

Extracted from WA External Examiners Checklist

LEGAL PROFESSION REGULATIONS (2009)		<u>DIVISION 3 (CONTROLLED MONEY)</u>				
<b>OBJECTIVE:</b> To ensure a law practice that receives controlled money deposits the money in a controlled money account as directed.						
<p><b>"Controlled money"</b> means trust money received by a law practice with a written direction to deposit the money in an account (other than a general trust account) over which the practice has or will have exclusive control.</p> <p><b>"Controlled Money account"</b> means an account maintained by a law practice with an ADI for the holding of controlled money received by the practice</p>						
Section	1.	CONTROLLED MONEY Account	Yes	No	N/A	Comments
54(1)(a)		(a) the name of the law practice concerned?				
54(1)(b)		(b) the expression "controlled money account", "CMA" or "CMA/c".?				
54(1)(c)		(c) such particulars as are sufficient to identify:				
		(i) the purpose of the account ?				
		(ii) to distinguish the account from any other account maintained by the law practice?				
s218(3) LPA	1.2	For controlled money accounts opened after 1 July 2009 have written directions been obtained to open the account?				
Section	2.	CONTROLLED MONEY RECEIPT				
<b>OBJECTIVE:</b> To ensure that a controlled money account receipt is issued promptly in respect of all controlled money received and the required particulars are properly recorded.						
Clause(s)	Item		Yes	No	N/A	Comments
55(2)	2.1	Does the law practice maintain a single controlled money receipt system for the receipt of controlled money for all its controlled money accounts?				
55(4) & 55 (11)	2.2	Is a controlled money receipt made out for the receipt of controlled money excluding interest received into the controlled money account?				
55(5)	2.3	Are the controlled money receipts in duplicate? <b>NOTE:</b> The receipt, containing the required particulars, must be made out in duplicate, whether by way of making a carbon copy or otherwise, unless at the time the receipt is made out those particulars are recorded by computer program in the register of controlled money.				
	2.4	Do the receipts include:				

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55(6)(h)		(i) the name of the law practice, or the business name under which the law practice engages in legal practice?			
		(ii) the expression "controlled money receipt"?			
	2.5	Do the receipts include the following required particulars:			
55(6)(a)		(a) (i) the date the receipt is made out?			
		(ii) if the date the receipt is made out is different, the date of receipt of the money?			
55(6)(b)		(b) the amount of money received?			
55(6)(c)		(c) the form in which the money was received?			
55(6)(d)		(d) the name of the person from whom the money was received?			
55(6)(e)		(e) (i) details clearly identifying the name of the person on whose behalf the money was received? and			
		(ii) the matter description?			
		(iii) the matter reference?			
55(6)(f)		(f) particulars sufficient to identify the purpose of the receipt?			
55(6)(g)		(g) the name of and other details identifying the controlled money account to be credited?			
55(6)(i)		(h) the name of the person who made out the receipt?			
55(6)(j)		(i) the number of the receipt?			
55(9)	2.6	Are controlled money receipts:			
		(i) consecutively numbered?			
		(ii) issued in consecutive sequence?			
55(10)	2.7	Is the original of any receipt that is cancelled or not delivered kept?			
<b>Section</b>	<b>3.</b>	<b>CONTROLLED MONEY WITHDRAWAL</b>			
<b>OBJECTIVE:</b>		To ensure that all withdrawals of controlled money are carried out in accordance with the Regulation and that a written record disclosing the required particulars is kept for each withdrawal of controlled money.			
<b>Clause(s)</b>	<b>Item</b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
57(3) &	3.1	Is a written record kept of each withdrawal?			
					<b>Comments</b>

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57(4)						
	3.2	Does the written record contain the following required particulars:				
57(5)(a)		(a) (i) the date?				
		(ii) the number of the transaction?				
57(5)(b)		(b) the amount withdrawn?				
57(5)(c)		(c) in the case of a transfer made by electronic funds transfer:				
		(i) the name?				
		(ii) number of the account to which the amount was transferred?				
		(iii) the relevant BSB number?				
57(5)(d)		(d) the name of the person to whom payment is to be made? or, in the case of a payment to an ADI,				
		(i) the name or BSB number of the ADI?				
		(ii) the name of the person receiving the benefit of the payment?				
57(5)(e)		(e) details identifying:				
		(i) the name of the person on whose behalf the payment was made?				
		(ii) the matter reference?				
57(5)(f)		(f) the purpose for which the payment was made?				
57(5)(g)		(g) the person or persons effecting, directing or authorising the withdrawal?				
57(6)	3.3	Are the written records filed in the order in which the payments are recorded?				
<b>Section</b>	<b>4</b>	<b>REGISTER OF CONTROLLED MONEY</b>				
<b>OBJECTIVE:</b>		To ensure that all records relating to controlled money accounts are properly kept in the controlled money register.				
<b>Clause(s)</b>	<b>Item</b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comments</b>
58(1)	4.	Does the law practice maintain a register of controlled money?				
58(2)	4.1	Does the controlled money register consist of the records of controlled money movements?				
	4.2	Does the header of the record of controlled money movements contain:				

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58(3)(a)		(a) the name of the person on whose behalf the controlled money is held?			
58(3)(b)		(b) the person's address?			
58(3)(c)		(c) matter description?			
58(3)(d)		(d) any changes to the name, address or matter description?			
	4.3	Do the transactions in the controlled money movements record disclose:			
58(4)(a)		(a) the date the controlled money was received?			
58(4)(b)		(b) the number of the receipt?			
58(4)(c)		(c) the date deposited?			
58(4)(e)		(d) the amount deposited?			
58(4)(f)		(e) details of the deposit sufficient to identify the deposit?			
58(4)(d)		(f) the name of the controlled money account?			
58(4)(g)		(g) interest received?			
58(4)(h)		(h) details of any payments including the particulars required to be recorded under clause 57(5)?			
58(7)	4.4	Does the law practice retain all supporting information relating to controlled money?			
<b>Section</b>	<b>5</b>	<b>CONTROLLED MONEY LISTING OF ACCOUNTS</b>			
<b>OBJECTIVE:</b> To ensure that listings of controlled money are prepared within 15 working days of each month for the period under review.					
<b>Clause(s)</b>	<b>Item</b>		<b>Yes</b>	<b>No</b>	<b>N/A</b>
58(8)	5.1	Have controlled money listings of accounts been prepared for each month?			
58(8)(b)	5.2	Do the controlled money lists show a date of preparation?			
58(8)	5.3	Have they been prepared within 15 working days of month end?			
	5.4	Do the controlled money listings contain:			
58(8)(a)(i)		(i) a. the name of the controlled money account?			
		b. the number of the controlled money account?			
		c. balance of each account in the register?			
		(ii) the name of the person on whose behalf the controlled money was held?			

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58(8)(a)(ii)						
58(8)(a)(iii)		(iii) matter description?				
<b>Section 6</b>	<b>6</b>	<b>CONTROLLED MONEY STATEMENTS</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>	<b>Comments</b>
60(3) & 60(6)		Has the law practice furnished a separate trust money statement for each record?				