



**Australian Government**

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

# **FNSACCT614B Prepare complex corporate financial reports**

**Release: 1**

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### **Modification History**

Not applicable.

### **Unit Descriptor**

This unit covers the competency to develop and prepare financial reports for complex reporting entities.

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### **Application of the Unit**

This unit requires the application of skills and knowledge required to prepare complex corporate financial reports. The unit encompasses complying data, identifying appropriate reporting entities, preparing reports and analysing reports. This unit has application to job functions such as accountants.

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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 Compile data	1.1 <b>Data</b> is systematically coded, classified and checked for accuracy and reliability in accordance with organisational policies, procedures and <b>accounting standards</b>
	1.2 <b>Conversion and consolidation procedures</b> are used to compile data in accordance with <b>organisational policies and procedures</b>
	1.3 Valuations in compliance with relevant accounting standards are recorded
	1.4 Effects of taxation are identified and recorded
2 Identify appropriate entities reporting	2.1 Partially owned subsidiaries and controlled entities are identified
	2.2 Joint ventures and other entities to be included in reports are identified
	2.3 Appropriate accounting treatments for <b>reporting entities</b> are identified and applied
3 Prepare reports	3.1 Charts, diagrams and supporting data are presented in an appropriate format
	3.2 Structure and format of reports are clear and conform to statutory and other regulatory requirements and organisational procedures
	3.3 Statements and data are error free, comprehensive and comply with <b>statutory</b> and other regulatory

requirements and organisational procedures

- 3.4 **Reports** are prepared in accordance with the corporations law, accounting standards, stock exchange listing requirements and GAAP
  - 3.5 Disclosure requirements are complied with
- 4 Analyse reports
- 4.1 **Significant issues** in statements including comparative financial performances are identified
  - 4.2 Implications of analysis are reported to appropriate levels of management and external bodies

## Required Skills and Knowledge

### REQUIRED KNOWLEDGE&SKILLS

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

options, methods and practices for deductions, benefits and depreciations  
organisational guidelines and procedures  
principles of double entry book-keeping and accrual accounting  
relevant business legal requirements  
methods of presenting financial data  
financial legislation (eg taxable transactions, reporting requirements)  
ethical considerations (eg conflict of interests, confidentiality, disclosure requirements)  
accounting computerised systems  
business taxation requirements

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

interpersonal skills and communication skills (eg liaising, listening, consulting)  
working effectively with a range of stakeholders  
report writing, preparation and formatting  
numeracy skills for calculation of data  
researching for data testing and collection  
estimating, forecasting and analysis skills  
information technology skills for set up and use of spreadsheets and preparation of documents

## 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 statutory requirements

knowledge of accounting standards

ability to comply data

ability to identify appropriate entities reporting

ability to prepare reports

ability to analyse reports

#### 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:**

Prerequisite units:  
FNSACCT504B Prepare financial reports for a reporting entity.

#### 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.

<b>Data</b> may include:	<ul style="list-style-type: none"> <li>share and debenture issues</li> <li>financial/operational statements and reports (eg expenditures and receipts, statements of financial performance, cash flow statements, statements of financial position, consolidated financial statements and notes to the accounts)</li> <li>market valuations</li> </ul>
<b>Accounting standards</b> may include:	<ul style="list-style-type: none"> <li>Australian Accounting Standards Board (AASB)</li> <li>Australian Accounting Standards</li> </ul>
<b>Conversion and consolidation procedures</b> may include:	<ul style="list-style-type: none"> <li>purchase of the business by a company</li> <li>consolidation of a wholly and partially owned subsidiaries</li> <li>consolidation of controlled entities</li> </ul>
<b>Organisational policies and procedures</b> may include:	<ul style="list-style-type: none"> <li>accounting procedures manuals</li> <li>ethical requirements</li> <li>reporting requirements</li> </ul>
<b>Reporting entities</b> may include:	<ul style="list-style-type: none"> <li>wholly owned subsidiaries</li> <li>partially owned subsidiaries</li> <li>significant influence over</li> <li>joint ventures</li> <li>other joint corporate arrangements</li> </ul>
<b>Statutory requirements</b> may include:	<ul style="list-style-type: none"> <li>reporting periods</li> <li>taxation payment timings</li> <li>delegated authorities</li> </ul>



**Report** may include:

disclosure requirements  
cash flow statements  
statutory forms  
financial year reports  
statement of financial position  
receiver/liquidator reports  
statement of financial performance  
spreadsheets  
electronic forms  
consolidated financial statements

**Significant issues** may include:

profitability  
liquidity  
company restructuring  
company liquidation  
losses and returns  
cost structures  
errors and anomalies  
statutory obligations

**Unit Sector(s)**

Not applicable.

**Relationship to other units**

This unit replaces FNSACCT614A.

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