



**Australian Government**

# **FNSACC611 Implement an insolvency program**

**Release: 2**

# FNSACC611 Implement an insolvency program

## Modification History

| Release   | Comments                                                                              |
|-----------|---------------------------------------------------------------------------------------|
| Release 1 | This version first released with FNS Financial Services Training Package Version 1.0. |

## Application

This unit describes the skills and knowledge required to evaluate options, establish timelines and objectives, and monitor progress and plans for business insolvency.

It applies to individuals who use specialised knowledge and skills to analyse complex financial situations and implement recommended options.

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.

## 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. Evaluate options for insolvency               | 1.1 Identify, locate and secure assets and liabilities to be included in insolvency<br>1.2 Interpret insolvency plans to determine operational decisions in consultation with stakeholders<br>1.3 Estimate potential returns from realisation of assets from assessment of market values, and fees and expenses<br>1.4 Identify, evaluate and resolve claims of creditors using agreed criteria and standard accounting practices<br>1.5 Make decisions regarding insolvency using agreed criteria |
| 2. Establish timelines and                       | 2.1 Develop and confirm milestones for completion of project                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| ELEMENT             | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| objectives          | tasks as part of insolvency plan<br>2.2 Develop implementation schedules with defined target dates and communicate to stakeholders<br>2.3 Allocate operational liaison and reporting responsibilities to ensure completion of tasks                                                                                                                                                                                                                                                                                       |
| 3. Monitor progress | 3.1 Identify, acquire and validate data relevant to insolvency program<br>3.2 Analyse outcomes of insolvency plan and document in accordance with established forms of insolvency administration, statutory requirements and codes of conduct<br>3.3 Support day-to-day administration of program through liaison and regular reporting<br>3.4 Assess delays in implementation and develop and negotiate solutions<br>3.5 Ensure recommendations to clients are clear, concrete and based on reasoned examination of data |

## 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                                                                                                                                                                                                                 |
|--------------------|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Learning           | 1.1, 3.2, 3.5          | <ul style="list-style-type: none"> <li>Analyses information to build own knowledge and personal competence relating to best practice in relevant area</li> </ul>                                                            |
| Reading            | 1.1, 1.2, 1.4, 3.1     | <ul style="list-style-type: none"> <li>Interprets and analyses complex written information and financial data to make recommendations and justify decisions</li> </ul>                                                      |
| Writing            | 1.2, 2.1, 2.2, 3.2-3.5 | <ul style="list-style-type: none"> <li>Prepares logically structured plans and reports that clearly and concisely explain complex relationships between relevant information, financial data and recommendations</li> </ul> |
| Oral Communication | 1.2, 2.2, 3.3-3.5      | <ul style="list-style-type: none"> <li>Uses collaborative techniques, including active listening and questioning, to elicit, convey and clarify information with a range of personnel</li> </ul>                            |
| Numeracy           | 1.3, 1.4, 3.2          | <ul style="list-style-type: none"> <li>Performs mathematical calculations and uses a range</li> </ul>                                                                                                                       |

|                            |                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|----------------------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                            |                            | of mathematical problem-solving techniques to analyse, estimate and forecast financial data                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Navigate the world of work | 1.4, 1.5, 2.3, 3.3, 3.5    | <ul style="list-style-type: none"> <li>Monitors adherence to legal and regulatory requirements, and recommends and implements changes to policies, procedures or processes where these are deemed necessary</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                     |
| Interact with others       | 1.2, 2.2, 3.3-3.5          | <ul style="list-style-type: none"> <li>Collaborates with others to achieve mutually agreeable outcomes while maintaining confidences and ethical practices</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Get the work done          | 1.1-1.5, 2.1-2.3, 3.1, 3.3 | <ul style="list-style-type: none"> <li>Organises, plans and sequences own workload and schedules insolvency activity monitoring and reporting</li> <li>Uses problem-solving processes to identify insolvency planning issues that have the potential to impact on organisations and to develop options to resolve these issues when they arise</li> <li>Applies systematic and analytical decision-making processes in situations that impact on the work of self and others</li> <li>Uses a range of digital technologies to access, extract and share relevant information using integrated financial systems</li> </ul> |

## Unit Mapping Information

| Code and title<br>current version            | Code and title<br>previous version            | Comments                                        | Equivalence status |
|----------------------------------------------|-----------------------------------------------|-------------------------------------------------|--------------------|
| FNSACC611<br>Implement an insolvency program | FNSACC611A<br>Implement an insolvency program | 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 FNSACC611 Implement an insolvency program

## Modification History

| Release   | Comments                                                                              |
|-----------|---------------------------------------------------------------------------------------|
| Release 1 | This version first released with FNS Financial Services Training Package Version 1.0. |

## Performance Evidence

Evidence of the ability to:

- analyse relevant financial data and evaluate potential insolvency options that comply with statutory requirements
- establish timelines and objectives for an insolvency plan
- monitor progress and adjust plan as required.

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:

- explain the key features of comprehensive practices and principles of insolvency administration
- identify and describe depreciation methods allowed by tax authorities
- outline the key duties and responsibilities of insolvency administrators and liquidators
- identify and discuss the key ethical considerations for the handling of financial insolvency such as:
  - conflict of interest
  - confidentiality
  - disclosure requirements
- identify and describe the forms and functions of employee records
- identify and explain the key features of legislation relating to insolvency management, covering the following:
  - corporations
  - taxation assessment
  - workplace relations
  - privacy

- consumer and competition
- identify and explain the key principles and practices of double-entry bookkeeping and accrual accounting in budgetary control
- explain the valuation and processes for asset disposal.

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