



Australian Government

CPPREP4005 Prepare to work with real estate trust accounts

Release: 1

CPPREP4005 Prepare to work with real estate trust accounts

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.

Application

This unit specifies the skills and knowledge required to work with real estate trust accounts within established agency controls.

This unit applies to people currently working in or seeking to work in the real estate industry.

State or territory licensing requirements may apply to this unit.

Pre-requisite Unit

Nil

Unit Sector

Real estate

Elements and Performance Criteria

Elements describe the essential outcomes.

Performance criteria describe the performance needed to demonstrate achievement of the element.

1	Examine trust accounts.	1.1	Analyse legislation relating to the operation of trust accounts in real estate.
		1.2	Explain the purpose of trust accounts in real estate.
		1.3	Analyse regulatory requirements for the operation of trust accounts, including manual and electronic operating systems.
2	Identify established	2.1	Explain the roles and responsibilities of real estate personnel for trust account activities, including referral of

	controls applicable to real estate trust account transactions.		issues.
		2.2	Explain scope and limitations of own role for trust account activities.
		2.3	Analyse licensee-in-charge responsibilities for trust account transactions, including audits.
		2.4	Explain impacts on clients and agency of inaccuracies in trust account and of trust account fraud.
3	Explain common inaccuracies in trust account transactions.	3.1	Explain standard transactions that occur in real estate trust accounts.
		3.2	Explain common sources of inaccuracies in trust account transactions and the processes to address these.
		3.3	Outline monthly trust account processes required by legislation in the state or territory of operations.

Foundation Skills

Foundation skills essential to performance are explicit in the performance criteria of this unit of competency.

Unit Mapping Information

No equivalent unit.

Supersedes but is not equivalent to:

- CPPDSM4006A Establish and manage agency trust accounts
- CPPDSM4080A Work in the real estate industry.

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>

Assessment Requirements for CPPREP4005 Prepare to work with real estate trust accounts

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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

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