



Australian Government

FNSCRD515 Respond to corporate insolvency situations

Release: 2

FNSCRD515 Respond to corporate insolvency situations

Modification History

Release	Comments
Release 2	This version first released with FNS Financial Services Training Package Version 7.0. Updated. Correction to error in prerequisite unit code.
Release 1	This version first released with FNS Financial Services Training Package Version 4.0.

Application

This unit describes the skills and knowledge required to determine actions and respond to corporate insolvency and its effect on creditors in an insolvency situation.

The unit applies to individuals who are in managerial and other specialist positions of responsibility who deal with insolvent situations and apply monitoring and reviewing techniques to perform their work.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Pre-requisite Unit

FNSCRD511 Respond to personal insolvency situations

Unit Sector

Credit management

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. Monitor and analyse potential risk of corporate insolvency	1.1 Identify factors in corporate client accounts that may contribute to corporate insolvency 1.2 Analyse potential risk factors and impact on creditor organisation 1.3 Analyse impact of insolvency options that may be taken by

ELEMENT	PERFORMANCE CRITERIA
	liquidator, administrator, receiver or other third party 1.4 Consult with person/s as established in organisational policy and procedures to determine if action is required
2. Determine action	2.1 Evaluate corporate insolvency actions in accordance with legislative rights and obligations of both debtor and creditor 2.2 Implement action according to legislative requirements, and organisational policy and procedures 2.3 Prepare documents required for legal proceedings, if necessary
3. Review circumstances which led to corporate insolvency situation and implement response.	3.1 Determine mechanisms to identify contributing factors 3.2 Evaluate causes of corporate insolvency and review organisational procedures 3.3 Implement recommendations from review

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	Extracts and evaluates numerical information embedded in a range of texts and formats to assess risk and prepare accurate claim information
Oral communication	Uses active questioning and listening techniques, initiates points of clarification and uses clear and direct language to establish required actions
Reading	Interprets and analyses complex information from a range of sources to identify and monitor risk potential and determine relevance to required actions
Writing	Compiles documents which convey complex financial information required for processes and procedures
Problem solving	Applies judgement skills for making insolvency risk determinations
Self-management	- Works independently or with others in making decisions to achieve organisational outcomes - Accepts responsibility for planning and sequencing complex tasks and workload

Unit Mapping Information

Supersedes and is equivalent to FNSCRD505 Respond to corporate insolvency situations

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 FNSCR515 Respond to corporate insolvency situations

Modification History

Release	Comments
Release 2	This version first released with FNS Financial Services Training Package Version 7.0. Updated. Correction to error in prerequisite unit code.
Release 1	This version first released with FNS Financial Services Training Package Version 4.0.

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:

- identify risk of corporate insolvency for at least two different situations and implement required action for at least one situation.

In the course of the above, the candidate must:

- complete required documentation for legal proceedings
- evaluate circumstances of corporate insolvency and determine changes to organisational procedures.

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:

- key features of current legislative requirements relating to corporate insolvency
- organisational policy relating to corporate insolvency management
- factors that lead to corporate insolvency
- industry indicators of insolvency
- potential insolvency actions and full range of credit options within legal requirements
- range of insolvency situations and risk factors for the creditor organisation
- corporate insolvency specialist personnel within organisation with whom to consult
- documents required for legal proceedings in corporate insolvency situations.

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, technology and consumables
- credit product information
- software systems and data
- organisational policy and procedures related to managing insolvency.

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

Links

Companion Volume Implementation Guide is found on VETNet -

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