

Introduction to Trust Accounting – Course Outline

This course aims to provide lawyers and employees of law practices with an understanding of the rules and regulations for trust accounting, in particular for law practices within the Queensland jurisdiction. It is a practical course that can be utilised as a training tool for what trust records are to be maintained by a law practice, the preparation of trust records and the reporting requirements necessary, in order to comply with the statutory trust accounting requirements.

Module 1 – Framework for Trust Money

Session 1 – Introduction to trust money

- Legislative framework
- Regulatory framework
- Responsibility of legal practitioner as trustee
- Definition of trust money
- Types of trust money
- What is not trust money

Module 2 – General Trust Money

Session 2 – Trust records for general trust money

- Opening a trust account
- Trust records and the flow of trust records
- Digital trust records and storage
- Trust receipts
- Trust deposit records
- Trust payments
- Trust account cashbooks
- Trust account ledgers
- Trust account journals

Session 3 – Monthly reconciliations

- Preparing trust reconciliations
- Adjustments in the bank reconciliation
- Reconciliation activities
- Reconciliation case-study
- Keeping and printing trust reconciliations

Session 4 – Reporting obligations

- Trust account statements
- External Examiner's Report
- Trust account irregularities
- Trust account details and signatories
- EFT payments and direct payments from trust
- Dormant trust ledger balances

Module 3 – Other Trust Money

Session 5 – Other trust money records

- Transit money
- Investments
- Controlled money
- Trust money subject to a specific power
- Written direction money

Module 4 – Legal costs and general accounting

Session 6 – Withdrawal of legal costs

- Cost disclosure requirements
- Withdrawal of legal costs
- Withdrawal on issue of a bill
- Withdrawal on written authority
- Withdrawal for reimbursement
- Disbursements – incurred versus paid
- LSC Guidelines for charging outlays and disbursements

Session 7 – General Accounting Records

- General/office accounting records
- Debtors ledgers
- Tax and superannuation obligations