



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **FNSACCT406B Maintain asset and inventory records**

**Release: 1**

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### **Modification History**

Not applicable.

### **Unit Descriptor**

This unit describes those functions associated with the maintenance of records for fixed assets and inventory.

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### **Application of the Unit**

This unit requires the application of skills and knowledge required to maintain asset and inventory records. The unit encompasses complying with organisational asset acquisition procedures, reconciling assets register and inventory records to general ledgers, recording inventory flows, recognising new assets and asset categories, preparing schedules and ad hoc reports and recording disposal of fixed assets. The unit can be applied across all sectors within the financial services sector.

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### **Licensing/Regulatory Information**

Not applicable.

### **Pre-Requisites**

Not applicable.

### **Employability Skills Information**

Not applicable.

## Elements and Performance Criteria Pre-Content

Elements define the essential outcomes of a unit of competency.

Performance Criteria describe the required performance needed to demonstrate achievement of the Element. **Bold, italicised** terms are elaborated in the Range Statement. Assessment of performance is to be consistent with the Evidence Guide.

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## Elements and Performance Criteria

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Element	Performance Criteria
1 Comply with organisational asset acquisition procedures	1.1 Approval and authorisation for purchase of assets is obtained
	1.2 Quotes are obtained and other organisational purchase procedures are followed
	1.3 All asset purchases <b>documentation</b> and invoices are reconciled
	1.4 Assets received are checked for compliance with the quantity and quality as per documentation
2 Reconcile asset register and inventory records to general ledgers	2.1 All <b>asset expenditures</b> are reconciled in accordance with <b>organisation's policies, procedures and practices</b> to the accounting records
	2.2 Discrepancies are identified and actioned according to organisation's policies, procedures and practices
3 Record inventory flows	3.1 Purchase of inventory is recorded in subsidiary ledger
	3.2 Asset register is established and maintained
	3.3 Periodic and perpetual records are maintained
	3.4 <b>Inventory flow assumptions</b> are applied as appropriate
	3.5 Inventory is valued using appropriate <b>valuation rules</b>

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|---|---|-----|--|
| 4 | Recognise new assets and asset categories | 4.1 | New asset categories are identified where appropriate  |
|   |   | 4.2 | Proforma for input of asset details is prepared and processed accurately and in a timely fashion   |
| 5 | Prepare schedules and ad hoc reports      | 5.1 | Spreadsheets/ <b>ad hoc reports</b> are prepared as requested  |
| 6 | Record disposal of fixed assets           | 6.1 | Assets are disposed of in accordance with organisational procedures, <b>relevant legislative requirements</b> and under supervision of appropriate persons |
|   |   | 6.2 | <b>Disposal price data</b> is obtained and entered into accounting records   |
|   |   | 6.3 | Accounting procedures are followed for the removal of assets from ledger and asset register  |

## **Required Skills and Knowledge**

### **REQUIRED KNOWLEDGE&SKILLS**

#### **Knowledge requirements include:**

organisational procedures for asset acquisition  
fixed asset register software - this may include adjusted software or equipment for use by people with disabilities  
depreciation schedules  
reconciliation process  
banking processes  
general ledgers  
information systems including spreadsheets

#### **Skills requirements include:**

organising and planning own work schedule to meet organisational priorities  
communicating effectively to gain approval and authorisation for the purchase of assets  
developing schedules and ad hoc reports  
solving discrepancies in data  
reconciling inventory records and general ledgers  
using computers, organisational accounting software systems, spreadsheet applications and telecommunication devices

# Evidence Guide

## EVIDENCE GUIDE

Assessment of performance requirements in the unit should be undertaken in an industry context. The Evidence Guide identifies the critical aspects, knowledge and skills to be demonstrated to confirm competency for the unit. Competency is demonstrated by performance of all stated criteria including the Range Statement applicable to the workplace.

