



Australian Government

Department of Education, Employment and Workplace Relations

FNSACC302A Administer subsidiary accounts and ledgers

Revision Number: 1

FNSACC302A Administer subsidiary accounts and ledgers

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to reconcile and monitor financial accounts receivable systems, identify bad and doubtful debts and plan a recovery action and remit payments to sundry creditors.</p> <p>This unit may apply to job roles subject to licensing, legislative, regulatory or certification requirements so Commonwealth, State or Territory requirements should be confirmed with the relevant body.</p>
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Application of the Unit

Application of the unit	<p>This unit may apply to a range of accounts administration job roles in all financial services sectors.</p>
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units	

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Review accounts receivable process	<p>1.1. Receipts entered into accounts receivable system are checked for accuracy, consistency and thoroughness</p> <p>1.2. Incorrect entries are identified and accurately recorded according to type and source of receipt</p> <p>1.3. Discrepancies between monies owed and monies paid are identified and investigated according to organisation policy, procedures and guidelines</p> <p>1.4. Receipts entered into accounts receivable system are amended according to established procedures</p>
2. Identify bad and doubtful debts	<p>2.1. Debtors ledger is regularly reviewed in accordance with organisation policy and guidelines to identify outstanding monies and further information, if required, sought from relevant sources</p> <p>2.2. Bad or doubtful debt status is verified through liaison with debtors</p> <p>2.3. Reporting procedures and appropriate documentation for bad and doubtful debts is completed in accordance with organisation policy and guidelines</p>
3. Review compliance with terms and conditions and plan recovery action	<p>3.1. Clients in default of trading terms are correctly identified according to organisation operating procedures and contacted promptly and courteously to make satisfactory arrangements to pay monies outstanding</p> <p>3.2. Monies owing that constitute breaches of organisation credit policy are actioned in accordance with organisation policy and procedures</p> <p>3.3. Previous activities and communication with clients are thoroughly reviewed to establish adequacy of follow-up procedures, and whether all usual organisation recovery avenues have been exhausted</p> <p>3.4. Plans to pursue debt recovery or to initiate legal action are developed with measures to collect monies completed in accordance with organisation policy, guidelines and timelines</p>
4. Prepare reports and file documentation	<p>4.1. Reports are prepared which document accounts receivable, debt recovery type, cause and recovery plan and distributed to supervisors, managers and other relevant parties</p> <p>4.2. Documentation is filed promptly in accordance with organisation policy and procedures</p>

ELEMENT	PERFORMANCE CRITERIA
5. Distribute creditors invoices for authorisation	<p>5.1. Invoice discrepancies are identified, investigated and rectified and invoices encoded and recorded correctly</p> <p>5.2. Authorisation for payment is requested from <i>appropriate personnel</i></p>
6. Remit payments to creditors	<p>6.1. Cheque requisition is correctly drawn up and authorised and the correct general ledger to be drawn against identified</p> <p>6.2. Correct account is debited in a timely manner and in accordance with <i>legislative and compliance requirements</i></p> <p>6.3. Creditors payments are prepared in an accurate manner</p>
7. Prepare accounts paid report and reconcile balances outstanding	<p>7.1. Data is collected and entered onto spreadsheet giving details of creditors and amounts paid and a report prepared for ratification by appropriate management</p> <p>7.2. Statements of outstanding balances are sought from suppliers where required and balances outstanding are reconciled to invoices received</p>

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- communication skills to:
 - determine and confirm work requirements and interact with clients, using questioning and active listening as required
 - share information, listen and understand
 - use language and concepts appropriate to cultural differences
- well-developed numeracy skills to make financial calculations
- IT skills for accessing and using accounting systems, spreadsheets and databases
- evaluation skills to determine payment status and any discrepancies
- literacy skills for:
 - data analysis and entry
 - drafting reports and letters
- organisational skills, including the ability to plan and sequence work and maintain accurate records

Required knowledge

- accounting principles and practices
- accounting systems
- awareness of legal systems and procedures and relevant acts or regulations
- industry codes of practice
- industry compliance requirements
- organisation policy, guidelines and procedures
- use of financial spreadsheets

Evidence Guide

EVIDENCE GUIDE

The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the ability to:

- interpret and comply with organisation policies and procedures and industry compliance requirements for monitoring accounts
- identify bad and doubtful debts in a timely manner and plan effective recovery actions
- follow bank account reconciliation processes
- use relevant data entry systems accurately.

