

## PAST PAPER Written Task Event One Establish & Manage Agency TRUST Accounts

### Question 1

Using the following Trust Cash Book details provided by RC Realty, you are required to correctly complete the:

- Trust Cash Book
- Trust Ledger
- Trust Trial Balance as at 30th June, 2015.

Use the cash book and ledgers supplied in this paper to complete this task

#### Students should note the following:

- The Trust Ledger and Trust Trial Balance are to be completed so as to comply with the Property, Stock and Business Agents Act 2002, the 2003 Regulation and the Amendment Regulation under the Act.
- The next Trust Receipt Number to be issued is Number 201 and the next Trust Cheque Number is Number 601.
- All trust receipts and payments are by cheque unless otherwise stated.
- All transactions are GST free unless stated.
- The accounts in the Trust Ledger had the following balances as at 1<sup>st</sup> June, 2015.

100 Trust Account	\$12,850 Debit
110 Marsden to Harrington (10% deposit)	10,000 Credit
200 Rental Bond Suspense	2,850 Credit

#### June 2015

- 1<sup>st</sup>** Received \$140,000 (10% deposit) from R Moses for a commercial property owned by D Darrell. Both parties agreed for this amount to be deposited in an interest bearing account with the ANZ Bank until settlement takes place, at which time interest earned thereon is to be shared equally between the two parties. The cheque was cleared and invested on this day.
- 2<sup>nd</sup>** Received \$24,000 from J Johnson being 10% deposit on a property owned by R Samson.
- Obtained a new tenant S Freedman, for a property owned by L Lilyfield. Weekly rent payable is \$280. The tenant paid cash, representing \$560 rent, and \$1,120 for the bond.
- 4<sup>th</sup>** Obtained a new tenant S Peters – owner R Ruthers. S Peters paid to cheques. One for 2 weeks rent, \$800, and the other – made payable to the Rental Bond Board, for bond \$1,600.
- 7<sup>th</sup>** The sale M Marsden and H Harrington was settled and the balance of the deposit forwarded to the vendor's solicitor after deducting sales commission of \$5,600.
- Paid J Jiffy \$78 for cleaning property owned by L Lilyfield.
- Paid the Rental Bond Board all outstanding money
- 8<sup>th</sup>** Paid \$190 for the agency's telephone account.

Paid Sun Newspaper \$960 for the advertising account for the properties which are to be auctioned next month.

**10<sup>th</sup>** Received 2 weeks rent from S Freeman  
Paid sales staff their wages and bonuses. The total amounted to \$3,600.

**12<sup>th</sup>** Received a cheque for S Peters for rent \$400.

**15<sup>th</sup>** Paid the monthly petrol account \$169.

**17<sup>th</sup>** Received \$5,800 commission from Merry Realty, for a conjunction sale.

Cheque received from S Peters was dishonoured. The tenant agreed to pay cash which was banked this day.

**21<sup>st</sup>** Paid X Timber \$310 for repairs to fences – owner R Ruthers.

**23<sup>rd</sup>** Paid \$670 valuation fees to E Smith, a qualified valuer.

**25<sup>th</sup>** Mr T Chee transferred \$324,000 from his bank in China to Ross Campbell Realty Trust Account, being a 5% deposit on a property owned by Mr J Bond.

**28<sup>th</sup>** Settled the sale, R Moses and D Darrell. The initial investment plus interest earned of \$840 was banked in the Trust Account. Cheques were drawn including a cheque for commission. Commission inclusive is 2.1% of the sale price.

**29<sup>th</sup>** Settled L Lilyfield account for June, property management fees amounted to the amount of \$67.

Paid \$350 council rates on behalf of R Ruthers to Renwick Municipal Council.

