



Australian Government

Department of Education, Employment and Workplace Relations

FNSACC612A Implement reconstruction plan

Revision Number: 1

FNSACC612A Implement reconstruction plan

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to manage plans for the reestablishment of business operations by establishing timelines and objectives, monitoring progress and planning for disaster. This unit may apply to job roles subject to licensing, legislative, regulatory or certification requirements so 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 and job functions that have responsibility for implementing reconstruction of an organisation such as accountants and insolvency specialists.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

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. Evaluate options for reconstruction	1.1. Assets and liabilities to be included in the reconstruction plan are identified, located and secured 1.2. The organisation's comparative market position is analysed to identify advantages and disadvantages of operations 1.3. Sources of financing are tax efficient and ensure that optimal balances are achieved between minimising costs of servicing, financing and maintaining liquidity 1.4. Short-term and long-term financial obligations for the organisation are established and assessed against client objectives and expectations 1.5. Reconstruction milestones are established in consultation with stakeholders to identify significant deviations from expected returns
2. Establish timelines and objectives	2.1. Operational liaison and reporting responsibilities are allocated to appropriate personnel to ensure completion of tasks 2.2. Implementation schedules are developed with defined target dates and communicated and agreed with stakeholders 2.3. Performance indicators for the completion of projects are developed, modified and agreed in planning the process
3. Monitor progress	3.1. Operational data relevant to the reconstruction plan is identified, acquired and validated 3.2. Day to day administration of the program is supported by liaison and regular reporting 3.3. Delays and bottlenecks in implementation are assessed and solutions developed and negotiated 3.4. Results of progress are analysed and documented in accordance with the plan
4. Plan for disaster	4.1. Triggers for implementation arrangements are agreed with stakeholders and are communicated to relevant personnel 4.2. Contingency plans are established in line with operational performance indicators and documented

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- highly developed communication skills to:
 - evaluate an organisation's reconstruction environment and requirements, using questioning of personnel, management and external stakeholders for confirmation
 - negotiate complex reconstruction options and actions
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- highly developed research skills for accessing and managing financial services information
- well-developed literacy skills for analysing financial information and preparing financial reconstruction options
- well-developed numeracy skills for financial calculations and analysis, estimating and forecasting
- IT skills for developing and using integrated financial systems, spreadsheets and databases and internet information
- learning skills to maintain knowledge of reconstruction best practice principles, processes and procedures
- problem solving skills to identify reconstruction planning and implementation issues that have the potential to impact on organisations and to develop options to resolve these issues when they arise
- organisational skills, including the ability to plan and sequence work and correctly schedule reconstruction activity monitoring and reporting

Required knowledge

- principles of law as it relates to insolvency management including:
 - trade practices and corporation law
 - Taxation Assessment Acts
 - Workplace Relations Act
 - Australian Consumer and Competition Commission (ACCC) regulations
 - Privacy Act
- application of depreciation methods allowed by tax authorities
- duties and responsibilities of administrators and liquidators
- duties and responsibilities of auditors
- ethical considerations for the handling of financial reconstruction such as:
 - conflict of interests
 - confidentiality

REQUIRED SKILLS AND KNOWLEDGE

- disclosure requirements
- principles of valuation and processes for asset disposal

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 comply with relevant legislation
- apply knowledge of assets and liability classification to evaluate options for reconstruction
- establish reconstruction timelines and objectives and monitor progress
- plan for disaster.

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.

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>Assets and liabilities</i> may include:	• cash accounts • loans, leases and debts • personnel • plant and equipment • property investments • shares, bonds and securities.
<i>Advantages and disadvantages</i> may include:	• falling market reputation • industrial unrest • lack of financing • product quality • removal of restrictive practices.
<i>Sources of financing</i> may include:	• 'plough back' • asset sales • bank borrowing: • long-term • short-term • franchising • government equity injections • money market • new share releases • venture capital.
<i>Short and long-term financial obligations</i> may include:	• debt retirement • dividends • periodic payments on: • leases • loans • other • salaries • superannuation • taxation payments.
<i>Client objectives</i> may	• administrative efficiency • asset development

RANGE STATEMENT	
include:	• financial consolidation • higher levels of investment returns • improved cash flows • reduction in tax liabilities.
Milestones may include:	• compliance with scheduled payment dates • debt reduction targets • profits and losses • reports: • quarterly • half-yearly • annually.
Stakeholders may include:	• clients • employees • financial institutions • managers and company officers such as: • company directors • boards of management • suppliers.
Reporting responsibilities may include:	• administrator reports • availability of credit • commercial viabilities • compliance requirements • valuations.
Implementation schedules may include:	• budgeting periods • consultation schedules • evaluation of commercial viability • liquidation dates • repayment schedules.
Operational data may include:	• interest payments • salaries • sales • taxation liabilities such as: • sales tax • State government charges • other.
Delays may include:	• court orders • creditor default • identification of ownership

RANGE STATEMENT	
	• industrial action • taxation assessments.
Triggers may include:	• court action • falling revenues • industrial unrest • non-payment of debts • withdrawal of financing.

Unit Sector(s)

Unit sector	Accounting
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		