



**Australian Government**

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

# **FNSACCC614A Prepare complex corporate financial reports**

**Revision Number: 1**

## FNSACC614A Prepare complex corporate financial reports

### Modification History

Not applicable.

### Unit Descriptor

<b>Unit descriptor</b>	<p>This unit describes the performance outcomes, skills and knowledge required to compile and analyse financial data, identify appropriate reporting requirements, and develop and prepare complex financial reports for reporting entities.</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

<b>Application of the unit</b>	This unit has application to job roles such as financial officers and accountants.

### Licensing/Regulatory Information

Not applicable.

### Pre-Requisites

<b>Prerequisite units</b>		
	FNSACC504A	Prepare financial reports for corporate entities

## Employability Skills Information

<b>Employability skills</b>	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. Compile data	<p>1.1. <b>Data</b> are obtained, systematically coded, classified and checked for accuracy and reliability in accordance with organisational policies, procedures and <b>accounting standards</b></p> <p>1.2. <b>Conversion and consolidation procedures</b> are used to compile data in accordance with <b>organisational policies and procedures</b></p> <p>1.3. Valuations in compliance with relevant accounting standards and effects of taxation are identified and recorded</p>
2. Identify appropriate reporting entities	<p>2.1. Partially owned subsidiaries and controlled entities are identified</p> <p>2.2. Joint ventures and other entities to be included in reports are identified</p> <p>2.3. Appropriate accounting treatments for <b>reporting entities</b> are identified and applied</p>
3. Prepare reports	<p>3.1. Structure and format of reports that may include charts, diagrams and supporting data are clear and conform to statutory and other regulatory requirements and organisational procedures</p> <p>3.2. Statements and data are error free, comprehensive and comply with <b>statutory</b> and other regulatory requirements and organisational procedures</p> <p>3.3. <b>Reports</b> are prepared in accordance with the corporation law, accounting standards, securities exchange listing requirements and Generally Accepted Accounting Principles (GAAP), and disclosure requirements complied with</p>
4. Analyse reports	<p>4.1. <b>Significant issues</b> in statements including comparative financial performances are identified</p> <p>4.2. Implications of analysis are reported to appropriate levels of management and external bodies</p>

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

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

#### Required skills

- well-developed communication skills to:
  - determine and confirm complex reporting requirements
  - liaise with others, share information, listen and understand
  - use language and concepts appropriate to cultural differences
- high level research and analysis skills for accessing, analysing and managing financial and organisational information
- well-developed literacy skills for preparing complex, clear written financial reports for organisations and business units in required formats
- well-developed numeracy skills for financial calculations and analysis, estimating and forecasting
- IT skills for developing and integrated financial systems and using spreadsheets, databases and internet information
- learning skills to maintain knowledge of financial reporting statutory requirements and procedures
- problem solving skills to identify any reporting issues that have the potential to impact on organisations and to develop options to resolve these issues when they arise
- organisational skills, including the ability to plan and sequence work and correctly schedule reporting

#### Required knowledge

- integrated accounting computerised systems
- business taxation requirements
- ethical considerations such as:
  - conflict of interests
  - confidentiality
  - disclosure requirements
- financial legislation including:
  - taxable transactions
  - reporting requirements
- methods of presenting financial data
- options, methods and practices for deductions, benefits and depreciations
- organisational guidelines and procedures
- principles of double entry bookkeeping and accrual accounting
- relevant business legal requirements

## Evidence Guide

<b>EVIDENCE GUIDE</b>	
<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>	
<b>Overview of assessment</b>	
<b>Critical aspects for assessment and evidence required to demonstrate competency in this unit</b>	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> <li>• interpret and apply organisational policies and procedures, statutory requirements and accounting standards</li> <li>• compile and validate complex financial data</li> <li>• identify appropriate reporting entities and prepare and analyse reports.</li> </ul>
<b>Context of and specific resources for assessment</b>	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• access to and the use of a range of common office equipment, technology, software and consumables.</li> <li>• access to an integrated financial software system and data</li> </ul>
<b>Method of assessment</b>	<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"> <li>• evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency</li> <li>• verbal or written questioning on underpinning knowledge and skills which may include formal examinations</li> <li>• setting and reviewing workplace projects and business simulations or scenarios</li> <li>• evaluating samples of work</li> <li>• accessing and validating third party reports.</li> </ul>
<b>Guidance information for assessment</b>	

## 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.

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

<b>RANGE STATEMENT</b>	
	<ul style="list-style-type: none"> <li>• statement of financial performance</li> <li>• statement of financial position</li> <li>• statutory forms.</li> </ul>
<i>Significant issues</i> may include:	<ul style="list-style-type: none"> <li>• company liquidation</li> <li>• company restructuring</li> <li>• cost structures</li> <li>• errors and anomalies</li> <li>• liquidity</li> <li>• losses and returns</li> <li>• profitability</li> <li>• statutory obligations.</li> </ul>

### Unit Sector(s)

<b>Unit sector</b>	Accounting
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### Co-requisite units

<b>Co-requisite units</b>		