



Australian Government

Department of Education, Employment and Workplace Relations

FNSACC405A Maintain inventory records

Revision Number: 1

FNSACC405A Maintain inventory records

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to comply with organisational inventory procedures, reconcile inventory records to general ledgers, record inventory flows, prepare schedules and produce ad hoc reports.</p> <p>No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.</p>
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Application of the Unit

Application of the unit	The unit can be applied across all sectors within the financial services sector.
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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. Process inventory purchase	1.1. Purchase of inventory is recorded from appropriate <i>documentation</i> in subsidiary ledger 1.2. Periodic and perpetual records of inventory are maintained
2. Record inventory flows	2.1. <i>Inventory flow assumptions</i> are applied as appropriate 2.2. Inventory is valued using appropriate <i>valuation rules</i>
3. Reconcile inventory records to general ledgers	3.1. All inventory records to the accounts are reconciled in accordance with <i>organisation's policies, procedures and practices</i> 3.2. Discrepancies are identified and actioned according to organisation's policies, procedures and practices
4. Prepare inventory schedules and ad hoc reports	4.1. Schedules of inventory turnover and other procedures are developed and documented 4.2. Spreadsheets and <i>ad hoc reports</i> reporting on inventory status are prepared as required or requested

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, using questioning and active listening as required
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- research skills such as:
 - accessing and managing information
 - interpreting documentation
 - coordinating tasks
- numeracy and IT skills such as:
 - calculating financial ratios and related information
 - accessing and using appropriate software such as spreadsheets and databases
- literacy skills to read and interpret documentation from a variety of sources and recording, gathering and consolidating financial information
- organisational skills, including the ability to plan and sequence work
- problem solving skills to address data integrity issues

Required knowledge

- banking processes
- process for entering data into general ledgers
- inventory valuation rules
- reconciliation processes
- spreadsheets functions

Evidence Guide

EVIDENCE GUIDE	
<p>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.</p>	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> • interpret and apply organisational policies and procedures and inventory valuation rules • make inventory flow assumptions and record inventory flows • prepare schedules and ad hoc reports.
Context of and specific resources for assessment	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> • 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.
Method of assessment	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> • evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency • observing processes and procedures in workplaces or role plays • 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	
<p>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.</p>	
<p><i>Documentation</i> may include:</p>	<ul style="list-style-type: none"> • delivery reports • invoices from suppliers • purchase orders • purchase requisitions.
<p><i>Inventory flow assumptions</i> may include:</p>	<ul style="list-style-type: none"> • calculations based on gross margins • cost • net realisable value.
<p>Inventory <i>valuation rules</i> may include:</p>	<ul style="list-style-type: none"> • first in, first out • specific identification • weighted average.
<p><i>Organisation's policies, procedures and practices</i> may include:</p>	<ul style="list-style-type: none"> • inventory management • preparation of reconciliation reports • stock takes.
<p><i>Ad hoc reports</i> may include:</p>	<ul style="list-style-type: none"> • inventory turnover analysis • total purchases and inventory usage for a period.

Unit Sector(s)

Unit sector	Accounting
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		