

Conveyancing And Trust Account System

MAINTAINING STATEMENT ITEMS

Statement Items are the individual items which make up a settlement statement, such as conveyancing fees, stamp duty, LTO fees agent commission etc. They are categorized into groups called *Statement Groups*.

New statement items can be created and existing ones edited or deleted in the *Maintain Statement Items* screen.

This screen is opened by selecting the *Databases/Statement Items* menu from the main CATS screen.

The following screen shows some of the *Statement Groups* available.

The *Statement Groups* in upper case are those groups which contain various *Statement Items* that relate to fees only i.e. those items which generate income for the practice.

Maintain Settlement Statement Items

Select Statement Group: GEN CONVEYANCING

Select Statement Item: 00200 Conveyance Fee - Land

Item Details:

Item code: 200 (Allowable range is 200 to 299)

Item name: Conveyance Fee - Land

Statement text: Conveyancing Fee

Default amount: 550

GST applicable? Credit item?

Include in Common Items List for -

Party A (Vendor etc)

Party B (Purchaser etc)

Method of Handling in Trust Account:

CHEQUE

Electronic Funds Tfr (EFT)

HOLDING ACCOUNTS

Fees Other Holding Acc.

Searches

Stamp Duty

GST

OTHER

Hold In Trust

Non Trust Item

Buttons: Add, Edit, Save, Delete, Cancel

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DATABASES- MAINTAINING STATEMENT ITEMS (Cont.)

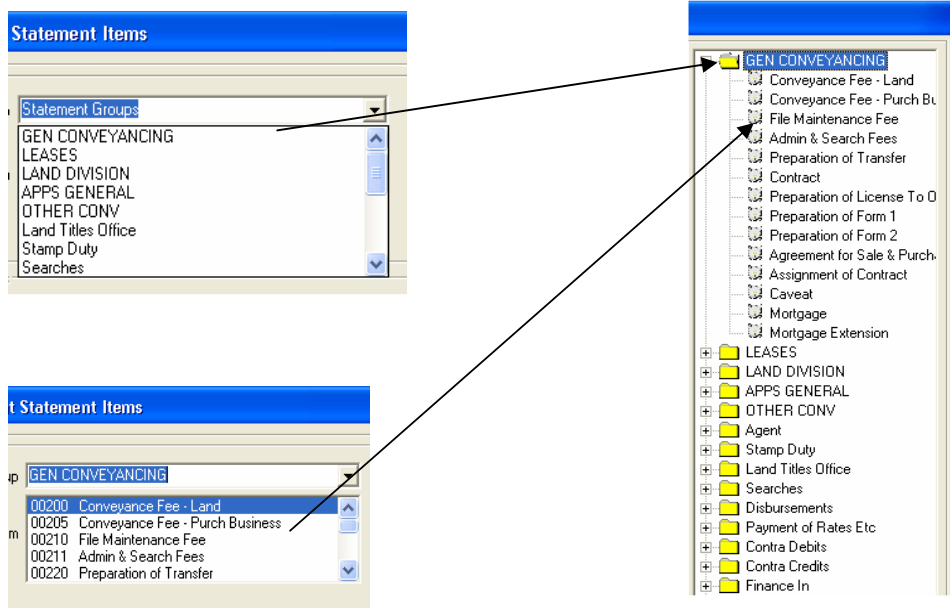
Statement Items are maintained by first selecting the *Statement Group* in which they are contained.

The groups displayed in the left hand list headed *Select Statement* correspond with the yellow folders at the right of the *Statements* screen.

The statement items which appear in the list called *Statement Items* when a statement group is selected correspond exactly with the items seen when one of the yellow folders in the *Statements* screen is expanded.

Statement Items Screen

Statement Screen



The example of a *Statement Items* screen on the next page shows

- that the statement group *Leases* was selected, then
- the statement item *Assignment of Lease* in order to display the existing details of that item ready for editing/deletion if required.

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DATABASES- MAINTAINING STATEMENT ITEMS (Cont.)

The screenshot shows the 'Maintain Settlement Statement Items' window. The 'Select Statement Group' dropdown is set to 'LEASES'. The 'Select Statement Item' list includes: 00400 Memorandum of Lease, 00405 Extension Lease, 00410 Assign of Lease (selected), 00415 Attendances at LTO, 00420 Transfer of Lease, 00422 Surrender of Lease, 00425 Disclosure Statement, and 00430 Director's Guarantee. In the 'Item Details' section, the 'Item code' is 410, 'Item name' is 'Assign of Lease', and 'Statement text' is 'Preparation of Assignment of Lease, and arranging execution and stamping'. The 'Default amount' is 330. The 'GST applicable?' checkbox is checked. Under 'Method of Handling in Trust Account', 'CHEQUE' is selected. The 'HOLDING ACCOUNTS' section has 'Fees' selected. The 'OTHER' section has 'Non Trust Item' selected.

NOTE

Some statement items such as Stamp Duty on Transfer and Registration of Transfer are required by CATS and can not be deleted.

