



Australian Government

CPPREP4125 Transact in trust accounts

Release: 1

CPPREP4125 Transact in trust accounts

Modification History

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

New unit of competency.

Application

This unit specifies the skills and knowledge required to conduct transactions in real estate trust accounts.

It includes identifying the purpose and types of property trust accounts, applying agency controls to transactions in property trust accounts for specific purposes, balancing, reconciling and reporting on trust account transactions, and maintaining records of trust account transactions.

The unit applies to people currently working in or seeking to work in real estate in a capacity that requires them to transact in trust accounts.

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 Adhere to legislative requirements.

1.1 Outline the types and purpose of real estate trust accounts.

1.2 Outline the personal obligations, responsibilities and legislative requirements for administering real estate trust accounts.

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| 2 | Process deposits. | 2.1 | Receive trust account payments. |
| | | 2.2 | Provide receipts for payments received. |
| | | 2.3 | Prepare banking documentation to deposit trust moneys. |
| | | 2.4 | Record receipts in trust account cash journal and trust account ledger. |
| | | | |
| 3 | Process payment, fees and charges. | 3.1 | Receive and validate requests for payment. |
| | | 3.2 | Confirm authorisation for payment. |
| | | 3.3 | Check trust account ledger to confirm adequate funds in trust account before processing payment. |
| | | 3.4 | Process payments from trust account. |
| | | 3.5 | Process payment advice. |
| | | 3.6 | Record payment from trust account in trust account cash journal and trust account ledger. |
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| 4 | Maintain and protect trust account records. | 4.1 | Balance and reconcile trust account. |
| | | 4.2 | Apply agency contingency procedures to respond to discrepancies identified with trust account. |
| | | 4.3 | Prepare records and statements of trust account transactions. |
| | | 4.4 | Identify and explain the process for unclaimed trust money. |
| | | 4.5 | Maintain security of trust account records. |

Foundation Skills

This section describes the language, literacy, numeracy and employment skills essential to performance in this unit but not explicit in the performance criteria:

- technology skills to access and use computerised systems for trust accounts, and access information via the internet, databases and business records management systems

- numeracy skills to estimate, calculate, validate, balance, reconcile and report on trust account transactions.

Unit Mapping Information

No equivalent unit.

New unit of competency.

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 CPPREP4125 Transact in trust accounts

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Performance Evidence

To demonstrate competency in this unit, a person must:

- conduct transactions in at least one trust account and:
 - receive, receipt and prepare deposits for trust money on three separate occasions
 - prepare payments from the trust account for authorisation on three separate occasions
- complete at least one entry in a cash receipt journal, cash payments journal and transfer journal
- complete three reconciliations for trust accounts and:
 - apply standard contingency procedures to resolve a discrepancy in the trust account.

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:

- purpose and types of real estate trust accounts
- legal and regulatory framework for real estate trust accounts in the state or territory of operation
- consequences for agency brand and legal penalties for breaches of trust account practices or fraudulent activities in the state or territory of operation
- impact on consumer confidence and agency brand resulting from breaches to trust account practices and fraudulent activities
- agency forms and documentation to transact in trust accounts for integrity, security, confidentiality and privacy:
 - transaction documents and receipts
 - procedures to authorise payments and withdrawals from the account
 - account reconciliations and balances
 - journals and ledgers
 - internal and external audit schedules
 - password security and electronic tracking of transactions

- documents and records according to requirements in the state or territory of operation
- forms of payment made to authorised person/s or trust account:
 - cash
 - cheque
 - EFT
 - direct deposit
- processes to validate and authorise processing of payments of expenses, deductions, fees and commissions from trust accounts
- actions required when a trust account is overdrawn, compromised, has unclaimed money or a discrepancy is identified
- maintenance and retention of records for 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:

- real estate trust account systems
- procedures, forms and documents for trust accounts transactions, including contingency procedures
- regulator and licensing requirements for trust account transactions in the state or territory of operation
- summary of offences and penalties for breaches of trust account requirements in the state or territory of operation
- sources of further information about real estate trust accounts.

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