



Australian Government

FNSFPL614 Develop financial plans

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 5.0.

Application

This unit describes the skills and knowledge required to develop and prepare financial plans. It involves preparing to develop the plan by establishing its objectives and scope, and developing strategic assumptions and financial strategies that address plan objectives.

The unit applies to those experienced in the financial planning industry who use specialised knowledge, systematic approaches, and strong analytical skills to develop recommendations and solutions to meet complex requirements when developing financial plans. Client information may be provided by authorised representatives, including financial advisers, shareholders, financial organisations, stockbrokers, trustees, agents and intermediaries.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Users are advised to check with the relevant state and territory regulatory authorities to confirm those requirements.

Unit Sector

Financial planning

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. Establish objectives and scope of financial plan	1.1 Identify client requirements and expectations for plan, risk profile and market parameters as per information provided by an authorised representative 1.2 Analyse current client situation to determine opportunities and constraints relating to plan 1.3 Review special features of client's financial situation 1.4 Conduct research and review results according to organisational policies and procedures

ELEMENT	PERFORMANCE CRITERIA
	<p>1.5 Identify desired financial resource and market parameters and develop plan objectives for asset growth, income, risk, estate planning and other relevant objectives</p> <p>1.6 Identify taxation and/or estate objectives and discuss with authorised representative</p>
2. Develop strategic assumptions	<p>2.1 Develop and test economic, legislative, regulatory and taxation assumptions relevant to client</p> <p>2.2 Seek clarification from authorised representative and other financial services professionals as required on strategic assumptions according to organisational policies and procedures</p> <p>2.3 Record strategic assumptions according to organisational policies and procedures</p>
3. Develop financial strategy	<p>3.1 Develop initial options based on strategic assumptions and client specifications</p> <p>3.2 Analyse, model and prioritise accepted strategic options according to organisational procedures</p> <p>3.3 Develop supporting arguments for each strategic option and include in draft financial strategy</p> <p>3.4 Integrate strategy, where required, into taxation, legal, estate or insurance and asset strategies being developed for client by other professional advisers for financial plan to achieve synergy and benefit for client</p> <p>3.5 Review draft financial strategy against organisational best practice compliance and risk management requirements and ethical standards</p> <p>3.6 Ensure that implications of each option and associated regulatory and legal implications for client's situation, needs and goals, are explained to client</p> <p>3.7 Include fee and charge analysis for draft strategy options</p> <p>3.8 Identify areas where advice should be sought from other professionals</p>
4. Review and settle draft strategy and options with authorised representative	<p>4.1 Communicate initial options to authorised representative</p> <p>4.2 Explain implications of each option to authorised representative and seek additional professional advice where required</p> <p>4.3 Establish broad agreement on strategies with authorised representative and resolve any concerns and issues</p> <p>4.4 Finalise products and options that meet agreed strategy with authorised representative</p>
5. Develop preliminary financial plan	<p>5.1 Identify comprehensive products and develop and obtain explanatory material for preliminary financial plan</p> <p>5.2 Incorporate requirements for cash flow, liquidity, capital</p>

ELEMENT	PERFORMANCE CRITERIA
	<p>preservation and estate planning into preliminary financial plan</p> <p>5.3 Develop recommendations for financial asset allocation structure, changes to client's financial situation and risk management strategies and products</p> <p>5.4 Incorporate applicable advice from accountants and lawyers into preliminary financial plan as required</p> <p>5.5 Incorporate information on anticipated fees and charges and internal and external complaints resolution procedures into preliminary plan according to organisational policies and procedures</p>
6. Ensure compliance of financial plan with regulatory and organisational requirements	<p>6.1 Check preliminary financial plan to ensure role of representative or adviser is documented as required</p> <p>6.2 Check that preliminary financial plan complies with legislative requirements and ethical and regulatory guidelines</p> <p>6.3 Assess whether preliminary financial plan successfully achieves established objectives and scope</p>
7. Finalise financial plan	<p>7.1 Produce final version of financial plan according to organisational requirements</p> <p>7.2 Include supporting information and product information in plan documentation, and regulatory and complaints information where required, according to organisational policies and procedures</p> <p>7.3 Store and distribute plan to required personnel according to legislative and organisational requirements</p>

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

SKILL	DESCRIPTION
Learning	<ul style="list-style-type: none"> Undertakes research to develop own knowledge and maintain currency and accuracy of information, including of legislative requirements relevant to role
Numeracy	<ul style="list-style-type: none"> Performs calculations and uses analytical techniques to determine trends and compare complex financial information Analyses, records and stores data according to organisational requirements
Oral communication	<ul style="list-style-type: none"> Clearly presents detailed and comprehensive information using language, tone and pace appropriate for audience and purpose Participates in verbal exchanges using active listening and

SKILL	DESCRIPTION
	questioning techniques to explain and ensure understanding of complex information
Reading	<ul style="list-style-type: none"> • Researches information and products to determine appropriateness to client needs • Consolidates and evaluates information from a range of sources to form a holistic perspective of complex situations and to identify implications
Writing	<ul style="list-style-type: none"> • Synthesises and presents comprehensive financial and textual information using formats, language and concepts appropriate for audience and purpose
Planning and organising	<ul style="list-style-type: none"> • Plans a range of routine and non-routine work tasks according to requirements, accepting defined goals and achieving them efficiently
Problem solving	<ul style="list-style-type: none"> • Uses systematic, analytical problem-solving processes in complex routine and non-routine situations to evaluate complex information and make informed decisions
Self-management	<ul style="list-style-type: none"> • Monitors own performance against best practice criteria • Takes responsibility for ensuring that financial strategies comply with organisational policies and procedures, legislative and ethical requirements, and client objectives
Technology	<ul style="list-style-type: none"> • Uses the main features and functions of digital tools to complete work tasks

Unit Mapping Information

No equivalent unit. Supersedes and is not equivalent to FNSFPL604 Develop complex and innovative financial planning strategies.

Links

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>