



**Australian Government**

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

# **FNSICORG609B Develop and manage financial systems**

**Release: 1**

## **FNSICORG609B Develop and manage financial systems**

### **Modification History**

Not applicable.

### **Unit Descriptor**

This unit covers strategic management of finances in a small organisation or part of a large organisation. It includes systems design to accommodate accounting, budgeting, cash flow analysis and financial planning. It is not concerned with day-to-day bookkeeping or clerical administration of financial records. Performance outcomes in this area are directly linked to organisation performance as defined in the strategic plan.

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### **Application of the Unit**

This unit requires the application of investigating and analytical skills in determining the requirements of a financial system. Accounting and financial skills are applied to design the system that is then implemented and monitored. It may be applied to any sector in the financial services industry.

Where financial systems are being developed within the context of a project team, FNSICORG607B may apply.

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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

### Elements and Performance Criteria

Element	Performance Criteria
1 Establish <b>financial system</b> requirements	<p>1.1 Requirements for <b>efficient financial administration</b> are determined from consultation with relevant stakeholders and an analysis of existing financial plans</p> <p>1.2 <b>Reporting and procedural requirements</b> impacting on the organisation are identified and recorded for future reference</p> <p>1.3 Internal financial audit controls included in the system specification provide a satisfactory security mechanism</p> <p>1.4 Risks to financial viability are identified and contingency strategies to <b>manage risk</b> identified and costed</p>

- 2 Design financial management systems
  - 2.1 Sources of competent assistance and advice are accessed and used to secure financial records and assets
  - 2.2 Financial management system design ensures accurate and timely provision of information about the organisation's transactions, working capital and cash flow
  - 2.3 Equipment and software needed for the operation of the system are identified, acquired and installed to support the organisation's transactions
  - 2.4 Financial reporting requirements are known and used by relevant personnel
  - 2.5 Established financial reports ensure accurate and timely provision of data required for financial decision making
  - 2.6 Agreed schedules of account recording and reconciliation systems are produced at regular intervals and support the organisation's service provision and business decisions
  - 2.7 Mechanisms for the review of terms of trade and fee structures are suited to the organisation's needs and meet industry standards
  - 2.8 Financial reports are prepared at regular intervals in the required format meet external audit requirements
- 3 Prepare and review financial plans
  - 3.1 Financial plans are linked to reviews of the organisation's strategic business plan to enable timely financial adjustments to be made
  - 3.2 Planning and implementation of financial management activities enable probity to be maintained
  - 3.3 Financial plans provide a reasonable basis for budgeting and ongoing financial management of the organisation

- 4 Monitor and review financial reporting systems
  - 4.1 Financial reporting systems evaluated through an assessment of organisation performance against agreed performance indicators enable timely adjustments to be made to business investments
  - 4.2 Financial reports and systems are able to be used by authorised staff to manage the organisation's finances

## Required Skills and Knowledge

### REQUIRED KNOWLEDGE&SKILLS

#### Knowledge requirements include:

auditing and reporting requirements  
legislation and regulations relating to:  
finance  
taxation  
trust accounts  
trades practice  
security requirements  
ethical requirements

accounting and bookkeeping for financial control  
financial systems design  
administrative/office routines and practices  
cost-benefit analysis  
reporting and auditing requirements for small business  
computer and manual systems, technology and software application of above  
systems/technology/software to management of functions of an organisation  
occupational health and safety (OH&S) requirements for the use of screen-based equipment  
basic accounting and bookkeeping principles and practice  
quality principles and practice  
ethical concerns relating to the management of third party monies

#### Skills requirements include:

application of financial management techniques  
application of accounting and bookkeeping principles  
consulting with stakeholders  
performing relevant mathematical calculations  
budgeting and costing  
research and analysis of current and relevant issues  
preparing financial and other reports  
problem solving

decision making

planning and organising work

training and mentoring others

operating relevant software packages

performing tasks in a range of relevant computer applications

communicating in a range of business environments with diverse people

## 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:

financial management and planning

risk assessment, evaluation and management

financial reporting

compliance with relevant statutory, regulatory, professional and practice requirements

critical analysis, research and evaluation

costing and budgeting

accounting and bookkeeping principles and practices

communication and consultation skills

#### 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 that 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:**

This unit should be undertaken within the financial services industry context.

Aspects of competency, including attainment of relevant knowledge and skills, may be assessed in a simulated work environment or other appropriate means.

**Resources required for assessment:**

Assessment of this unit of competence requires access to computer equipment, facilities for workplace or simulated environment assessment may be required.

## 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.

**Financial system** may include:

manual (paper based/other) or computerised (multimedia)

must be capable of at least providing timely, accurate and easily understood information

software may be industry specific or proprietary in nature

**Efficient financial administration** must take into account the following factors:

administrative systems

ethical requirements

compliance with relevant statutory and regulatory requirements

bookkeeping

Australian Standards Association

codes of practice and Accounting Standards

office routines

security requirements

**Reporting and procedural requirements** may include:

consideration of legislation and codes of practice relating to financial record keeping, including trust accounting, taxation and auditing

**Risk management** may include:

need for insurance, including:

public liability

property

personal indemnity

personal accident

sickness assets

## **Unit Sector(s)**

Not applicable.

## **Relationship to other units**

This unit replaces FNSICORG609A.

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