



**Australian Government**

# **Assessment Requirements for CPPREP4005**

## **Prepare to work with real estate trust accounts**

**Release: 1**

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## **Modification History**

Release 1 This version first released with CPP Property Services Training Package Release 8.0.

Supersedes but is not equivalent to CPPDSM4006A Establish and manage agency trust accounts and CPPDSM4080A Work in the real estate industry.

Merged to reduce duplication. Updated to the Standards for Training Packages.

## **Performance Evidence**

To demonstrate competency in this unit, a person must:

- explain the purpose of trust accounts in real estate
- review at least 5 trust transactions, and for each transaction determine who, within established agency processes, has the scope of responsibility for executing the transaction
- review documents relating to end of month processing and identify key components that are required by legislation in the state or territory of operation.

In doing this, the person must meet the performance criteria for this unit.

## **Knowledge Evidence**

To be competent in this unit, a person must demonstrate knowledge of:

- difference between trust money and general business trading money
- different types of trust money
- purpose of trust accounts in real estate
- types of real estate trust accounts in the state or territory of operation
- legal and regulatory framework for real estate trust accounts
- impact on client confidence and agency brand resulting from breaches to trust account transaction processes and fraudulent activities
- standard transactions made with trust accounts:
  - deposits, including cash, cheque, electronic funds transfer and direct deposits
  - withdrawals, including cheque and electronic funds transfer
  - entries to journals and ledgers
  - balances and reconciliations
  - reports and statements
- receiving, receipting and banking trust moneys

- actions required where a trust account is overdrawn or compromised, or discrepancies are identified
- established industry processes to maintain trust account integrity, security, confidentiality and privacy
- role and functions of trust accounting software packages
- purpose of internal and external audits
- scope and limitations of own role in working with real estate trust accounts.

## Assessment Conditions

Assessors must satisfy the requirements for assessors listed in the Standards for Registered Training Organisations.

Assessment must be conducted in the workplace or in a simulated workplace environment.

Assessors are responsible for ensuring that the person demonstrating competency has access to:

- receipts
- banking processes and procedures
- client disbursements
- office expenses
- established industry procedures for trust account transactions
- regulator and licensing requirements for trust account transactions
- summary of offences and penalties for breaches of trust account requirements
- sources of further information about real estate trust accounts.

## Links

Companion volumes to this training package are available at the VETNet website - <https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=6f3f9672-30e8-4835-b348-205dfcf13d9b>