Adding a Statement Item to a Statement Group

- Select the statement group into which the statement item is to be added.
- Click *Add*.
- Choose a *Statement Item Code* for the item.

(The statement item code is a unique identifier used by CATS to recognise the item so that it knows how to treat it in the program).

The item code selected must be within the allowable range displayed. The range indicates how many statement items can exist in the group at any one time.

It is recommended that you leave gaps between numbers so that you have more choice later as to where in the list you want each item to appear.

- Complete the remainder of the blank fields as applicable. Each field is explained later in this chapter.

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DATABASES- MAINTAINING STATEMENT ITEMS (Cont.)

Editing a Standard Statement Item

- Select the statement group which contains the statement item.
- Select the statement item in the *Statement Items List*
- Click *Edit*.
- Edit the fields as required then click *Save* and, if finished, close the screen.

Deleting a Standard Statement Item

- Select the statement group which contains the statement item.
- Select the statement item in the Statement Items List
- Click Delete.
- You will be asked to confirm the deletion. Click *Yes* to delete.

Statement Item Fields Explained

STATEMENT ITEM NAME

This is the name of the statement item and will appear in the *Statements* and *Trust Processing* screens. It has no bearing on what is printed in the formal settlement statement.

DEFAULT AMOUNT

The amount which will automatically be inserted into a settlement statement including GST if applicable. This amount can be overridden when compiling a statement.

CREDIT ITEM

On the rare occasion where the item needs to be on the credit side of the ledger, check this option. This should rarely be required.

GST APPLICABLE

If selected, CATS will deem the amount entered as the default to be GST inclusive. This field is only applicable for conveyancing fees and search fees and unless your practice is not required to collect GST under the Act, it should always be selected for fee items. This is so that CATS can account for GST in reports and fees drawings etc.

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DATABASES- MAINTAINING STATEMENT ITEMS (Cont.)

COMMON ITEMS

This option determines whether the item being created or edited is automatically added to the settlement statement when the *Common Items* button in the *Settlement Statement* screen is clicked.

This avoids the need to manually insert these items when compiling a statement.

Select *Party A* if the item is to be included in the common items list for a vendor only, *Party B* for purchaser only, or both if it is to be included in both the vendor and purchaser statement.

For example, the general conveyancing fee would normally be selected as a common item for both party A and party B, and the LTO fee for registration of a discharge of mortgage would be selected only for Party B as a common item.

TIP

From the Payment of Rates etc group, select payments to be made to the various authorities such as RevenueSA, SA Water, Council as common items. Though these items will appear with a zero amount, it will prompt you to charge them to your client

METHOD OF PAYMENT

In this section, you determine how you want CATS to treat the statement item when doing trust account processing.

Fees

In the illustration above, the *Fees* option has been selected because the statement item represents the fee charged for an assignment of lease.

When the item is posted to the trust account, it will be therefore be debited first to the client account, then automatically journalled as a credit to the *Fees Holding Account*.

Searches

Select this option to send it to the Searches holding account when posted. Note that if you have customised the program for searches to automatically be posted to Fees Holding Account, then this option will be overridden.

Stamp Duty

Similarly if an item is selected as *Stamp Duty* it will be debited first to the client account, then automatically journalled as a credit to the *Stamp Duty Holding Account*.

Cheque

An item can be nominated for processing as a cheque in which case, the default payee and cheque purpose can be added.

EFT

Select this item if it will be an EFT from the trust account, and enter the appropriate default details..

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DATABASES- MAINTAINING STATEMENT ITEMS (Cont.)

Other Holding Account

CATS allows you to create your own holding accounts (see chapter headed *Create New Holding Account*).

All holding accounts created will appear in the drop down list which will appear if the Other Holding Acc option is selected.

Choose the holding account you want the statement item to go to from that list and it will be automatically posted to that account when trust account processing is completed.

The screenshot shows a software interface with two main sections: 'HOLDING ACCOUNTS' and 'OTHER'. Under 'HOLDING ACCOUNTS', there are radio buttons for 'Fees', 'Searches', 'Stamp Duty', and 'GST'. The 'Other Holding Acc.' radio button is selected. Below it is a dropdown menu with a downward arrow, currently displaying a list of holding accounts: 'Disbursements Reimbursed', 'Trust Account Adjustments', and 'Trust Cheques Holding'. The 'OTHER' section has radio buttons for 'Hold In Trust' and 'Non Trust Item'.

Hold in Trust

Items selected to be held in trust will appear in the *Trust Processing* screen but will be incapable of posting to the trust account.

This situation would arise for example where funds are retained pending a water meter reading or pending a resolution in a matrimonial dispute.

Non Trust Item

If this option is selected, the item will not show up in a statement reconciliation or the *Trust Processing* screen.

An example for using this option is for a payout figure to an outgoing mortgagee because in most cases, you would request this cheque from the purchaser's conveyancer payable directly to the mortgagee concerned and not to your trust account.

NOTE

Statement Items are just default values and can be overridden in the settlement statements screen. Even the Method of Payment can be changed in the settlement statement screen by selecting the row and clicking the Edit Destination button.
