



Australian Government

Department of Education, Employment and Workplace Relations

FNSACCT604B Monitor corporate governance activities

Release: 1

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Modification History

Not applicable.

Unit Descriptor

This unit covers the competency to develop and implement processes and procedures for meeting corporate governance obligations.

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Application of the Unit

This unit requires the application of skills and knowledge required to monitor corporate governance activities within an organisation. The unit encompasses researching corporate governance reporting trends, determining processes for corporate governance adherence, examining corporate governance standards and practices and reviewing corporate governance compliance.

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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 Research corporate governance reporting trends	1.1 Organisational practices are analysed to identify corporate governance obligations and performance
	1.2 Queries from statutory and other regulatory authorities for corporate governance failure are examined to assess the change effects on internal control procedures
	1.3 Content and structure of reports, returns and processes for review are assessed to evaluate policies being followed by the organisation
2 Determine processes for corporate governance adherence	2.1 Internal control procedures are analysed and monitored to determine performance indicators for compliance with corporate governance requirements
	2.2 Information technology systems are evaluated to determine their use and suitability for recording data from operations and transactions for corporate governance obligations
	2.3 Management processes to support corporate governance are established
	2.4 Reporting plans are established to ensure completion of compliance requirements within scheduled timeframes

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|---|--|-----|--|
| 3 | Examine corporate governance standards and practices | 3.1 | Application of, and adherence to, professional and legal accounting standards are monitored to identify emerging trends and interpretations of statutory and other regulatory requirements |
| | | 3.2 | Audit reports and practices are researched to assess methodologies and recommendations |
| 4 | Review corporate governance compliance | 4.1 | The achievement of performance indicators is assessed and reviewed against key result areas |
| | | 4.2 | Compliance preparation processes are monitored and reviewed in line with corporate governance requirements |
| | | 4.3 | Failures in compliance are analysed to diagnose shortcomings and to remedy processes in line with corporate governance requirements |

Required Skills and Knowledge

REQUIRED KNOWLEDGE&SKILLS

Knowledge requirements include:

principles of internal control (including statutory requirements)

principles of valuation and common methods of depreciation

detailed current knowledge of formats required for submission of statutory returns

forms and functions of employee records

current financial legislation (eg taxable transactions, reporting requirements)

ethical considerations for compliance

Skills requirements include:

planning skills for timetabling and scheduling reports and lodgements

recording, gathering and consolidating financial information

researching and identifying applicable accounting standards and decisions

interpersonal skills and communication skills (eg liaising, listening, consulting)

report writing and preparation

numeracy skills for calculation of data

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 statutory and regulatory authorities

knowledge of professional accounting standards

knowledge of organisational policies and procedures

ability to research corporate governance reporting trends

ability to determine processes for corporate governance adherence

ability to examine corporate governance standards and practices

ability to review corporate governance compliance

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.

Obligations may include:

- lodgement dates
- supporting documentation
- explanatory statements
- repayment schedules
- directors' duties, rights and responsibilities
- Australian Securities and Investments Commission (ASIC)
- regulatory influence of the Corporations Act

Internal control procedures may include:

- identification, measurement and recording of income, assets, expenditure, liabilities and equity
- safeguarding and insurance of assets
- decision making authorities
- accuracy in valuations
- transparency in financial reporting
- risk management strategies

Policies may include:

- expenditure authorities
- submission dates
- expenditure limits
- decision making authorities
- documenting and receipting requirements
- eligible expenditures
- financial analysis techniques

Information technology systems may include:

- databases
- spreadsheet software
- local area networks

	internet
	electronic master files
Management processes may include:	internal reporting
	sign-off authorities
	program responsibilities
	lending approvals
Professional accounting standards may include:	Australian Accounting Standards Board (AASB)
	Australian Accounting Standards
	ethical requirements
Statutory and other regulatory authorities may include:	ASIC
	professional associations
	Australian Consumer and Competition Commission (ACCC)
	Australian Institute of Company Directors
	Australian Accounting Standards Board (AASB)
	Australian Stock Exchange (ASX)
Performance indicators may include:	reports (quarterly, half yearly, annual)
	compliance with scheduled payment dates
	profits and losses
	debt reduction targets
	unqualified audits
Key result areas may include:	accuracy of data
	consistency of application of procedures
	compliance with statutory requirements
	completion of documentation
	continuity of records
	administrative efficiency

Unit Sector(s)

Not applicable.

Relationship to other units

This unit replaces FNSACCT604A.

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