



Australian Government

Department of Education, Employment and Workplace Relations

FNSACC613A Prepare and analyse management accounting information

Revision Number: 1

FNSACC613A Prepare and analyse management accounting information

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to gather, record and analyse operating costs and data, prepare cost reports and budgets, and calculate the costs of products, services and other organisational activities.</p> <p>This unit may apply to job roles subject to licensing, legislative, regulatory or certification requirements so Commonwealth, State or Territory requirements should be confirmed with the relevant body.</p>
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Application of the Unit

Application of the unit	The unit has application to job roles such as accountants and financial analysts.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		
	FNSACC507A	Provide management accounting information

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. Gather and record operating and cost data	1.1. Systems to generate cost and operating data and determine cost and operating standards are established 1.2. Data are systematically coded, classified and checked for accuracy and reliability in accordance with organisational policies and procedures
2. Analyse data	2.1. Costs are assigned to specified cost objects 2.2. Data are reconciled to ensure calculations are accurate and comply with organisational procedures 2.3. Variance analysis is used to review the effectiveness of the cost assignment process 2.4. Interpretation of revenues and costs is supported by valid analysis and is consistent with the organisation's objectives
3. Prepare cost reports and budgets	3.1. Cost information and organisational activities advice is sought from all sections of the organisation when formulating reports and budgets 3.2. Structure and format of reports and budgets are error free, comprehensive, clear and comply and conform to routine and ad hoc management information requirements 3.3. Comprehensive variances against budget and standards are identified, and prioritised for review and decision making
4. Analyse cost reports and budgets	4.1. Variances against budget are interpreted and discussed in consultation with relevant personnel in the organisation 4.2. Outcomes from variance reviews are assessed and recommendations made for further actions where required, including revisions to cost and activity standards 4.3. Cost and process information is reviewed for value adding and non-value adding activities, and recommendations made for further actions 4.4. Reports and budgets on specified products, services, projects, organisational units, customers, market segments and other cost objects are assessed against the organisation's objectives, and recommendations made for further actions

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- well-developed communication skills to:
 - gather information and data by consulting with staff and using questioning and active listening as required
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- highly developed research and analysis skills for accessing and managing complex information and assessing application of management accounting and governance requirements
- well-developed literacy skills for interpreting and analysing complex documentation and producing management reports
- well-developed numeracy skills to accurately analyse, record and store data in accordance with organisational requirements
- IT skills for accessing and using appropriate integrated financial system software, spreadsheets and databases and internet information
- problem solving skills to identify any issues that have the potential to impact on organisational management financial reporting and to develop options to resolve these issues when they arise
- organisational skills, including the ability to plan and sequence work

Required knowledge

- systems and procedures for recording, accessing and securely storing data
- ethical considerations for the handling of financial and operating information such as:
 - conflict of interests
 - confidentiality
 - disclosure requirements
- methods of data protection including back-ups and security
- organisational operating procedures
- principles and practices of budgetary control such as:
 - double-entry bookkeeping
 - accrual accounting
- principles of costing
- principles of costing system integrity

Evidence Guide

EVIDENCE GUIDE	
<p>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.</p>	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> • apply standards, accounting techniques and principles to gather and record operating and cost data • analyse data and prepare cost reports and budgets.
Context of and specific resources for assessment	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> • competency is demonstrated in the context of the financial services work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment • access to and the use of a range of common office equipment • access to an integrated financial software system and data
Method of assessment	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> • evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency • verbal or written questioning on underpinning knowledge and skills • setting and reviewing workplace projects and business simulations or scenarios • evaluating samples of work • accessing and validating third party reports.
Guidance information for assessment	

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.

<p><i>Systems</i> may include:</p>	<ul style="list-style-type: none"> • activity based costing • direct and absorption costing • joint and by-products costing • operations costing • process costing • standard costing.
<p><i>Data</i> may include:</p>	<ul style="list-style-type: none"> • consumables records • inventory, materials and finished product records • labour utilisation records • manufacturing and general overhead costs • marketing, distribution and customer records • marketing, distribution, logistics and other support area activity records • materials used • payroll records • records of purchases and associated costs • sales information • service charge-out rates • standards for: <ul style="list-style-type: none"> • labour • materials • overheads usage and costs.
<p><i>Cost assignments</i> may include:</p>	<ul style="list-style-type: none"> • absorption costs • activity-based costs • direct and indirect costs • fixed and variable costs • labour, materials and overheads • manufacturing costs • product, service, market segment, distribution channel and customer costs • project costs • service costs.

RANGE STATEMENT	
<i>Cost objects</i> may include:	<ul style="list-style-type: none"> • products • services • projects • organisational units • customers • distribution channels • market segments.
<i>Reports and budgets</i> may include:	<ul style="list-style-type: none"> • activity-based reports and budgets • cost volume profit report • costing budgets • job cost records • job, process and service profitability reports • labour usage • manufacturing overhead • manufacturing statements • market segment, distribution channel and customer cost analysis • materials purchases • materials usage • performance reports • production reports and budgets • project cost analysis • project reports and budgets • relationship with master budgets • service cost analysis • variance analysis reports.
<i>Management information requirements</i> may include:	<ul style="list-style-type: none"> • causes of and reasons for variances • costs and profitability of: <ul style="list-style-type: none"> • market segments • distribution channels • customers • costs and profitability of: <ul style="list-style-type: none"> • products and services • business units • identification of value adding and non-value adding activities • improvement of cost and resource management.

Unit Sector(s)

Unit sector	Accounting
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		