



**Australian Government**

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

# **SITXFIN002A Maintain financial records**

**Revision Number: 1**

## SITXFIN002A Maintain financial records

### Modification History

Not applicable.

### Unit Descriptor

**Unit descriptor** This unit describes the performance outcomes, skills and knowledge required to maintain accurate financial records in a range of business contexts.

### Application of the Unit

**Application of the unit** This unit focuses on generic bookkeeping skills and principles and must therefore be contextualised to meet specific industry contexts. It does not reflect the skills of a specialist bookkeeper. In the workplace, this function may be integrated with other activities and systems such as guest registration or travel file management. It is also highly likely that systems for maintaining financial records will be automated.

While individuals working at an operational level undertake this role, it may also be relevant to small business managers who administer their own accounts.

### Licensing/Regulatory Information

Not applicable.

### Pre-Requisites

**Prerequisite units** Nil

## Employability Skills Information

**Employability skills** The required outcomes described in this unit of competency contain applicable facets of employability skills. The Employability Skills Summary of the qualification in which this unit is packaged will assist in identifying employability skills requirements.

## Elements and Performance Criteria Pre-Content

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

## Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1 Post transactions.	<p>1.1 Organise and interpret <b><i>source documents</i></b> accurately in preparation for entering <b><i>transactions</i></b>.</p> <p>1.2 Identify any irregularities in documentation promptly and take action to resolve within scope of individual responsibility and designated timeframes.</p> <p>1.3 Check or obtain correct authorisation for entry.</p> <p>1.4 Select correct account and journal for intended entry.</p> <p>1.5 Enter credit and debit transactions into journals, including correct allocation of all amounts within designated timeframes.</p> <p>1.6 Support journal entries with explanation and cross-referencing to support documentation where necessary.</p>

<b>ELEMENT</b>	<b>PERFORMANCE CRITERIA</b>
	1.7 Cross-check source documentation with entered transaction to ensure matching.
	1.8 File source documents in the correct location and according to organisation procedures.
2 Reconcile transactions to a balance.	2.1 Check documentation and balances to ensure matching.
	2.2 Where appropriate, use reconciliation features of computerised systems correctly to assist the reconciliation process.
	2.3 Where necessary, investigate and clear outstanding entries accurately and promptly in consultation with appropriate colleagues.
	2.4 Identify, investigate or report discrepancies according to scope of individual responsibility.
	2.5 Finalise <i>reconciliations</i> within designated timelines and provide information to colleagues.
3 Retrieve financial information.	3.1 Interrogate financial records correctly to identify required information.
	3.2 Generate and distribute relevant <i>routine financial reports or information</i> at designated times and in response to requests from colleagues.
	3.3 Check financial reports for accuracy prior to distribution.
	3.4 Identify, investigate or report discrepancies according to scope of individual responsibility.

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

This section describes the essential skills and knowledge and their level, required for this unit.

The following skills must be assessed as part of this unit:

- problem-solving skills to identify and resolve discrepancies in transaction journals and reconciliations
- organisational skills to logically organise, file and maintain a wide range of business source documents
- literacy skills to interpret a range of source documents
- numeracy skills to make basic calculations, identify numerical discrepancies and work with financial reconciliations.

The following knowledge must be assessed as part of this unit:

- features of financial record-keeping systems relevant to the industry sector or organisation
- bookkeeping cycle relevant to a particular industry sector or organisation
- principles of bookkeeping and general understanding of bookkeeping terminology, including charts of accounts, reporting periods, ledgers, double-entry, debits, credits, debtors, creditors, income, expenditure, receipts, disbursements, transactions, journals, accounts, reconciliations, unrepresented cheques, bank charges, and direct debits and credits
- impact of GST on the bookkeeping process in the relevant industry context, including the types of transactions that attract GST or are GST-exempt and the GST reporting requirements for different businesses
- bookkeeping terminology of specific relevance to an industry sector or organisation
- income and expenditure types relevant to a particular industry sector or organisation
- nature of source documents relevant to a particular industry sector or organisation.

## 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, the range statement and the Assessment Guidelines for this Training Package.

**Critical aspects for assessment** Evidence of the following is essential:

## EVIDENCE GUIDE

### and evidence required to demonstrate competency in this unit

- understanding of financial record-keeping processes as they apply to a particular industry sector or organisation
- ability to maintain accurate records within acceptable organisation timeframes and according to organisation requirements
- ability to complete reconciliations and resolve routine bookkeeping problems within organisation-acceptable timeframes
- posting of multiple transactions of different types over a period of time to reflect the typical trading or reporting period within a given sector or organisation
- completion of reconciliations that include data of a size, scope and nature to reflect current industry practice
- generation of financial information and routine reports that reflect current industry format and practices
- presence of time constraints that reflect the relevant industry environment.

### Context of and specific resources for assessment

Assessment must ensure:

- use of industry-current accounting systems
- integration of problem-solving strategies, such as identifying and resolving errors in reports.

## EVIDENCE GUIDE

### Methods of assessment

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

- direct observation of the candidate using a system to post transactions
- review of reconciliations and the accuracy of financial records or reports prepared by the candidate
- review of documentation used or prepared by the candidate to prepare financial records
- problem-solving exercises to address typical bookkeeping errors and problems
- review of portfolios of evidence and third-party workplace reports of on-the-job performance by the candidate.

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.

### Assessing employability skills

Employability skills are integral to effective performance in the workplace and are broadly consistent across industry sectors. How these skills are applied varies between occupations and qualifications due to the different work functions and contexts.

Employability skills embedded in this unit should be assessed holistically with other relevant units that make up the skill set or qualification and in the context of the job role.

## 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 in the performance criteria is detailed below.

*Source documents* may include:

- cheques
- deposit books

## RANGE STATEMENT

- cheque requisitions
- tax invoices
- credit notes
- expense vouchers
- petty cash vouchers
- receipts
- bank and credit card statements.

### *Transactions* may include:

- cash and credit card receipts
- cash and credit card payments
- petty cash
- sales
- refunds
- rebates
- interest expenses or interest received
- direct debits and credits
- returns and allowances journal entries
- bad debts journal entries
- main, general journal entries
- payroll journal entries.

### *Reconciliations* may include:

- single system reconciliations
- creditor statements
- petty cash
- foreign currency
- bank reconciliations
- guest accounts
- travel files
- taxation.

### *Routine financial reports* may include:

- period reports on receipts or disbursements
- account summaries
- short-term trading information
- information for business activity statements
- GST paid or received.



## **Unit Sector(s)**

**Sector** Cross-Sector

## **Competency field**

**Competency field** Finance