



Australian Government

BSBFIM601 Manage finances

Release: 1

BSBFIM601 Manage finances

Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to undertake budgeting, financial forecasting and reporting and to allocate and manage resources to achieve the required outputs for the business unit. It includes contributing to financial bids and estimates, allocating funds, managing budgets and reporting on financial activity.

It applies to individuals who have managerial responsibilities which include overseeing the management of financial and other resources across a business unit, a series of business units or teams, or an organisation. It covers all areas of broad financial management. In a larger organisation this work would be supported by specialists in financial management.

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

Unit Sector

Finance – Financial Management

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1 Plan for financial management	1.1 Review and analyse previous financial data to establish areas which have generated a profit or loss 1.2 Undertake research to review reasons for previous profit and loss 1.3 Review business plan to establish critical dates and initiatives that will require or generate resources in the next financial cycle 1.4 Analyse cash flow trends 1.5 Review statutory requirements for compliance and liabilities for tax

ELEMENT	PERFORMANCE CRITERIA
	1.6 Review existing software and its suitability for financial management
2 Establish budgets and allocate funds	2.1 Use previous financial data to determine allocations for resources 2.2 Make informed estimates of new items for inclusion in budget 2.3 Prepare budgets in accordance with organisational requirements and statutory requirements
3 Implement budgets	3.1 Circulate budgets and ensure managers and supervisors are clear about budgets, reporting requirements and financial delegations 3.2 Manage risks by checking there are no opportunities for misappropriation of funds and that systems are in place to properly record all financial transactions 3.3 Review profit and loss statements, cash flows and ageing summaries 3.4 Revise budgets, as required, to deal with contingencies 3.5 Maintain audit trails to ensure accurate tracking and to identify discrepancies between agreed and actual allocations 3.6 Ensure compliance with due diligence
4 Report on finances	4.1 Ensure structure and format of reports are clear and conform to organisational and statutory requirements 4.2 Identify and prioritise significant issues in statements, including comparative financial performances for review and decision making 4.3 Prepare recommendations to ensure financial viability of the organisation 4.4 Evaluate the effectiveness of financial management processes

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1-1.6, 2.1-2.3, 3.2-3.5, 4.1-4.4	Interprets, analyses and evaluates complex information to determine and adhere to organisational or legislative requirements and to assist with financial decision

		making
Writing	1.1-1.6, 2.1- 2.3, 3.1-3.5, 4.1-4.3	- Develops and records information which incorporates a detailed analysis of factual and forecasted information - Prepares documents using format, content and layout appropriate to audience, purpose and regulatory requirements
Oral Communication	3.1	Explains financial decisions and outcomes clearly and uses listening and questioning techniques to exchange information and obtain agreement
Numeracy	1.1-1.6, 2.1-2.3, 3.2-3.5, 4.1-4.2	- Reviews and analyses numerical data embedded in organisational documentation and legislation - Compares and contrasts complex numerical data to analyse and evaluate financial position and processes. - Uses appropriate formulae to analyse financial data to assess and manage risk and identify discrepancies
Navigate the world of work	1.5, 2.3, 3.6, 4.1	Recognises, understands and adheres to legislative and organisational requirements in undertaking own work
Interact with others	3.1	Selects and uses appropriate conventions and protocols when communicating with supervisors and managers to share information or seek agreement
Get the work done	1.1-1.6, 2.1-2.3, 3.1-3.5, 4.1-4.4	- Uses logical processes in planning, implementing and evaluating complex tasks to achieve stated goals - Uses formal analytical thinking techniques to identify issues, investigate underlying causes and generate possible solutions, seeking input from others as required - Uses a range of digital technology to access, filter, compile, integrate and logically present complex information from multiple sources - Investigates new digital technologies and applications to manage and manipulate data

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
BSBFIM601 Manage finances	BSBFIM601A Manage finances	Updated to meet Standards for Training Packages	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=11ef6853-ceed-4ba7-9d87-4da407e23c10>

Assessment Requirements for BSBFIM601 Manage finances

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Performance Evidence

Evidence of the ability to:

- plan for financial management
- read and review profit and loss statements, cash flows and aging summaries
- prepare, implement and revise a budget which aligns with the business plan, is based on research and analysis of previous financial data and cash flow trends, and meets all compliance requirements
- contribute to financial bids and estimates
- establish a budget and allocate funds in accordance with statutory and organisational requirements
- communicate with other people including:
 - reporting on financial activity and making recommendations
 - identifying and prioritising significant issues
 - ensuring managers and supervisors are clear about budgets.
- analyse the effectiveness of existing financial management approaches including reviewing financial management software, managing risks of misappropriation of funds, ensuring systems are in place to record all transactions, maintaining an audit trail and complying with due diligence.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- identify the requirements for financial probity
- describe the principles of accounting and financial systems
- explain Australian, international and local legislation and conventions that are relevant to financial management in the organisation
- outline the requirements of the Australian Tax Office, including Goods and Services Tax, Company Tax, Pay As You Go.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the financial management field of work and include access to:

- financial data
- relevant legislation and Australian Tax Office requirements
- examples of business plans, profit and loss statements, cash flows and aging summaries
- organisational financial policies and procedures
- financial management software.

Assessors must satisfy NVR/AQTF assessor requirements.

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