



Australian Government

Assessment Requirements for SITXFIN008

Interpret financial information

Release: 1

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Modification History

Not applicable.

Performance Evidence

Evidence of the ability to complete tasks outlined in elements and performance criteria of this unit in the context of the job role, and:

- correctly interpret at least six of the following financial information documents or reports used to monitor overall business performance:
 - account summaries and balances
 - balance sheets
 - bank deposit documentation
 - bank statements
 - business activity statements (BAS)
 - credit card transaction statements
 - invoices
 - journal entries
 - merchant statements
 - profit and loss statements
- provide financial information using correct financial terminology on six different operational or departmental financial activities listed in the knowledge evidence.

Knowledge Evidence

Demonstrated knowledge required to complete the tasks outlined in elements and performance criteria of this unit:

- financial terminology specific to financial reports
- reporting periods and different financial years observed by different businesses
- key features and functions of accounting software programs used to manage financial operations
- use of financial information and reports in monitoring overall business performance
- operational or departmental financial activities relevant to the sector:
 - average customer spend
 - daily, weekly and monthly transactions
 - departmental expenditure reports
 - departmental income reports
 - outstanding accounts

- quotations realised to sales
- sales performance
- stock levels
- variance from budget
- types of financial reports and their purpose:
 - budgets
 - cash flow
 - covers
 - expenditure
 - labour and wages
 - occupancy rates
 - purchases
 - receivables
 - sales
 - stock
 - transactions
 - transactions exempted
 - units sold
 - variance
 - wastage
- key elements of financial record keeping and key terminology
- key elements of accounting and how it provides information for business management:
 - profit and loss statements and balance sheets as key financial statements used to measure business performance:
 - purpose
 - how these reports are generated
 - format
 - features
 - key information
 - reconciliations:
 - purpose
 - different types of reconciliation, and the impact of unpresented cheques
 - bank charges
 - direct debits and credits
- concept of costing, and fixed and variable costs
- accounting for and reporting goods and services tax (GST).

Assessment Conditions

Skills must be demonstrated in an operational business environment. This can be:

- an industry workplace; or
- a simulated industry environment set up for the purposes of assessment.

Assessment must ensure access to:

- computers, printers and accounting software
- financial data and reports.

Assessors must satisfy the Standards for Registered Training Organisations' requirements for assessors.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=68c40a93-e51d-4e0f-bc06-899dff092694>