



Australian Government

Department of Education, Employment and Workplace Relations

BSBFIA301A Maintain financial records

Revision Number: 1

BSBFIA301A Maintain financial records

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to maintain financial records for a business. It includes maintaining daily financial records such as reconciling debtors' and creditors' systems, preparing and maintaining a general ledger, and preparing a trial balance. It also includes activities associated with monitoring cash control for accounting purposes.</p> <p>No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.</p>
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Application of the Unit

Application of the unit	<p>This unit applies to individuals who are skilled operators and apply a broad range of competencies in various work contexts. They may exercise discretion and judgement using appropriate theoretical knowledge of financial records to provide technical advice and support to a team.</p>
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

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. Maintain daily financial records	1.1. Correctly maintain daily financial records and in accordance with <i>organisational requirements</i> for accounting purposes 1.2. Identify and rectify or refer <i>discrepancies</i> or errors in <i>documentation</i> or transactions to <i>designated persons</i> in accordance with organisational requirements 1.3. Accurately credit and debit transactions and promptly enter into <i>journals</i> in accordance with organisational requirements
2. Maintain general ledger	2.1. Maintain general ledger in accordance with organisational requirements 2.2. Post <i>transactions</i> into general ledger in accordance with organisational reporting requirements 2.3. <i>Reconcile systems for accounts payable and receivable</i> with general ledger 2.4. Accurately prepare trial balance from general ledger in accordance with organisational requirements
3. Monitor cash control	3.1. Ensure cash flow is accurately accounted for in accordance with organisational requirements 3.2. Make and receive <i>payments</i> in accordance with organisational requirements 3.3. Collect or follow-up outstanding accounts within designated time lines 3.4. Check payment documentation for accuracy of information and despatch to creditors within <i>designated time line</i>

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- literacy skills to identify financial information; to read and understand the organisation's accounting procedures; and to edit and proofread documents to ensure conformity and consistency of information
- communication skills to clarify information and to refer errors or discrepancies to appropriate people
- numeracy skills to read and interpret financial data and to prepare cash analysis sheets
- problem-solving skills to reconcile figures.

Required knowledge

- key provisions of relevant legislation from all levels of government that may affect aspects of business operations, such as:
 - anti-discrimination legislation
 - ethical principles
 - codes of practice
 - privacy laws
 - financial legislation
 - occupational health and safety (OHS)
- organisational policies and procedures relating to maintaining financial records
- definition of credits/creditors and debits/debtors
- principles of double entry bookkeeping and accrual accounting
- methods of presenting financial data.

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 following is essential:</p> <ul style="list-style-type: none"> • identifying and responding to discrepancies and errors • transferring and recording financial data accurately • reconciling expenditures and revenue • knowledge of organisational policies and procedures relating to maintaining financial records.
Context of and specific resources for assessment	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> • access to an actual workplace or simulated environment • access to office equipment and resources • examples of source documents relating to financial record keeping.
Method of assessment	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:</p> <ul style="list-style-type: none"> • direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate • review of identification and rectification or referral of discrepancies or errors in documentation or transactions • analysis of responses to case studies and scenarios • demonstration of techniques • oral or written questioning to assess knowledge of financial record keeping • examples of financial documentation.
Guidance information for assessment	<p>Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:</p> <ul style="list-style-type: none"> • general administration units • other financial administration units.

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.

<i>Organisational requirements</i> may include:	<ul style="list-style-type: none"> • designated time lines • guidelines for reconciling journals • legal and organisational policies, guidelines and requirements • OHS policies, procedures and programs • procedures for totalling adjusted journals • quality assurance and/or procedures manuals • resolution procedures • security procedures
<i>Discrepancies</i> may relate to:	<ul style="list-style-type: none"> • bank charges • dishonoured cheques • errors in transposing between source documents and journals • interest
<i>Documentation</i> may include:	<ul style="list-style-type: none"> • purchase credit notes • purchase invoices • sales credit notes • sales invoices
<i>Designated persons</i> may include:	<ul style="list-style-type: none"> • bank • line management • organisation's authorisations department • statutory body • supervisor
<i>Journals</i> may include:	<ul style="list-style-type: none"> • cash payments • cash receipts • purchases and purchase returns • sales and sales returns
<i>Transactions</i> may include:	<ul style="list-style-type: none"> • commencing business entries • correction of posting errors • interest expense • interest receivable • non-cash transactions (e.g. writing-off

RANGE STATEMENT	
	depreciation, stock losses) <ul style="list-style-type: none"> • purchase of a fixed asset on credit • sale of a fixed asset on credit • withdrawal of stock/assets by owner • write-off a bad debt
<i>Reconciling systems for accounts payable and receivable</i> may include:	<ul style="list-style-type: none"> • checking accuracy of creditor account balances (e.g. cash payments journal, purchases journal, purchases returns journal, general journal) • checking accuracy of debtor account balances (e.g. cash receipts journal, sales return journal, general journal) • checking cash payments and receipt journals against bank statement • checking the total of the creditor's schedule equals the balance of the creditor's control account • checking the total of the debtor's schedule equals the balance of the debtor's control account
<i>Payments</i> may include:	<ul style="list-style-type: none"> • cash • cheque • credit card • direct debit
<i>Designated time lines</i> may include:	<ul style="list-style-type: none"> • by month end • monthly • within agreed period • within organisational deadline

Unit Sector(s)

Unit sector	
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Competency field

Competency field	Finance - Financial Administration
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Co-requisite units

Co-requisite units		