



Australian Government

Department of Education, Employment and Workplace Relations

FNSACC506A Implement and maintain internal control procedures

Revision Number: 1

FNSACC506A Implement and maintain internal control procedures

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to review corporate governance requirements, implement operating procedures and monitor policy. This unit has application to a variety of financial services sectors and is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements so the varying Commonwealth, State or Territory requirements should be confirmed with the relevant body.
------------------------	---

Application of the Unit

Application of the unit	The unit has application across all sectors of the financial services industry.
--------------------------------	---

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
-----------------------------	--

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range Statement. Assessment of performance is to be consistent with the evidence guide.
---	--

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Review corporate governance requirements	1.1. Corporate governance requirements are identified and analysed to determine application to operations 1.2. Clarifications on application of corporate governance requirements are accessed from authoritative and recognised sources 1.3. Internal control procedures are reviewed and developed reflecting the application of corporate governance requirements to internal operations
2. Implement operating procedures	2.1. Financial delegations and accountabilities are maintained and reviewed to ensure consistency and compliance with internal control procedures 2.2. Required reports are produced, reviewed and distributed within agreed timelines 2.3. Timetables for the implementation of corporate governance requirements are developed in consultation with stakeholders 2.4. Internal control procedures are detailed and documented in standardised formats to promote consistency of use
3. Monitor policy	3.1. Applications of corporate governance requirements are developed from published sources or recognised practices 3.2. Performance indicators are developed and reported on to evaluate compliance with internal control procedures 3.3. Variations in adoption of corporate governance requirements in operations are identified and evaluated to determine causes 3.4. Modifications to procedures are developed and implemented to facilitate compliance with internal control procedures

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- high level communication skills to:
 - determine and confirm internal control requirements by consulting with staff on internal control procedures and using questioning and active listening as required
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- well-developed research and analysis skills for accessing and managing complex information
- well-developed literacy skills for interpreting and analysing complex documentation including relevant legislation and producing accessible guidelines and reports
- numeracy skills to accurately analyse, record and store data in accordance with organisational requirements
- IT skills for accessing and using appropriate software such as spreadsheets and databases and using internet information
- learning skills to maintain knowledge of changes to compliance legislation and requirements
- problem solving skills to identify any issues that have the potential to impact on the financial controls in the organisation and to develop options to resolve these issues when they arise
- organisational skills, including the ability to plan and sequence work

Required knowledge

- ethical considerations and confidentiality for management and handling of files and records
- financial legislation such as:
 - taxable transactions
 - reporting requirements
- methods of work practices and routines
- organisational guidelines and procedures
- principles of internal control and auditing

Evidence Guide

EVIDENCE GUIDE	
The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	Evidence of the ability to: • interpret and comply with corporate governance requirements, organisational policies, financial delegations and accountabilities • review corporate governance requirements and implement effective operating procedures • monitor policy and relevant financial legislation.
Context of and specific resources for assessment	Assessment must ensure: • competency is demonstrated in the context of the financial services work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment • access to and the use of a range of common office equipment, technology, software and consumables • corporate governance documentation and organisational operational policies and procedures information.
Method of assessment	A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit: • evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency • verbal or written questioning on underpinning knowledge and skills which may include formal examinations • setting and reviewing workplace projects and business simulations • evaluating samples of work • accessing and validating third party reports.
Guidance information for assessment	

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

<i>Corporate governance requirements</i> may include:	• common law • delegated authorities • legislation such as: • corporation law • tax law • reporting periods • taxation payment timings.
<i>Authoritative and recognised sources</i> may include:	• asset registers • Australian Securities and Investments Commission (ASIC) • Australian Taxation Office (ATO) • financial information systems • laws and regulations • personnel information systems • professional associations • pronouncements.
<i>Internal control procedures</i> may include:	• accuracy in valuations • adequate disclosure in financial reporting • decision making authorities • electronic commerce security • identification, measurement and recording of: • income • assets • expenditure • liabilities • equity • risk management strategies • safeguarding and insurance of assets.
<i>Financial delegations and accountabilities</i> may include:	• corporate governance requirements • employment delegations • expenditure and investment approvals • loan and lending approvals

RANGE STATEMENT	
	• sign-off authorities.
Required reports may include:	• balance sheets • capital statements • cash flow statements • internal management reports • operating statements • transaction and auditable trails.
Stakeholders may include:	• clients • employees • financial institutions • managers and company officers such as: • company directors • boards of management • suppliers

Unit Sector(s)

Unit sector	Accounting
-------------	------------

Competency field

Competency field	
------------------	--

Co-requisite units

Co-requisite units		