



Australian Government

Assessment Requirements for CPPREP5002 Establish and monitor property industry trust account management practices

Release: 1

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Modification History

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

New unit of competency.

Performance Evidence

To demonstrate competency in this unit, a person must research, develop, implement and document strategies to manage compliance of trust accounts including:

- research and analyse legislation and risks associated with property industry trust accounts.
- develop, implement and document a management plan to address risks associated with trust accounts
- develop, implement and document systems to establish, monitor and review trust account controls
- review one periodic reconciliation statement where the documentation falls short of procedural and legislative requirements and prepare a written report detailing:
 - each shortfall
 - relevant legislative requirement/s applying to each shortfall
 - how each shortfall should be remedied prior to the reconciliation statement being signed off.

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 property industry trust accounts
- legislative and regulatory framework for real estate trust accounts in the state or territory of operation
- fiduciary duties and responsibilities for trust account management and associated legal compliance requirements
- risk management principles and application to property industry trust accounts including instances where account is overdrawn, compromised or discrepancies are identified.
- agency procedures to control integrity, security, confidentiality and privacy of trust accounts:
 - for both electronic and manual trust accounting systems
 - protocols for authorisation of trust account transactions and delegation of authority

- account reconciliations and balances
- internal and external audit schedules
- procedures for access to trust account system
- recognised bookkeeping practices
- actions required when a trust account is overdrawn, compromised or a discrepancy is identified
- maintenance and retention of records for agency trust accounts, including data backup
- processes to open, close and amend property agency 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 applicable to property agency transactions
- procedures and policies for property agency trust accounts
- legislation and standards applying to property agency trust accounts and transactions in the state or territory of operation.

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>