



Australian Government

Department of Education, Employment and Workplace Relations

FNSACCT501B Provide financial and business performance information

Release: 1

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Modification History

Not applicable.

Unit Descriptor

The unit covers the competency to analysis and report a broad range of financial and business performance information.

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Application of the Unit

This unit requires the application of skills and knowledge required to provide financial and business performance information. The unit encompasses assessing clients needs, analysing data and preparing advice.

The unit can apply to a variety of financial services industry sectors and has application to a variety of job functions such as accountant and financial planner.

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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

The required outcomes described in this unit of competency contain applicable facets of employability skills. The Employability Skills Summary for the qualification in which this unit of competency is packaged, will assist in identifying employability skills requirements. The required outcomes described in this unit of competency contain applicable facets of employability skills. The Employability Skills Summary for the qualification in which this unit of competency is packaged, will assist in identifying employability skills requirements.

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 Assess client needs	<p>1.1 Expectations and objectives of client are clarified and confirmed to ensure mutual understanding of client goals</p> <p>1.2 The client's specific legal and financial requirements are identified when establishing, structuring and financing a business</p> <p>1.3 Financial options and processes are discussed with client to develop suitable plans for the provision of information for the achievement of client goals</p> <p>1.4 Progress of plans is reviewed regularly against agreed criteria and results communicated to client</p> <p>1.5 Client objectives are monitored to identify changes in client needs</p> <p>1.6 Feedback on service is regularly obtained, analysed and incorporated into services to client</p> <p>1.7 Shortfalls in customer service are investigated and proposals for overcoming them are formulated and implemented</p>
2 Analyse data	<p>2.1 Advice on reliability and accuracy of data is sought from appropriate authorities and sources in accordance with organisational procedures</p> <p>2.2 Data is compiled in accordance with standard financial reporting requirements</p>

- 2.3 Revenues and costs are analysed in accordance to standard accounting techniques and consistent with the organisation's objectives
 - 2.4 All data and reports are analysed in accordance with **standard financial analysis techniques**
 - 2.5 Data is reconciled to ensure statements are accurate and comply with organisational procedures and statutory requirements
 - 2.6 Information is evaluated in relation to the financial performance of a business, specifically profitability, efficiency and financial stability
 - 2.7 Further analysis is undertaken to ensure consistency of analysis with client's business and personal objectives
 - 2.8 Further evaluation is undertaken to assess the financial potential of the business, its future funding requirements and its statutory obligations
- 3 Prepare advice
- 3.1 Advice provides client with a realistic view of financial performance and compliance, including **significant taxation issues** and comparisons of alternative options
 - 3.2 Suitable **methods of presentation**, language and forms of documentation are used to convey information to client
 - 3.3 Advice identifies how **risks, contingencies** and future cash flows may be identified and quantified
 - 3.4 Client is advised of **risk management options**
 - 3.5 Client is advised of **rights and obligations**
 - 3.6 Client is advised on alternative sources and features of short and long term finance

Required Skills and Knowledge

REQUIRED KNOWLEDGE&SKILLS

Knowledge requirements include:

financial legislation (eg deductions and allowance in taxation legislation)
basic knowledge of corporations and consumer legislation
state and territory charges and taxes
sources of information on financial products and markets (eg banks, financial advisers)
principles of cash flow and budgetary control
forecasting techniques
methods of presenting financial data
government financial policies (secretary's financial management instructions)

Skills requirements include:

interpersonal skills and communication skills (eg liaising, interviewing, listening, consulting)
report writing and preparation
numeracy skills for calculation of data
researching for data testing and management
estimating, forecasting and analysis skills
information technology skills for set up and use of spreadsheets

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 state/territory and federal taxation and charges

knowledge of financial legislation

knowledge of accounting practices and principles

ability to access clients needs

ability to analyse financial data

ability to prepare advice

knowledge of taxation issues faced by clients

knowledge of risk management options and practices

knowledge of clients rights and obligations

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.

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.

- Expectations and objectives** may include:
- reduction in tax liabilities
 - financial consolidation
 - higher levels of investment returns
 - asset development
 - wealth accumulation
 - administrative efficiency
 - improved cash flows
 - improved quality of life
- Clients** may include:
- shareholders
 - in line management
 - company officers and board of management
 - businesses (small and large)
 - private individuals
 - financial institutions
 - statutory authorities
 - government departments
 - partnerships, trusts (incorporated and unincorporated organisations)
 - sole traders
- Financial options** may include:
- sources of finance
 - cost of capital
 - funding alternatives
 - debt and equity
 - cost recoveries
 - dividends

Plans may include:

purchases
adjustment of borrowings
asset liquidation
long term investments
review of financial systems
long term and short term financial requirements
personal investments
cash flow development
working capital needs
personal financial needs/position
suitable business structure
business registration
alternate forms of finance
accounts receivable management
insurance needs
business plans
tax issues
regulations, permits and licences
adequate funding structure

Agreed criteria may include:

net present values
capital budgeting
working capital management
budgeting
periodic reports
decision making authorities
strategic priorities
forecasted returns
business turnover
profitability and financial stability
costing, pricing and budgeting
asset management

Shortfalls in customer service may include:	response time accuracy of advice consideration of relevant factors presentation of advice maintenance of records
Appropriate authorities and sources may include:	ministers company officers and board of management program managers organisational procedures and policies statutory returns and guidelines chief executive officer
Standard financial analysis techniques may include:	cost-benefit analysis financial statement analysis including ratios cash flow analysis benchmarking
Significant taxation issues may include:	reporting and lodgement dates compliance advice Pay As You Go (PAYG) obligations Business Activity Statement (BAS) reporting requirements State tax obligations
Methods of presentation and formats may include:	tables graphics estimates and projections calculations explanatory notes
Risks and contingencies may include:	insurable risks debtor default operating costs business forecasts funding costs hedging arrangements

	opportunity costs
Risk management options may include:	insurance products internal control procedures
Rights and obligations may include:	legislative protection for consumers corporation law contract law employment law privacy law taxation legislation

Unit Sector(s)

Not applicable.

Relationship to other units

This unit replaces FNSACCT501A.

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