



**Australian Government**

# **AHCAGB611 Analyse business performance**

**Release: 1**

# AHCAGB611 Analyse business performance

## Modification History

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

## Application

This unit of competency describes the skills and knowledge required to analyse the business performance of a production enterprise and develop strategies for improving business profitability.

This unit applies to individuals who take personal responsibility and exercise autonomy in undertaking complex work. They must analyse information and exercise judgement to complete a range of advanced skilled activities. They work in contexts that are subject to change and adapt a range of fundamental principles accordingly.

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

No licensing, legislative or certification requirements 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. Analyse financial reports                     | 1.1 Interpret taxation reports and determine accounts to be true and fair<br>1.2 Review and interpret management reports generated by the enterprise |

| 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 Determine distribution of profit                                                                                                                                                                                                                                                                          |
| 2. Use financial analysis tools                          | 2.1 Calculate gross margins and relevant breakdowns of profit and loss<br>2.2 Calculate ratios related to production activity, solvency and liquidity, gearing and profitability<br>2.3 Source and compare relevant performance benchmarks<br>2.4 Identify and analyse trends in production and profitability |
| 3. Identify opportunities for increasing profit          | 3.1 Assess yield or production potential and determine current position<br>3.2 Identify key issues related to production efficiency<br>3.3 Identify key issues related to market return                                                                                                                       |
| 4. Develop strategies for improving business performance | 4.1 Use strengths, weaknesses, opportunities and threats to determine possible strategies to address production and marketing issues<br>4.2 Perform sensitivity analyses to evaluate strategies                                                                                                               |

## 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                                                                                                                      |
|---------|----------------------------------------------------------------------------------------------------------------------------------|
| Reading | <ul style="list-style-type: none"> <li>Access, interpret and analyse business records and legislation and regulations</li> </ul> |

## Unit Mapping Information

| Code and title current version         | Code and title previous version        | Comments                                            | Equivalence status |
|----------------------------------------|----------------------------------------|-----------------------------------------------------|--------------------|
| AHCAGB611 Analyse business performance | AHCAGB604 Analyse business performance | Performance criteria clarified<br>Foundation skills | Equivalent unit    |

| Code and title current version | Code and title previous version | Comments                                 | Equivalence status |
|--------------------------------|---------------------------------|------------------------------------------|--------------------|
|                                |                                 | added<br>Assessment requirements updated |                    |

## Links

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