Context of and specific resources for assessment

Assessment must ensure:

- competency is demonstrated in the context of the financial services work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment
- access to and the use of a range of common office equipment, technology, software and consumables
- access to an integrated financial software system and data.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:

- evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency
- verbal or written questioning on underpinning knowledge and skills
- evaluating samples of work
- accessing and validating third party reports.

Guidance information for assessment

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that 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) may also be included.

<i>Receipts</i> may include:	<ul style="list-style-type: none"> • bankers orders • cash • cash journal entry • cheques: <ul style="list-style-type: none"> • personal • bank • credit cards: <ul style="list-style-type: none"> • direct • mail • telephone • direct debits • direct drawing • postal order.
<i>Discrepancies between monies owed and monies paid</i> may occur as a result of:	<ul style="list-style-type: none"> • deduction of brokers or agents commissions • incorrect account allocation • key stroke errors • overpayments • part payments • system errors • termination of policies • underpayments.
<i>Organisation policy, procedures and guidelines</i> may include:	<ul style="list-style-type: none"> • computer system documentation • internal control guidelines • legal obligations • operations manuals • overall organisation goals and objectives • suspension of credit facilities • trading terms and credit limits.
<i>Bad or doubtful debts</i> are identified through:	<ul style="list-style-type: none"> • Australian Securities and Investments Commission (ASIC) action • banks forgoing overdrafts • closure of business

RANGE STATEMENT	
	<ul style="list-style-type: none"> • dishonoured cheques • gazette listings • letters from solicitors or accountants • notices of administration • returned mail • sheriff notices or advertisements • utilities being cut off.
<i>Clients</i> may include:	<ul style="list-style-type: none"> • accountants • agents • brokers • customers • intermediaries • policy holders • solicitors.
<i>Reports</i> may be periodic or on demand, manual or computer generated, and may include:	<ul style="list-style-type: none"> • consumer statements • legislative requirements • statistical and financial or management reports • user reports.
<i>Recovery plan</i> and measures to collect monies may include:	<ul style="list-style-type: none"> • advice to supervisors/managers/legal officers • dunning letters • legal action • letters of demand without prejudice • letters of notice • liaison with clients • plaint • return of goods • summons • third party intervention • write-offs.
<i>Appropriate personnel</i> would depend on:	<ul style="list-style-type: none"> • industry and organisation requirements, and may include: <ul style="list-style-type: none"> • the board of directors; or • a designated group from the board of directors such as the executive.
Relevant <i>legislative and compliance requirements</i> may include:	<ul style="list-style-type: none"> • consumer: <ul style="list-style-type: none"> • codes of practice • Consumer Credit Code • Privacy Act • secrecy laws • competition:

RANGE STATEMENT

	<ul style="list-style-type: none">• Australian Competition and Consumer Commission (ACCC)• prudential:<ul style="list-style-type: none">• Anti-Money Laundering and Counter Terrorism Financing Acts• Bills of Exchange Act• Cheques and Payment Orders Act• Commercial Tenancies Act• corporate law• Credit Reference Association of Australia (CRAA)• Electronic Funds Transfer (EFT) Code of Conduct• Financial Institutions (FI) Code• Financial Transaction Reports Act• Land Tax Assessment Act• Payroll Tax Assessment Act• Prescribed Payments Act• Stamp Duties Act• Income Tax Assessment Act.
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Unit Sector(s)

Unit sector	Accounting
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Competency field

Competency field	
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