



**Australian Government**

# **BSBFIM601 Manage finances**

**Release: 1**

## BSBFIM601 Manage finances

### Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 1.0.

### Application

This unit describes the skills and knowledge required to undertake budgeting, financial forecasting and reporting and to allocate and manage resources to achieve the required outputs for the business unit. It includes contributing to financial bids and estimates, allocating funds, managing budgets and reporting on financial activity.

It applies to individuals who have managerial responsibilities which include overseeing the management of financial and other resources across a business unit, a series of business units or teams, or an organisation. It covers all areas of broad financial management. In a larger organisation this work would be supported by specialists in financial management.

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

### Unit Sector

Finance – Financial Management

### Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1 Plan for financial management	1.1 Review and analyse previous financial data to establish areas which have generated a profit or loss 1.2 Undertake research to review reasons for previous profit and loss 1.3 Review business plan to establish critical dates and initiatives that will require or generate resources in the next financial cycle

<b>ELEMENT</b>	<b>PERFORMANCE CRITERIA</b>
	<p>1.4 Analyse cash flow trends</p> <p>1.5 Review statutory requirements for compliance and liabilities for tax</p> <p>1.6 Review existing software and its suitability for financial management</p>
2 Establish budgets and allocate funds	<p>2.1 Use previous financial data to determine allocations for resources</p> <p>2.2 Make informed estimates of new items for inclusion in budget</p> <p>2.3 Prepare budgets in accordance with organisational requirements and statutory requirements</p>
3 Implement budgets	<p>3.1 Circulate budgets and ensure managers and supervisors are clear about budgets, reporting requirements and financial delegations</p> <p>3.2 Manage risks by checking there are no opportunities for misappropriation of funds and that systems are in place to properly record all financial transactions</p> <p>3.3 Review profit and loss statements, cash flows and ageing summaries</p> <p>3.4 Revise budgets, as required, to deal with contingencies</p> <p>3.5 Maintain audit trails to ensure accurate tracking and to identify discrepancies between agreed and actual allocations</p> <p>3.6 Ensure compliance with due diligence</p>
4 Report on finances	<p>4.1 Ensure structure and format of reports are clear and conform to organisational and statutory requirements</p> <p>4.2 Identify and prioritise significant issues in statements, including comparative financial performances for review and decision making</p> <p>4.3 Prepare recommendations to ensure financial viability of the organisation</p> <p>4.4 Evaluate the effectiveness of financial management processes</p>

## Foundation Skills

*This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.*

<b>Skill</b>	<b>Performance</b>	<b>Description</b>

	<b>Criteria</b>	
Reading	1.1-1.6, 2.1-2.3, 3.2-3.5, 4.1-4.4	<ul style="list-style-type: none"> <li>Interprets, analyses and evaluates complex information to determine and adhere to organisational or legislative requirements and to assist with financial decision making</li> </ul>
Writing	1.1-1.6, 2.1- 2.3, 3.1-3.5, 4.1-4.3	<ul style="list-style-type: none"> <li>Develops and records information which incorporates a detailed analysis of factual and forecasted information</li> <li>Prepares documents using format, content and layout appropriate to audience, purpose and regulatory requirements</li> </ul>
Oral Communication	3.1	<ul style="list-style-type: none"> <li>Explains financial decisions and outcomes clearly and uses listening and questioning techniques to exchange information and obtain agreement</li> </ul>
Numeracy	1.1-1.6, 2.1-2.3, 3.2-3.5, 4.1-4.2	<ul style="list-style-type: none"> <li>Reviews and analyses numerical data embedded in organisational documentation and legislation</li> <li>Compares and contrasts complex numerical data to analyse and evaluate financial position and processes.</li> <li>Uses appropriate formulae to analyse financial data to assess and manage risk and identify discrepancies</li> </ul>
Navigate the world of work	1.5, 2.3, 3.6, 4.1	<ul style="list-style-type: none"> <li>Recognises, understands and adheres to legislative and organisational requirements in undertaking own work</li> </ul>
Interact with others	3.1	<ul style="list-style-type: none"> <li>Selects and uses appropriate conventions and protocols when communicating with supervisors and managers to share information or seek agreement</li> </ul>
Get the work done	1.1-1.6, 2.1-2.3, 3.1-3.5, 4.1-4.4	<ul style="list-style-type: none"> <li>Uses logical processes in planning, implementing and evaluating complex tasks to achieve stated goals</li> <li>Uses formal analytical thinking techniques to identify issues, investigate underlying causes and generate possible solutions, seeking input from others as required</li> <li>Uses a range of digital technology to access, filter, compile, integrate and logically present complex information from multiple sources</li> <li>Investigates new digital technologies and applications to manage and manipulate data</li> </ul>

## Unit Mapping Information

<b>Code and title current version</b>	<b>Code and title previous version</b>	<b>Comments</b>	<b>Equivalence status</b>

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BSBFIM601 Manage finances	BSBFIM601A Manage finances	Updated to meet Standards for Training Packages	Equivalent unit

## Links

Companion Volume implementation guides are found in VETNet -  
<https://vetnet.education.gov.au/Pages/TrainingDocs.aspx?q=11ef6853-ceed-4ba7-9d87-4da407e23c10>