



Australian Government

FNSACC414 Prepare financial statements for non-reporting entities

Release: 1

FNSACC414 Prepare financial statements for non-reporting entities

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 3.0.

Application

This unit describes the skills and knowledge required to prepare financial statements for entities that do not have a statutory duty to file financial reports with government agencies and regulators.

It applies to individuals who use specialised knowledge and systematic approaches to collate and prepare financial information in line with accounting standards.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Financial Services Training Package Companion Volume Implementation Guide or the relevant regulator for specific guidance on regulatory requirements.

Unit Sector

Accounting

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. Compile data required for preparing financial statements for non-reporting entities	1.1 Collect data required to produce financial statements from sources in line with accounting standards 1.2 Systematically code, classify, and check data for accuracy and reliability according to organisational policy and procedures 1.3 Check internal and external financial data to confirm their consistency and accuracy
2. Prepare financial	2.1 Prepare financial statements using structure and format that

ELEMENT	PERFORMANCE CRITERIA
statements for non-reporting entities	comply with accounting standards and organisational requirements 2.2 Review statements for errors and compliance with accounting standards and organisational procedures, and amend as required 2.3 Obtain verification and authorisation from delegated persons

Foundation Skills

This section describes those language, literacy and numeracy and employment skills that are essential to performance.

Skill	Description
Reading	Analyses, matches, and interprets data from a variety of sources, paying attention to data accuracy and reliability
Writing	- Accurately records, classifies and checks financial information in written documents - Uses clear language and logical structure in preparing reports and presentations to convey information
Numeracy	Performs mathematical calculations and uses estimating and forecasting techniques to consolidate and analyse financial data
Navigate the world of work	Identifies and complies with required protocols, policies and procedures
Get the work done	- Sequences and implements tasks to meet organisational requirements - Identifies and responds to predictable problems and implements solutions to address accuracy issues - Uses digital systems and programs to assist with planning, implementing, monitoring and reporting

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSACC414 Prepare financial	FNSACC404 Prepare financial statements	Edits to performance criteria and	Equivalent unit.

Code and title current version	Code and title previous version	Comments	Equivalence status
statements for non-reporting entities (Release 1)	for non-reporting entities (Release 1)	assessment requirements to clarify intent.	

Links

Companion volumes are available from VETNet. -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSACC414 Prepare financial statements for non-reporting entities

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Performance Evidence

Evidence of the ability to:

- access, analyse and compile required financial data for non-reporting entities
- calculate financial ratios for liquidity, activity and profitability, and analyse the significance of those calculations
- prepare financial accounts and comprehensive statements showing financial position, performance and cash flow for:
 - a partnership
 - a not-for-profit organisation.

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

Knowledge Evidence

The candidate must be able to demonstrate the following knowledge to effectively complete the tasks outlined in the elements and performance criteria of this unit, and to manage tasks and reasonably foreseeable contingencies in the context of the work role.

- Differences between non-reporting entities and reporting entities
- Different types of non-reporting entities and their key characteristics
- Purpose of preparing financial statements for non-reporting entities
- Key features of organisational guidelines and procedures relating to preparing financial statements for non-reporting entities
- Key features of financial legislation covering:
 - taxable transactions
 - reporting requirements
- Advantages and disadvantages of:
 - ratios and comparison techniques

- methods of presenting financial data
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Assessment Conditions

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

- office equipment, technology, software and consumables required to prepare financial statements for non-reporting entities.

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

Links

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