate (§1220, §11000), conservatorship or guardianship (§2621, §1460). At least 30 days: trust petition (§17203).
- ☐ **Service and proof of service.** Mail, personal delivery or, with consent, electronic (§1215); file proof of service.
- ☐ **Local rules and examiner notes.** Correct what the notes list before the hearing.
- ☐ **Keep the records.** Until the account is approved and any time to challenge it has passed.

Decedent's estates

Format. Sections 1060 to 1064 plus a report of administration (§10900).

When. Final account when the estate can be closed (§10951); any ordered account (§10950); within 60 days after the representative resigns or is removed (§10952).

Opening figures. The inventory and appraisal for the first account.

Waiver. Written waivers or acknowledgments from each distributee; a final report is still filed (§10954).

Trusts

The duty. Account at least yearly, at termination and on a change of trustee, to current income or principal beneficiaries (§16062(a)); keep them reasonably informed (§16060).

What the account contains. Receipts and disbursements of principal and income, assets and liabilities, the trustee's pay, agents and their pay, and the two required notices: review under section 17200 and the three-year limit (§16063(a)).

Exceptions. Waiver in the instrument, a beneficiary's written waiver, section 16069; the court may still compel an account if a material breach is reasonably likely (§16064).

In court. On a petition under §17200, in the 1060 to 1064 format (§16063(b)).

Conservatorships and guardianships

When. One year after appointment, then at least every two years (§2620(a)).

Forms. GC-400 standard or GC-405 simplified; GC-400(SUM)/GC-405(SUM) in every account (rule 7.575(e)).

Simplified account. Only with no income-producing real property, no business interest, value under $500,000 not counting the residence, and no order for a standard account (rule 7.575(d)(1)).

Supporting documents. Closing-date statements (plus pre-appointment ones for a first account), escrow statements, care facility bills (§2620(c)); private data under a CONFIDENTIAL FINANCIAL STATEMENT affidavit (§2620(c)(6)).

After a death. Separate accounts before and after the date of death (§2620(b)).

Small estates. The court may waive the account (§2628(a)).

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