



Australian Government

Assessment Requirements for CPCCB5019 Manage building and construction business finances

Release: 2

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Modification History

- Release 2 Updated reference to general construction induction training program.
- Release 1 This version first released with CPC Construction, Plumbing and Services Training Package Release 5.0.
New unit.

Performance Evidence

To demonstrate competency, a candidate must meet the elements and performance criteria of this unit by managing the business finances for a building and construction business over at least six months of business activity and including at least one building and construction project.

In doing this, the candidate must:

- manage business financial systems and processes
- schedule, monitor and process incoming and outgoing payments
- manage budgeting, cash flow and debt recovery
- lodge monthly, quarterly or annual statements and pay tax and workplace liabilities for the registered business
- conduct a business financial risk assessment.

Knowledge Evidence

To be competent in this unit, a candidate must demonstrate knowledge of:

- economic and industry trends
- financial concepts:
 - revenue streams
 - expenses
 - project costings
 - contingency planning
 - business overheads
 - profit
- key government sources for industry information
- Australian Consumer Law
- Competition and Consumer Act

- Australian Taxation Office (ATO) obligations for building and construction businesses:
 - income tax
 - capital gains tax
 - payroll tax
 - fringe benefits tax
 - pay as you go (PAYG) instalments
 - goods and services tax (GST)
 - tax differences between a sole trader and a company
 - registering for taxes
 - methods of paying taxes
 - maintaining business and taxation records
- accounting systems:
 - types of invoices
 - invoicing and collecting payments
 - budgeting and reporting
 - end of financial year
- payment methods:
 - credit and debit card
 - direct debit
 - cheque
 - cash
- analysing business finances:
 - financial health check
 - sales calculators
 - profit ratios
 - liquidity and finance ratios
- options to improve business financial position:
 - recover outstanding debt
 - reduce or rearrange expenses
 - sell assets
 - increase prices
 - consolidate debt
 - track and improve cash flow
- insurance policies:
 - public liability
 - builders' risk
 - income loss
 - workers compensation
 - commercial vehicles
- contractual financial arrangements:

- payment subject to quality of work
- product quality and compliance
- terms and conditions of payment.

Assessment Conditions

Assessors must meet the requirements for assessors contained in the Standards for Registered Training Organisations.

Assessment can be undertaken in the workplace or in a simulated workplace environment.

A simulated environment is one that realistically replicates workplace conditions, materials and equipment, interactions with others and workplace irregularities, and which meets industry standards for safety and environmental practices.

Candidates must have access to:

- financial documentation and other quality documentation to undertake the performance criteria and assessment requirements
- digital devices, applications and software to monitor, manage and record business finances
- government business legislation.

Links

Companion volumes to this training package are available at the VETNet website -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=7e15fa6a-68b8-4097-b099-030a5569b1ad>