### Overview of assessment requirements

To achieve competency in this unit, a person must be able to demonstrate:

knowledge of organisational policies and procedures

knowledge of inventory valuation rules

knowledge of inventory flow assumptions

knowledge of relevant legislation

ability to comply with organisational asset acquisition procedures

ability to reconcile asset register and inventory records to general ledgers

ability to record inventory flows

ability to recognise new assets and asset categories

ability to prepare schedules and ad hoc reports

ability to record disposal of fixed assets

### Critical aspects of evidence

#### Evidence required for demonstration of consistent performance:

Competence in this unit must be assessed over a period of time in order to ensure consistency of performance over the Range Statement and contexts applicable to the work environment.

#### Delivery/assessment relationship to other units:

This unit may be assessed on its own or it may be assessed with other units that cover related skills and knowledge.

Evidence is most relevant when provided through an integrated activity, which combines the elements of competency for the unit, or a cluster of units of competency.

### Assessment requirements

#### Method of assessment:

For valid and reliable assessment of this unit, evidence should be gathered through a range

of methods to indicate consistent performance.

Assessment of this unit of competence will usually include observation of processes and procedures, oral and/or written questioning on underpinning knowledge and skills and other methods as required.

People with disabilities may use assistive technologies to demonstrate interview skills and /or receive and respond to oral and or written questioning.

**Context of assessment:**

Assessment of performance requirements in this unit should be undertaken within the financial services industry context and should cover aspects of personal/financial responsibility and accountability.

Aspects of competency, including the attainment of relevant knowledge and skills, may be assessed in a relevant workplace, a closely simulated work environment, or other appropriate means that clearly meet industry competency requirements.

**Resources required for assessment:**

Assessment of this unit of competence requires access to suitable resources to demonstrate competence.

Assessment instruments, including personal planner and assessment record book.

Access to registered provider of assessment services.

## Range Statement

The Range Statement relates to the unit of competency as a whole. It allows for different work environments and situations that will affect performance.

The following variables 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. If **bold italicised** text is shown in Performance Criteria, details of the text are provided in the Range Statement.

<b>Documentation may include:</b>	<ul style="list-style-type: none"><li>purchase requisitions</li><li>purchase orders</li><li>quotes</li><li>delivery reports</li><li>invoice from suppliers</li></ul>
<b>Asset expenditures may include:</b>	<ul style="list-style-type: none"><li>inventory</li><li>materials</li><li>equipment</li><li>land and buildings</li><li>freight in</li><li>insurance in transit</li><li>installation and testing costs</li></ul>
<b>Organisation's policies, procedures and practices may include:</b>	<ul style="list-style-type: none"><li>maintenance of capital expenditure items</li><li>preparation of reconciliation reports</li><li>stock takes</li><li>inventory management</li></ul>
<b>Inventory valuation rules may include:</b>	<ul style="list-style-type: none"><li>first in - first out</li><li>weighted average</li><li>specific identification</li></ul>
<b>Inventory flow assumptions may include:</b>	<ul style="list-style-type: none"><li>cost</li><li>net realisable value</li><li>calculations based on gross margins</li></ul>
<b>Ad hoc reports may include:</b>	<ul style="list-style-type: none"><li>depreciation schedule</li><li>asset register</li></ul>



total purchase and disposals for a period  
spreadsheets  
output from dedicated fixed asset software  
inventory turnover analysis

**Relevant legislation** may include:

Consumer Credit Code  
Privacy Act  
Secrecy Laws  
Australian Consumer and Competition  
Commission (ACCC)  
  
Financial Institutions (FI) Code  
Credit Reference Association of Australia  
(CRAA)  
Electronic Funds Transfer (EFT)  
Code of Conduct  
Financial Transaction Reports Act  
Cheques and Payment Orders Act  
Corporate Law  
Commercial Tenancies Act  
Land Tax Assessment Act  
Prescribed Payments Act  
Payroll Tax Assessment Act  
Australian Accounting Standards  
Stamp Duties Act  
Taxation Assessment Act  
Bills of Exchange Act

**Disposal price data** may include:

cash  
cost of removal  
restoration expenses  
trade-in amount  
other costs associated with disposal

## **Unit Sector(s)**

Not applicable.