



Australian Government

FNSFLT301A Be MoneySmart

Release 1

FNSFLT301A Be MoneySmart

Modification History

| Version | Comments |
|-----------|--|
| Release 1 | This version released with <i>FNS10 Financial Services Training Package v5.0</i> . |

Unit Descriptor

This unit describes the performance outcomes, skills and knowledge required to develop, maintain and enhance understanding of personal finance matters, including taxation, superannuation and insurance.

Application of the Unit

This unit has wide application and may be used to build financial literacy in workplaces, schools, adult and community learning organisations, or registered training organisations. The unit may also be used as part of pre-vocational or new apprenticeship programs or as part of services provided by counselling and advisory organisations.

Licensing/Regulatory Information

No licensing, legislative, regulatory or certification requirements apply to this unit at the time of publication.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

| ELEMENT | PERFORMANCE CRITERIA |
|--|---|
| <i>Elements describe the essential outcomes of a unit of competency.</i> | <i>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.</i> |

Elements and Performance Criteria

| | |
|--|--|
| <ul style="list-style-type: none"> Demonstrate an understanding of personal financial matters | <ul style="list-style-type: none"> Determine how career choice, education and skills affect income and goal attainment Identify short and long-term financial goals Identify <i>tax matters</i> relating to personal income Evaluate impact of consumer and financial behaviour on personal spending Evaluate how insurance and other risk-management strategies protect against financial loss Identify the components of superannuation relevant to individual income earners |
| <ul style="list-style-type: none"> Manage personal finances | <ul style="list-style-type: none"> Compare the benefits and costs of alternatives in spending decisions Identify the purpose of planning personal finances Make personal financial choices based on logical decision making Evaluate the consequences of personal financial decisions, including contracts Develop methods and systems (including electronic) to stay in control of personal cash flow, spending and use of debt |
| <ul style="list-style-type: none"> Build knowledge of personal financial matters | <ul style="list-style-type: none"> Explore and evaluate factors that affect personal credit worthiness Seek advice from a specialist or mentor where required Develop systems for maintaining up-to-date knowledge about personal finances and career opportunities to achieve goals Identify reliable sources of ongoing information relevant to personal career and financial goals |

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

numeracy and IT skills to:

- calculate interest and loan repayments and surplus or deficit funds
- use a calculator, budget and loan calculator tools
- use internet information
- implement safe e-security practices for online banking and transactions
- self-management skills to:
 - manage cash flow to pay bills on time
 - develop and use a budget to control income and expenses
 - create a savings and spending plan to achieve financial goals
 - learning skills to maintain knowledge of budgeting and saving techniques

Required knowledge

- debt management:
 - responsible use of credit
 - advantages of debit cards
 - consequences of debt default
 - attitude towards credit and spending
 - options for debt repayment:
 - VET Fee-Help
 - personal loans and payment plans
 - employee entitlements under:
 - Fair Work Act
 - equal opportunity legislation
 - Superannuation Act
 - Income Tax Assessment Act
 - Taxation Administration Regulations
 - how to establish and maintain a good credit history
 - importance of saving money as a concept to assist and improve life situation
 - insurance matters:
 - value of insurance
 - disclosure obligations
 - suitable insurance covers:

REQUIRED SKILLS AND KNOWLEDGE

- personal income
- trade tools, including mobile phone
- house
- car
- health
- personal implications of taxation matters:
- role of the Australian Taxation Office and why we pay tax on income
- personal tax liabilities and allowable deductions
- tax rates
- lodgement dates
- awareness of goods and services tax (GST), pay as you go tax (PAYG), Australian business number (ABN), tax file number (TFN) and business activity statements (BAS)
- principles of budgeting, cash flow and saving, including:
- role of credit and savings in establishing personal wealth
- understanding of financial institutions and their savings, investment and credit products
- personal financial aspects of:
- bank accounts:
- savings
- credit
- investment
- insurance:
- health
- car
- phone
- warranty
- tools
- household
- income protection
- superannuation:
- types of funds – retail versus industry
- fund options – death or total and permanent disability (TPD) insurance
- contracts:
- phones
- data
- tenancy
- finance
- superannuation matters:
- planning for the future
- power of compound interest
- superannuation guarantee

REQUIRED SKILLS AND KNOWLEDGE

- co-contributions
- personal contributions
- fees and charges
- value of consolidating super funds
- locating lost super

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.

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| 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"> • demonstrate knowledge of personal financial matters • set personal financial goals and access opportunities for mentoring or advice on them • access information to build on and maintain knowledge of factors affecting personal finances. |
| 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 range statement • access to current information about personal financial matters. |
| 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 • verbal or written questioning on underpinning knowledge and skills • setting and reviewing simulations or scenarios. |
| 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.

Tax matters to consider include:

- pay rates
- entitlements under Fair Work legislation
- health fund membership and Medicare levy
- tax return lodgement:
- allowances
- deductions
- low income tax offset
- taxation assistance.

Unit Sector(s)

Financial literacy

Custom Content Section

Not applicable.