



Australian Government

Department of Education, Employment and Workplace Relations

BSBFIA304A Maintain a general ledger

Revision Number: 1

BSBFIA304A Maintain a general ledger

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to maintain a general ledger within an organisation including processing journal entries and preparing a trial balance.</p> <p>No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.</p>
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Application of the Unit

Application of the unit	<p>This unit applies to individuals employed in a range of work environments with responsibility for simple accounting functions within an organisation. They may work as individuals providing administrative support within an enterprise, or may be other members of staff with delegated responsibilities relating to general ledger maintenance.</p>
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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. Process journal entries	<p>1.1. Prepare <i>general journal entries</i> from <i>source journals</i> in accordance with accounting requirements, organisational policy, procedures and accounting standards</p> <p>1.2. Post journal entries into <i>general ledger system</i> in accordance with organisational policy, procedures and accounting standards</p> <p>1.3. <i>Reconcile accounts payable and accounts receivable</i> subsidiary ledger systems with general ledger</p> <p>1.4. Ensure processing maintains the accounting equation and is completed within designated time lines</p>
2. Prepare a trial balance	<p>2.1. <i>Prepare trial balance</i> of general ledger system in accordance with organisational requirements and accounting standards, and ensure it is checked for accuracy</p> <p>2.2. Identify and rectify irregularities or refer them for resolution when trial balance does not balance, in accordance with organisational policy and procedures</p>

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- literacy skills to read and understand financial procedures
- numeracy skills to:
 - use knowledge of mathematical concepts
 - interpret, compare and calculate with whole numbers and money
 - use decimal fractions and percentages
- problem-solving skills to use approximation to check for discrepancies and ensure calculations are correct.

Required knowledge

- key provisions of relevant legislation and regulations from all forms of government, standards and codes that may affect aspects of business operations such as:
 - Australian Taxation Office regulations
 - Goods and Services Tax (GST) regulations
 - anti-discrimination legislation
 - ethical principles
 - codes of practice
 - finance legislation
 - privacy laws
 - occupational health and safety
- limit of scope of own responsibility
- organisational accounting systems and procedures.

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 following is essential:

- accurately entering data
- applying understanding of general journal entries and knowledge of the relationship between journals and general ledger
- implementation of double-entry principles
- systematic tracing of errors.

Context of and specific resources for assessment

Assessment must ensure:

- access to an actual workplace or simulated environment
- access to office equipment and resources, such as:
- calculator
- computer equipment and relevant software
- examples of source journals.

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:

- analysis of responses to case studies and scenarios
- demonstration of techniques
- direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate
- review of authenticated documents from the workplace or training environment
- oral or written questioning to assess knowledge of accounting procedures and techniques.

Guidance information for assessment

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

- other financial administration units.

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.

<i>General journal entries</i> may include:	<ul style="list-style-type: none"> • bad debts written off • correction of posting errors • interest expense • interest receivable • opening entries • purchase of a non-current asset on credit • sale of a non-current asset on credit • transfer of funds between bank accounts • withdrawal of stock and assets by owner
<i>Source journals</i> for general ledger may include:	<ul style="list-style-type: none"> • cash payments journal • cash receipts journal • general journal • purchases journal • purchases returns journal • sales journal • sales return journal
<i>General ledger system</i> may include:	<ul style="list-style-type: none"> • computerised • manual
<i>Reconciling accounts payable and accounts receivable</i> may include:	<ul style="list-style-type: none"> • checking accuracy of accounts payable balances with general ledger control account • checking accuracy of accounts receivable balances with general ledger control account
<i>Preparing trial balance</i> may include:	<ul style="list-style-type: none"> • checking total debits equal total credits • listing ledger account balances from general ledger • tracing of errors

Unit Sector(s)

Unit sector	
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Competency field

Competency field	Finance - Financial Administration
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Co-requisite units

Co-requisite units		