



Australian Government

FNSACC606 Conduct internal audit

Release: 3

FNSACC606 Conduct internal audit

Modification History

Release	Comments
Release 3	This version first released with FNS Financial Services Training Package Release 8.1. Pre-requisite unit updated.
Release 2	This version first released with FNS Financial Services Training Package Version 3.1 Update to pre-requisite unit code

Application

This unit describes the skills and knowledge required to evaluate information systems and assess an organisation's risks as part of an internal audit process.

It applies to individuals who use specialised knowledge, analytical skills and systematic approaches to evaluate and improve organisational systems and compliance requirements.

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

Pre-requisite Unit

FNSACC526	Implement and maintain internal control procedures
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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>

ELEMENT	PERFORMANCE CRITERIA
1. Evaluate information systems	1.1 Evaluate system specifications against user requirements and feedback to identify redundancies and constraints, and capacities of information technology 1.2 Identify hardware and software needs from assessment of available products and services 1.3 Evaluate possible uses and handling of accounting data in consultation with users to determine security requirements 1.4 Analyse organisational procedures and policy to evaluate scope of strategies for risk management, internal control of expenditure and compliance with statutory requirements 1.5 Monitor and record enquiries regarding use of systems to ensure ongoing evaluation
2. Develop implementation plans	2.1 Review internal control systems to determine any implementation issues that impact on organisational processes 2.2 Analyse strengths and weaknesses of organisational processes, including present and future capacities, and incorporate in implementation plan 2.3 Design implementation to cover outcomes, resource use, costs, and achievement and maintenance of professional accounting standards 2.4 Establish schedules that are realistic and feasible in context of organisation's short-term and long-term objectives
3. Review resource use	3.1 Monitor sources of data input to identify influences and variations in returns and costs 3.2 Monitor estimates of stock levels and review to ensure appropriate stocking and ordering of materials and inventory items 3.3 Compare records of resource use with unit cost estimates to evaluate projected costs 3.4 Analyse factors influencing resource use in future to assess impact on operations and objectives
4. Monitor plans	4.1 Adjust implementation to take account of emerging external influences and establishment of alternative targets 4.2 Monitor and control costs of plans by evaluating net benefits to operations from allocation of resources 4.3 Adjust internal control systems to ensure maintenance and achievement of accounting standards

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, 1.2, 1.4, 2.1, 2.2, 3.1, 3.2	Accesses and evaluates complex information and documentation from a range of sources to determine requirements
Writing	1.3, 1.5, 2.2, 2.4	- Produces reports and plans that sequence and structure information logically - Uses a writing style and concepts appropriate for the audience and purpose
Oral Communication	1.3	Effectively engages others in verbal exchanges using active listening and questioning to elicit, clarify and convey information
Numeracy	3.1-3.3, 4.2	- Accurately identifies and analyses financial and numerical information embedded in a range of texts and tasks - Performs mathematical calculations to check the accuracy and completeness of numerical and financial data, with a focus on identifying errors and discrepancies
Navigate the world of work	1.4, 2.1, 2.3, 4.3	Develops, implements and reviews strategies to ensure organisational policy, procedures and regulatory requirements are met
Get the work done	1.1-1.5, 2.1- 2.4, 3.1-3.4, 4.1-4.2	- Takes responsibility for planning, sequencing and prioritising complex tasks and own workload for efficiency and effective outcomes - Develops plans to introduce new systems and processes with strategic implications for the organisation - Uses systematic analytical problem-solving processes in complex, routine and non-routine situations, gathering information and identifying and evaluating options against criteria - Evaluates the effectiveness of systems and processes to inform decisions on how to implement improvements - Recognises and anticipates a range of problems, implementing contingency plans when appropriate - Uses digital technologies to access, extract and share relevant information to achieve required outcomes

		Actively identifies systems, devices and applications with potential to meet needs, including consideration of data security
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Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSACC606 Conduct internal audit	FNSACC606A Conduct internal audit	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=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSACC606 Conduct internal audit

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Performance Evidence

Evidence of the ability to:

- conduct internal audit that complies with organisational policy and procedures, and includes:
 - use of professional accounting standards to identify strengths and weaknesses
 - assessment of internal control systems
 - evaluation of information systems
 - review of resources
 - development and monitoring of implementation plans.

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:

- outline the key considerations when reviewing system requirements and specifications
- compare and contrast recording and information management systems and software applicable to financial recording
- explain the key principles of internal control, including statutory requirements
- outline the key features of risk management strategies
- discuss ethical considerations for records and file management
- identify and explain the key features of relevant financial legislation relating to taxable transactions and reporting requirements.

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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:

- common office equipment, technology, software and consumables
- an integrated financial software system and data.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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