



Australian Government

FNSACC421 Prepare financial reports

Release: 1

FNSACC421 Prepare financial reports

Modification History

Release	Comments
Release 1	This version first released with the FNS Financial Services Training Package Version 8.0. Newly created unit.

Application

This unit describes the skills and knowledge required to record general journal adjustment entries and to prepare end of period financial reports.

The unit applies to individuals who are responsible for preparing financial reports. They may be individuals providing administrative support in an organisation, or they might have responsibility for these tasks in relation to their own workgroup or role.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Users are advised to check with the relevant regulatory authorities to confirm those 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. Prepare and maintain asset register	1.1 Prepare a register of property, plant and equipment from fixed asset transactions according to legislative and organisational policies and procedures 1.2 Determine method of calculating depreciation according to organisational requirements 1.3 Establish process for maintaining asset register and associated depreciation schedule according to accounting requirements and organisational policies and procedures
2. Record general journal entries for balance	2.1 Record depreciation of non-current assets and disposal of fixed assets according to accounting requirements and

ELEMENT	PERFORMANCE CRITERIA
day adjustments	organisational policies and procedures 2.2 Adjust expense accounts and revenue accounts for prepayments and accruals 2.3 Record bad and doubtful debts according to accounting requirements and organisational policy and procedures 2.4 Adjust ledger accounts for inventories and transfer to final accounts, if required
3. Update and prepare final general ledger accounts	3.1 Make general journal entries for balance day adjustments in general ledger system according to accounting requirements and organisational policies and procedures 3.2 Post revenue and expense account balances to final general ledger accounts system 3.3 Prepare final general ledger accounts that reflect gross and net profits for reporting period
4. Prepare end of period financial reports	4.1 Prepare revenue statement that reflects operating profit for reporting period according to organisational requirements 4.2 Prepare balance sheet and reflect financial position of business at end of reporting period 4.3 Identify and correct errors or refer for resolution according to organisational policy and procedures

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	Uses a wide range of mathematical calculations to interpret and arrange/compare numerical information
Reading	Identifies and interprets information from organisational policies, procedures and job requirements
Writing	Records accurate data using relevant format, structure and vocabulary
Planning and organising	Plans and completes tasks according to set guidelines and timelines
Technology	Uses the main features and functions of digital technologies to access, record, store, organise and compile data as required

Unit Mapping Information

Newly created unit.

Links

Companion Volume Implementation Guide is found on VETNet -

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

Assessment Requirements for FNSACC421 Prepare financial reports

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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:

- produce at least one complete asset register and depreciation schedule.

In the course of the above, the candidate must:

- record entries for balance day adjustments
- trace and reconcile errors systematically
- apply double-entry bookkeeping principles to prepare and maintain financial reports and ledgers
- complete all tasks according to organisational policies and industry standards.

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:

- double-entry bookkeeping principles
- processes for making general journal and general ledger entries
- key provisions of legislation, regulations, standards and codes of practice relevant to the preparation of financial reports
- key features of organisational accounting systems used for preparing financial reports
- organisational policies, procedures and accounting standards relevant to own role.

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:

- office equipment and resources, including computer equipment and relevant software
- accounting standards relating to financial reports
- samples of financial data
- workplace reference materials, such procedural manuals and organisational policies.

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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