



Australian Government

AHCBUS406 Administer finance, insurance and legal requirements

Release: 1

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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 administer finance, insurance and legal requirements of a business.

This unit applies to individuals who work as part of a business management team, who provide and communicate solutions to a range of predictable and sometimes unpredictable problems.

All work must be carried out to comply with organisational requirements, work health and safety legislation and codes, sustainability practices and in consultation with the management team.

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

Pre-requisite Unit

Nil

Unit Sector

Business (BUS)

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. Administer the legal requirements of the business	1.1 Identify, implement and monitor legislative requirements to ensure business processes comply 1.2 Identify, maintain and store legal documents

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 Review legislative requirements regularly
2. Process and maintain the insurance requirements for the business	2.1 Identify and assess insurance requirements 2.2 Identify suitable insurers or brokers and obtain quotations 2.3 Acquire adequate insurance policies and cover 2.4 Review legislative requirements and insurance cover 2.5 File documents to ensure security and accessibility
3. Identify sources, types and cost of finance	3.1 Conduct research on the types of finance available to businesses 3.2 Determine costs associated with different forms of finance 3.3 Assess repayment structures for finance options in consultation with management team
4. Develop an application for finance or investment	4.1 Prepare an application for finance or investment, based on business and financial data 4.2 Refer the finance application to management team for checking prior to submitting to the relevant body 4.3 Maintain and store documentation

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	Access and interpret legislative requirements

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
AHCBUS406	AHCBUS401	Performance criteria clarified	Equivalent unit

Code and title current version	Code and title previous version	Comments	Equivalence status
Administer finance, insurance and legal requirements	Administer finance, insurance and legal requirements	Foundation skills added 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>

Assessment Requirements for AHCBUS406 Administer finance, insurance and legal requirements

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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 administered the finance, insurance and legal requirements of a business covering a period of at least six months, including:

- interpreted financial reports and business data
- maintained accounts
- administered the legal requirements of the business
- processed and maintained the insurance requirements for the business
- identified sources, types and cost of finance
- prepared and processed the application for finance or investment.

Knowledge Evidence

The candidate must demonstrate knowledge of:

- obligations imposed by the choice of the business structure
- award and enterprise agreements
- insurance requirements, including:
 - workers' compensation
 - public liability
 - superannuation
 - life
 - personal accident and sickness
 - buildings
 - plant
- sources of finance, including:
 - banks
 - merchant banks
 - building societies

- credit unions
- co-operatives
- finance companies
- solicitors
- accountants
- private treaty
- business and financial data, including:
 - balance sheets
 - profit and loss statements
 - production yields
 - sales
 - income
 - security
 - assets and liabilities
 - cash flow performance
- taxation and account keeping requirements.

Assessment Conditions

Assessment of skills must take place under the following conditions:

- physical conditions:
 - skills must be demonstrated in a workplace or an environment that accurately represents workplace conditions
- resources, equipment and materials:
 - financial, insurance and legal business records covering a period of at least six months
 - access to legislation and information relevant to insurance and finance
 - office equipment and resources.

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

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