



Australian Government

Department of Education, Employment and Workplace Relations

BSBATSIM418A Oversee financial management

Revision Number: 1

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Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to monitor and act on financial reports. Some aspects of governance activities may be subject to legislation, rules, regulations and codes of practice relevant to different job roles and jurisdictions.
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Application of the Unit

Application of the unit	This unit applies to individuals who are responsible for monitoring and guiding the financial management of Aboriginal and Torres Strait Islander organisations.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Interpret financial reports	1.1.Ensure regular financial information is received from management in a form that all board members can understand 1.2.Clarify purpose of <i>financial reports</i> and their key features with board members 1.3.Identify income shortfalls and expenditure overruns
2. Evaluate financial reports	2.1.Consider and discuss financial implications of reports with other board members and management 2.2.Compare data with previous reports and decisions 2.3.Compare year to date and end of financial year data with budgeted outcomes 2.4.Seek <i>independent advice</i> where necessary
3. Recognise board responsibilities for assets	3.1.Identify <i>statutory responsibilities</i> of board members with respect to assets 3.2.Identify funding body restrictions on the acquisition, use and disposal of assets 3.3.Comply with statutory responsibilities and funding body requirements with respect to assets
4. Make decisions on finance	4.1.Analyse recommendations on finances in terms of their impact on the organisation and its vision and objectives 4.2.Prioritise financial decisions against organisational objectives 4.3.Make decisions in accordance with the organisation's policy and legal and funding requirements 4.4.Ensure procedures are in place to document financial decisions
5. Approve expenditures	5.1.Check expenditure proposals are within budget and meet statutory and funding body requirements 5.2.Check the organisation's current financial situation 5.3.Approve expenditure only if it is consistent with budget, statutory and funding body requirements, and the organisation's financial situation
6. Review financial decisions	6.1.Monitor outcomes and actions from decisions 6.2.Identify and monitor <i>external influences</i> on budgets and finances 6.3.Ensure procedures are in place to document variations to financial agreements

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- numeracy skillsto read financial reports and calculations
- culturally appropriate communication skills to relate to people from diverse backgrounds and with diverse abilities
- communication and teamwork skills to work cooperatively with other board members, management and staff of the organisation, members, community and key stakeholders
- evaluation and decision-making skills to monitor and review information presented to the board and enact decisions
- initiative and enterprise skills to set priorities when making financial decisions

Required knowledge

- concept of community control of organisations and how it may impact on financial decisions
- cultural context in which Aboriginal and Torres Strait Islander boards operate, including their role in upholding traditional and cultural values, and how that might impact on financial decisions
- geographic, social, economic and political contexts in which particular organisations operate and how these may impact on financial decisions
- organisational procedures and processes regarding finances
- organisationalvision and objectives
- previous budget performance and financial reports
- purpose and components of financial reports
- relevant protocols and cultural responsibilities when making financial decisions
- statutoryand funding body requirements relevant to the organisation's financial decisionmaking
- statutory and funding body responsibilities in relation to financial reporting and assets

Evidence Guide

EVIDENCE GUIDE

The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the ability to:

- understand a variety of financial reports
- monitor the financial status of the organisation
- make financial decisions according to organisational vision and objectives that comply with legal and contractual requirements
- responsibly manage organisational assets.

Context of and specific resources for assessment

Assessment must ensure:

- participation on an actual or simulated board
- access to examples of financial reports and other relevant documents
- knowledge and performance are assessed over time to confirm consistency in performance.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:

- observation of performance on a board or simulated board
- direct questioning combined with reflection of practical board performance by the candidate
- analysis of responses to case studies and scenarios
- observation of presentations and group discussions
- oral or written questioning to assess knowledge
- observation of performance in role plays.

Guidance information for assessment

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:

- BSBATSIM414C Oversee the organisation's annual budget
- BSBATSIM420A Oversee asset management.

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

Financial reports may refer to:

- annual audited financial statements
- asset registers
- balance sheets
- bank accounts
- budgets
- expenditure
- income
- loans
- profit and loss statements.

Independent advisers may include:

- accountants
- business advisers.

Statutory responsibilities may relate to:

- annual reporting
- acquittal reporting
- fees and taxes
- funding agreements
- procurement and disposal.

External influences may include:

- awards
- costs
- environmental factors
- funding sources
- government policy
- inflation rate
- interest rate
- markets
- supplies.

Unit Sector(s)

Unit sector	
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Competency field

Competency field	Regulation, licensing and risk - ATSI governance
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Co-requisite units

Co-requisite units		