**TRUST CASH BOOK - RECEIPTS**

<b>Receipt Side</b>				<b>TC1</b>				
<b>DATE</b>	<b>REC. NO.</b>	<b>TYPE</b>	<b>RECEIVED FROM</b>	<b>ON ACCOUNT OF</b>	<b>L.F.</b>	<b>TRANSACTION</b>	<b>AMOUNT</b>	<b>BANK</b>

**TRUST CASH BOOK - PAYMENTS**

Payment Side						TC1
DATE	CHQ NO.	PAYEE	ON ACCOUNT OF	L.F.	TRANSACTION	BANK

LEDGER ACCOUNT NAME:			ACCOUNT NUMBER		
DATE	PARTICULARS	L.F.	DEBIT	CREDIT	BALANCE
			\$	\$	\$

LEDGER ACCOUNT NAME:			ACCOUNT NUMBER		
DATE	PARTICULARS	L.F.	DEBIT	CREDIT	BALANCE
			\$	\$	\$

LEDGER ACCOUNT NAME:			ACCOUNT NUMBER		
DATE	PARTICULARS	L.F.	DEBIT	CREDIT	BALANCE
			\$	\$	\$

LEDGER ACCOUNT NAME:			ACCOUNT NUMBER		
DATE	PARTICULARS	L.F.	DEBIT	CREDIT	BALANCE
			\$	\$	\$

LEDGER ACCOUNT NAME:			ACCOUNT NUMBER		
DATE	PARTICULARS	L.F.	DEBIT	CREDIT	BALANCE
			\$	\$	\$

LEDGER ACCOUNT NAME:			ACCOUNT NUMBER		
DATE	PARTICULARS	L.F.	DEBIT	CREDIT	BALANCE
			\$	\$	\$

LEDGER ACCOUNT NAME:			ACCOUNT NUMBER		
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DATE	PARTICULARS	L.F.	DEBIT	CREDIT	BALANCE
			\$	\$	\$

<b>LEDGER ACCOUNT NAME:</b>			<b>ACCOUNT NUMBER</b>		
DATE	PARTICULARS	L.F.	DEBIT	CREDIT	BALANCE
			\$	\$	\$

<b>LEDGER ACCOUNT NAME:</b>	<b>ACCOUNT NUMBER</b>
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DATE	PARTICULARS	L.F.	DEBIT	CREDIT	BALANCE
			\$	\$	\$

LEDGER ACCOUNT NAME:			ACCOUNT NUMBER		
DATE	PARTICULARS	L.F.	DEBIT	CREDIT	BALANCE
			\$	\$	\$

**TRIAL BALANCE AS AT 30<sup>th</sup> JUNE 20XX**

<b>NAME</b>	<b>L.F.</b>	<b>DEBIT</b>	<b>CREDIT</b>
		<b>\$</b>	<b>\$</b>



## Written Task Event Two

### Written Task 2. Question 1

Using the modified Trust Cash Book and the Trust Bank Statement outlined below for Evolve Realty, you are required to prepare:

- (a) A Trust Bank Reconciliation and,
- (b) You are entitled to assume the bank statement is correct.

NOTE: Evolve Realty has made previous arrangement to have bank charges debited to the General Cash Account.

Assume that the Trust Bank Statement figures are correct.

**Evolve Realty  
Trust Bank Reconciliation  
As at 30 June, 20XX.**

Debit balance as per Trust bank Statement	\$
Add outstanding deposits	
Less unpresented cheques	
Debit balance as per Trust Cash Book	

National Bank of Australasia Statement for: Evolve Realty				
Date 20XX	Particulars	Debit	Credit	Balance
June 1	Brought forward			470.00 CR
2	Deposit		200.00	670.00 CR
7	Deposit		1,450.00	2,120.00 CR
9	510	250.00		1,870.00CR
19	Deposit		1,971.00CR	3,841.00 CR
	512	370.00		3,471.00 CR
28	Deposit		2,910.00	6,381.00 CR
	515	845.00		5,536.00 CR

Evolve Realty TRUST CASH BOOK (Simplified)						
RECEIPTS			PAYMENTS			
Date	Particulars	Bank	Date	Particulars	Chq No	Bank
June 1	Bal C/D	470.00	June 9	Payments	510	250.00
2	Receipts	200.00	10	Payments	511	240.00
7	Receipts	1,450.00	19	Payments	512	370.00
19	Receipts	1,971.00	20	Payments	513	65.00
28	Receipts	2,910.00	26	Payments	514	612.00
30	Receipts	570.00	28	Payments	515	845.00
			30	Payments	516	90.00
				Payments	517	11.00
				c/d		