



Australian Government

Department of Education, Employment and Workplace Relations

BSBFIA402A Report on financial activity

Release: 1

BSBFIA402A Report on financial activity

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to report financial activity for business both in response to client requests and to meet statutory requirements such as the completion of statutory requirement reports.</p> <p>No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.</p>
------------------------	--

Application of the Unit

Application of the unit	<p>This unit applies to individuals with a broad knowledge of financial activities who contribute financial skills and knowledge to address reporting requirements of clients and legal authorities. They may have responsibility to provide guidance or to delegate aspects of these tasks to others.</p>
--------------------------------	--

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
-----------------------------	--

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.
---	--

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Compile financial information and data	<p>1.1. Collect, evaluate and code current <i>financial data</i> to ensure consistency, quality and accuracy in accordance with <i>organisational requirements</i></p> <p>1.2. Use <i>conversion and consolidation procedures</i> to compile analysis in accordance with organisational requirements</p> <p>1.3. Make, record and disclose asset and liability valuations in accordance with organisational requirements</p> <p>1.4. Ensure that <i>discrepancies</i>, unusual features or queries are identified, resolved or referred to the appropriate authority</p>
2. Prepare statutory requirement reports	<p>2.1. Correctly record income and expenditure to ensure compliance with <i>statutory requirements</i></p> <p>2.2. Calculate liabilities for tax in accordance with current legislation and <i>revenue gathering practices</i></p> <p>2.3. Correctly identify relevant receipts, <i>revenue documentation</i> and payments</p> <p>2.4. Ensure that statements and claims take full advantage of <i>available benefits and allowances</i> in accordance with statutory requirements</p> <p>2.5. Submit statutory requirement reports to appropriate authorities within <i>stated deadlines</i></p>
3. Provide financial business recommendations	<p>3.1. Ensure that <i>recommendations</i> are logically derived and supported by <i>evidence</i> in report</p> <p>3.2. Provide recommendations to propose constructive actions to enhance the effectiveness and efficacy of functions and services</p> <p>3.3. Ensure recommendations are concise and facilitate direction and control of organisation's operations</p> <p>3.4. Identify and prioritise <i>significant issues</i> in statements including comparative financial performances for review and decision making</p> <p>3.5. Ensure structure and <i>format of reports</i> are clear and conform to organisational and statutory requirements</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 identify financial information and the organisation's accounting procedures, and to create financial reports
- problem-solving skills to deal with a defined range of predictable problems
- decision making skills to make routine decisions
- numeracy skills to calculate data and to reconcile figures.

Required knowledge

- key provisions of relevant legislation from all levels of government that may affect aspects of business operations, such as:
 - anti-discrimination legislation
 - ethical principles
 - codes of practice
 - privacy laws
 - financial legislation
 - occupational health and safety (OHS)
- principles of double entry bookkeeping and accrual accounting
- techniques for forecasting and analysis
- Federal government taxes and charges
- options, methods and practices for deductions, benefits and depreciations.

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:

- organising financial data to highlight relevant features
- presenting financial data in comprehensive format
- completing Business Activity Statements
- knowledge of relevant legislation.

Context of and specific resources for assessment

Assessment must ensure:

- access to an actual workplace or simulated environment
- access to office equipment and resources
- examples of financial data, reports and documents.

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:

- direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate
- review of income and expenditure records
- analysis of responses to case studies and scenarios
- demonstration of techniques
- review of tax liabilities calculations
- oral or written questioning to assess knowledge of principles of double entry bookkeeping and accrual accounting
- assessment of recommendations provided proposing constructive actions to enhance the effectiveness and efficacy of functions and services.

Guidance information for assessment

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

- general administration units
- 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>Financial data</i> may include:	<ul style="list-style-type: none"> • Australian Bureau of Statistics (ABS) economic data • budget variances • budgets and forecasts • cash flow/profit reports • financial markets monitoring services (e.g. Reuters) • financial/operational statements and reports (e.g. expenditures and receipts, profit and loss statements) • market valuations
<i>Organisational requirements</i> may include:	<ul style="list-style-type: none"> • financial analysis assessments • financial management manuals • legal and organisational policies, guidelines and requirements • OHS policies, procedures and programs • price and exchange parameters • quality assurance and/or procedures manuals • recording and filing systems • reporting requirements • standard financial analysis techniques
<i>Conversion and consolidation procedures</i> may include:	<ul style="list-style-type: none"> • moving averages • spreadsheets • standardised variables • trend analysis • unit costs
<i>Discrepancies</i> may include:	<ul style="list-style-type: none"> • absence of auditable trail • expenditure report mismatches • inappropriate authorisations • incorrect payments • incorrect report formats • unreconciled cash flows and operating statements

RANGE STATEMENT	
	<ul style="list-style-type: none"> • variances from budget and phasings
<i>Statutory requirements</i> may include:	<ul style="list-style-type: none"> • delegated authorities • internal control procedures • reporting periods • taxation payment timings
<i>Revenue gathering practices</i> may include:	<ul style="list-style-type: none"> • billing schedules • fees and charges • investments • leasing • lending and financing • sales
<i>Revenue documentation</i> may include:	<ul style="list-style-type: none"> • bills • cash received • debit notes • declarations • invoices • sales proceeds
<i>Available benefits and allowances</i> may include:	<ul style="list-style-type: none"> • depreciation • donations • interest payments • sales tax deductions
<i>Stated deadlines</i> may include:	<ul style="list-style-type: none"> • annual reports • lodgement dates • monthly returns • payment schedules
<i>Recommendations</i> may include:	<ul style="list-style-type: none"> • cash flow • consolidation • expenses • loss • profit • write-offs
<i>Evidence</i> may include:	<ul style="list-style-type: none"> • budgetary analysis • forecasts and estimates • order and supplier documentation • returns on investments • taxation and statutory returns
<i>Significant issues</i> may include:	<ul style="list-style-type: none"> • cost structures • internal controls • losses and returns

RANGE STATEMENT	
	<ul style="list-style-type: none"> • profitability • statutory obligations • suppliers
<i>Format of reports</i> may include:	<ul style="list-style-type: none"> • balance sheets • cash flow statements • electronic forms • financial year reports • operating statements • spreadsheets • statutory forms

Unit Sector(s)

Unit sector	
--------------------	--

Competency field

Competency field	Finance - Financial Administration
-------------------------	------------------------------------

Co-requisite units

Co-requisite units		