



Australian Government

Department of Education, Employment and Workplace Relations

FNSACC604A Monitor corporate governance activities

Revision Number: 1

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Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to research corporate governance reporting trends, examine corporate governance standards and practices, and review compliance to develop and implement processes and procedures for meeting corporate governance obligations. 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.
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Application of the Unit

Application of the unit	The unit has application across all sectors of the financial services industry.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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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.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Establish corporate governance standards and practices	1.1. Application of, and adherence to, professional and legal accounting standards are monitored to identify emerging trends and interpretations of statutory and other regulatory requirements 1.2. Audit reports and practices are researched to assess methodologies and recommendations
2. Identify corporate governance reporting trends	2.1. Organisational practices are analysed to identify corporate governance obligations and performance 2.2. Queries from statutory and other regulatory authorities for corporate governance failure are examined to assess the change effects on internal control procedures 2.3. Content and structure of reports, returns and processes for review are assessed to evaluate policies being followed by the organisation
3. Determine processes for corporate governance adherence	3.1. Internal control procedures are analysed and monitored to determine performance indicators for compliance with corporate governance requirements 3.2. Information technology systems are evaluated to determine their use and suitability for recording data from operations and transactions for corporate governance obligations 3.3. Management processes to support corporate governance are established 3.4. Reporting plans are established to ensure completion of compliance requirements within scheduled timeframes
4. Review corporate governance compliance	4.1. The achievement of performance indicators is assessed and reviewed against key result areas 4.2. Compliance preparation processes are monitored and reviewed in line with corporate governance requirements 4.3. Failures in compliance are analysed to diagnose shortcomings and to remedy processes in line with corporate governance requirements

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 corporate governance parameters and 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 corporate governance legislation and producing management systems and evaluation reports
- numeracy skills to accurately analyse, record and store data in accordance with organisational requirements
- IT skills for accessing and using integrated financial systems, spreadsheets and databases and using internet information
- learning skills to maintain knowledge of changes to corporate governance and compliance legislation and requirements
- problem solving skills to identify any issues that have the potential to impact on the governance of 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

- current financial legislation
 - taxable transactions
 - reporting requirements
- detailed current knowledge of formats required for submission of statutory returns
- ethical considerations for compliance
- forms and functions of employee records
- principles of internal control including statutory requirements
- principles of valuation and common methods of depreciation

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:

- access and accurately interpret statutory and regulatory authority regulations and requirements
- apply professional accounting standards and meet organisational policies and procedures
- research corporate governance reporting trends
- determine processes for corporate governance adherence
- examine and review corporate governance standards and practices.

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
- access to an integrated financial software system and data
- 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
- setting and reviewing workplace projects and business simulations or scenarios
- 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>Professional accounting standards</i> may include:	• Australian Accounting Standards • Australian Accounting Standards Board (AASB) requirements • ethical requirements.
<i>Statutory and other regulatory authorities</i> may include:	• Australian Accounting Standards Board (AASB) • Australian Consumer and Competition Commission (ACCC) • Australian Institute of Company Directors • Australian Prudential Regulation Authority (APRA) • Australian Securities Exchange (ASX) • Australian Securities and Investments Commission (ASIC) • professional associations.
<i>Obligations</i> may include:	• compliance with ASIC regulations • directors' duties, rights and responsibilities • explanatory statements • lodgement dates • regulatory influence of the Corporations Act • repayment schedules • supporting documentation.
<i>Internal control procedures</i> may include:	• accuracy in valuations • decision making authorities • identification, measurement and recording of: • income • assets • expenditure • liabilities • equity • risk management strategies • safeguarding and insurance of assets • transparency in financial reporting.
<i>Policies</i> may include:	• decision making authorities

RANGE STATEMENT	
	• documenting and receipting requirements • eligible expenditures • expenditure authorities • expenditure limits • financial analysis techniques • submission dates.
Information technology systems may include:	• databases • electronic master files • internet • local area networks • spreadsheet software.
Management processes may include:	• internal reporting • lending approvals • program responsibilities • sign-off authorities.
Performance indicators may include:	• compliance with scheduled payment dates • debt reduction targets • profits and losses • reports: • quarterly • half yearly • annually • unqualified audits.
Key result areas may include:	• accuracy of data • administrative efficiency • completion of documentation • compliance with statutory requirements • consistency of application of procedures • continuity of records.

Unit Sector(s)

Unit sector	Accounting
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		