



Australian Government

AHCAGB406 Keep financial records for primary production business

Release: 1

AHCAGB406 Keep financial records for primary production business

Modification History

Release	Comments
Release 1	This version released with AHC Agriculture, Horticulture, Conservation and Land Management Training Package Version 4.0.

Application

This unit of competency describes the skills and knowledge required to keep primary production financial records such as invoices and other related documents, in accordance with workplace requirements, for taxation and auditing purposes.

This unit applies to individuals who work under broad direction and take responsibility for their own work. They must use discretion and judgement in the selection and use of available resources.

All work must be carried out to comply with workplace procedures, work health and safety legislation and codes.

No licensing, legislative or certification requirements are known to apply to this unit at the time of publication.

Pre-requisite Unit

Nil

Unit Sector

Agribusiness (AGB)

Elements and Performance Criteria

Elements	Performance Criteria
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Undertake farm office procedures	1.1 Identify the functions to be performed in the rural office 1.2 Design or redesign a rural office including identifying and assessing appropriate office furniture and equipment

Elements	Performance Criteria
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
	1.3 Process and sort incoming information 1.4 Maintain, update and store records in accordance with organisational requirements 1.5 Use and maintain business equipment and technology in accordance with organisational and work health and safety requirements
2. Establish and maintain financial records	2.1 Create a manual or computerised record of cash flow and a chart of accounts to record financial the transactions of the business for the enterprise location 2.2 Check documentation relating to financial transactions for validity 2.3 Record details of income and expenditure transactions in the cashbook 2.4 Reconcile financial record balances with bank and creditor statements 2.5 Use financial balances to complete legislative reporting requirements 2.6 Prepare cash flow statements on the basis of summarised cashbook entries
3. Reconcile transactions	3.1 Reconcile transactions with account statement 3.2 Identify, report and rectify adjustments and errors 3.3 Process invoices and make electronic payments
4. Prepare invoices for debtors	4.1 Prepare invoices accurately and, if required, distribute to nominated person for verification before despatch 4.2 Make adjustments as required following advice from the nominated person
5. Maintain financial records	5.1 Copy and file invoices and other related documents required for taxation and auditing purposes 5.2 Implement processes to archive historical documents 5.3 Implement processes to destroy redundant documents appropriately

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential for performance in this unit of competency but are not explicit in the performance criteria.

Skill	Description
Get the work done	• Problem solve issues as they arise

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
AHCAGB406 Keep financial records for primary production business	AHCAGB403 Keep financial records for primary production business	Element removed Performance criteria clarified Foundation skills added Assessment requirements updated	Equivalent unit

Links

Companion Volumes, including Implementation Guides, are available at VETNet: -
<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c6399549-9c62-4a5e-bf1a-524b2322cf72>

Assessment Requirements for AHCAGB406 Keep financial records for primary production business

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Performance Evidence

An individual demonstrating competency must satisfy all of the elements and performance criteria in this unit. There must be evidence that the individual has kept accurate financial records for at least one primary production business, over a period of at least three months, including:

- collected relevant documentation for purchases
- entered data to track financial records
- reconciled electronic transactions
- prepared at least one cash flow statement
- prepared and reconciled invoices
- copied and stored invoices and other related documents for taxation and auditing purposes.

Knowledge Evidence

An individual must be able to demonstrate the knowledge required to perform the tasks outlined in the elements and performance criteria of this unit. This includes knowledge of:

- the organisation's policies and procedures applying to financial documentation and records
- current legislation and codes of practice, relating to keeping financial records for a primary production business
- procedures for handling financial transactions including online banking activities
- manual and computerised financial recording systems
- methods of calculating and presenting financial data
- financial accounting software package, relevant to the business
- the organisation's software and technology used to record and transmit financial information.

Assessment Conditions

Assessment of skills must take place under the following conditions:

- physical conditions:
 - skills must be demonstrated in a workplace setting or an environment that accurately represents workplace conditions
- resources, equipment and materials:
 - computer-based technology and software used to keep financial records for a primary production business.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

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