



Australian Government

Assessment Requirements for BSBSMB421 Manage 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 5.0. Version created to clarify intent of unit
Release 1	This version first released with BSB Business Services Training Package Version 3.0.

Performance Evidence

Evidence of the ability to:

- manage the business according to financial goals, including:
 - adhering to legal requirements
 - produce relevant financial projections, including cash flow estimates
 - develop a plan to negotiate and manage business assets and financial capital
 - defining strategies for debt collection and contingencies for debtors
 - managing cash flow
 - defining key performance indicators
 - communicating with relevant people
 - seeking specialist services where required
- monitor the business against financial plan and make changes as required
- identify opportunities to implement new and emerging digital technologies to support the financial management of the business.

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

Knowledge Evidence

The candidate must be able to demonstrate the following knowledge to effectively complete the tasks outlined in the elements and performance criteria of this unit, and to manage tasks and reasonably foreseeable contingencies in the context of the work role.

- Key features of benchmarking

- Key features of financial decision-making relevant to the business
- Key features of significant financial indicators
- Key purposes of financial reports
- Key features of balance sheet preparation and interpretation
- Key features of debt collection procedures or strategies
- Key features of profit and loss statement preparation and interpretation
- Key features of stock records and stock control relevant to the business.

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:

- business equipment and resources, including business technology
- relevant legislation, regulations, standards and codes
- relevant workplace documentation and resources
- case studies or where possible, real situations
- interaction with others.

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 available from VETNet -

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