



Australian Government

BSBFIN601 Manage organisational finances

Release: 1

BSBFIN601 Manage organisational finances

Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 7.0.

Application

This unit describes the skills and knowledge required to undertake budgeting, financial forecasting and reporting. This unit also describes the skills and knowledge required to allocate and manage resources to achieve the required outputs for the business unit. It includes contributing to reviewing financial information, analysing financial risks, preparing a budget and reporting on financial activity.

The unit 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

Business Competence – Financial Literacy

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. Prepare for financial management	1.1 Assess reasons for losses or profits identified from previous financial reports 1.2 Analyse critical dates and initiatives in business plan and cash flow trends 1.3 Review statutory requirements for compliance and liabilities for tax 1.4 Analyse existing software and its suitability for financial management

ELEMENT	PERFORMANCE CRITERIA
2. Establish budgets and allocate funds	2.1 Develop budget from previous financial data according to compliance, organisational and statutory requirements 2.2 Circulate budgets and confirm managers and supervisors understand budgets, reporting requirements and financial delegations 2.3 Confirm there are no opportunities for misappropriation of funds 2.4 Review profit and loss statements, cash flows and ageing summaries and revise, where required 2.5 Identify discrepancies between agreed and actual allocations using audit trails
3. Report on finances	3.1 Identify organisational and statutory financial reporting requirements 3.2 Identify and prioritise significant issues in statements for review and decision making 3.3 Prepare financial recommendations 3.4 Evaluate effectiveness of financial management processes

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

SKILL	DESCRIPTION
Numeracy	- 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
Oral communication	Explains financial decisions and outcomes clearly and uses listening and questioning techniques to exchange information and obtain agreement
Reading	Analyses and evaluates complex organisational information and legislative requirements to assist with financial decision making
Writing	- 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

SKILL	DESCRIPTION
Teamwork	• Selects and uses appropriate conventions and protocols when communicating with supervisors and managers to share information or seek agreement
Initiative and enterprise	• Identifies and complies with legislative and organisational requirements in undertaking own work
Planning and organising	• 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
Technology	• 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

Supersedes and is equivalent to BSBFIM601 Manage finances.

Supersedes but is not equivalent to BSBGOV504 Monitor organisational finances.

Links

Companion Volume Implementation Guide is found on VETNet -

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

Assessment Requirements for BSBFIN601 Manage organisational finances

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Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- manage finances for at least one organisation or work area.

In the course of the above, the candidate must:

- review previous financial statements
- prepare, implement and revise a budget that:
 - aligns with business plan
 - is based on research and analysis of previous financial data and cash flow trends
 - meets compliance, statutory and organisational requirements
- contribute to financial bids and estimates
- communicate with other people, including:
 - reporting on financial activity and making recommendations
 - ensuring managers and supervisors understand key elements of relevant budgets
- analyse 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 audit trail
 - complying with due diligence.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- processes to establish and review profits and losses from financial statements
- requirements for financial probity
- principles of accounting and financial systems

- key functions of financial management software
- key components of a financial budget
- Legislation and conventions relevant to financial management in organisation
- Australian Tax Office (ATO) requirements for Goods and Services Tax, Company Tax, Pay As You Go (PAYG).

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

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

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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