



Australian Government

Assessment Requirements for BSBSMB402

Plan small business finances

Release: 2

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Modification History

Release	Comments
Release 2	This version first released with BSB Business Services Training Package Version 2.0. Version created to clarify intent of unit
Release 1	This version first released with BSB Business Services Training Package Version 1.0.

Performance Evidence

Evidence of the ability to:

- develop a financial plan which identifies financial requirements of the business, including cash flow projections and a projected profit statement
- follow the financial plan, including:
 - demonstrating an awareness of appropriate legal requirements
 - implementing strategies to monitor financial performance
- identify sources and investigate costs of securing appropriate financial assistance.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- explain break-even analysis
- clarify costing for the business, including margin or mark-up, hourly charge-out rates and unit costs
- summarise financial decision-making relevant to the business
- outline methods and relative costs of obtaining finance
- summarise principles for preparing balance sheets
- provide a detailed explanation of:
 - principles for preparation of cash flow forecasts
 - principles for preparation of profit and loss statements
 - purpose of financial reports

- explain relevant accounting terminology
- describe working capital cycles.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the Management and Leadership – Small and Micro Business field of work and include access to:

- software for financial calculations
- relevant legislation, regulations, standards and codes
- relevant workplace documentation and resources
- case studies or where possible, real situations.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=11ef6853-ceed-4ba7-9d87-4da407e23c10>