### RPL Standard



BSBSMB406 Manage Small Business Finances

**How to complete this form:**

Complete all areas in **blue** on the following pages by providing information on your previous skills and qualifications using the information below as a guide.

**Unit Description**

### This unit describes the skills and knowledge required to implement and review financial management strategies on a regular basis.

### To gain RPL for this unit of competency the applicant must meet the following benchmarks along with providing evidence that their current level of knowledge and skills is

Relevant to all performance criteria, knowledge and **performance evidence**.

**The applicant must provide evidence of the following to gain RPL for this unit:**

* The applicant must operate a small business that stands alone, or is part of a department within a larger organisation. Individuals in this role interpret financial reports and other numerical data to develop financial management strategies
* Applicants who may have completed a similar unit within a previous course
* The applicant must have knowledge and skills required to operate the business according to the business plan, including legal requirements
* The applicant must be able to define strategies for debt collection and managing cash flow
* The applicant must be able monitor the business against financial plan and make changes as required
* The applicant must demonstrate knowledge of all performance criteria, essential knowledge and skills

**Example Evidence**

* Relevant transcript & certificate
* Evidence of financial decision-making activities relevant to the business
* Evidence of capability to clarify preparation and interpretation of budget/actual reports
* Evidence of preparing profit and loss statements and their interpretation
* Evidence of preparing balance sheets and their interpretation

### Completion of ACFB e-learning quiz/oral questioning related to work within a fitness practice; If required this will be completed at a later stage.

**Evidence documents may include, but not limited to:**

* Copy of business plan
* Copy of financial reports, copy of profit and loss statements and their interpretation

### *Unit Evidence Description*



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| **Applicant Name** |  |  |  |



| ***SIS40215*** | | Certificate IV in Fitness | | **BSBSMB406 Manage Small Business Finances** | **Office Use Only** | |
| --- | --- | --- | --- | --- | --- | --- |
| **Prerequisite:** None | | | | **Sufficient** | **F.E.R.** |
| **Elements / Performance Criteria** | | | **Evidence***(Applicant; Explain in detail how your evidence relates to the required knowledge listed)* | |  |  |
| **1. Implement financial plan** | | | | | | |
| 1.1 | Identify financial information requirements and obtain specialist services, as required, to profitably operate the business in accordance with the business plan. | |  | |  |  |
| 1.2 | Produce financial budgets or projections, including cash flow estimates, as required for each forward period, and distribute to relevant people in accordance with legal requirements. | |  |  |
| 1.3 | Negotiate, secure and manage business capital to best enable implementation of the business plan and to meet requirements of financial backers. | |  |  |
| 1.4 | Develop and maintain strategies to enable adequate financial provision for taxation in accordance with legal requirements. | |  |  |

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| 1..5 | Develop, monitor and maintain client credit policies, including contingencies for debtors in default, to maximise cash flow. |  |  |  |
| 1.6 | Select key performance indicators to enable ongoing monitoring of financial performance. |  |  |  |
| 1.7 | Record and communicate financial procedures to relevant people to facilitate implementation of the business plan. |  |  |  |
| **2. Monitor financial performance** | | | | |
| 2.1 | Regularly monitor and report on financial performance targets, and analyse data to establish extent to which the financial plan has been met. |  |  |  |
| 2.2 | Monitor marketing and operational strategies for their effects on the financial plan. |  |  |
| 2.3 | Calculate and evaluate financial ratios according to own or industry benchmarks. |  |  |
| 2.4 | Assess financial plan to determine whether variations or alternative plans are needed, and change as required. |  |  |

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| **Knowledge Evidence** | **Evidence** (Please explain in detail how your evidence relates to each of the required skills listed) | **Office Use Only** | |
|  | | **Sufficient** | **F.E.R** |
| * Discuss benchmarking |  |  |  |
| * Explain financial decision-making relevant to the business |  |  |  |
| * Summarise significant financial indicators |  |  |  |
| * Outline purposes of financial reports |  |  |  |
| Clarify preparation and interpretation of budget/actual reports |  |  |  |
| * Identify principles for preparing balance sheets and their interpretation |  |  |  |
| Characterise principles for preparing profit and loss statements and their interpretation |  |  |  |
| Discuss stock records and stock control relevant to the business |  |  |  |

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| **Performance Evidence** | **Evidence** *(This evidence will be collected via documents outlined on first page)* | **Office Use Only** | |
|  | | **Sufficient** | **F.E.R** |
| Operate the business according to the business plan, including:   * Adhering to legal requirements * Meeting requirements of financial backers * Defining strategies for debt collection and contingencies for debtors * Managing cash flow * Defining key performance indicators * Communicating with relevant people | *This evidence will be collected via oral questioning* |  |  |
| Monitor the business against financial plan and make changes as required. | *This evidence will be collected via oral questioning* |  |  |

**Office Use Only**

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| **RPL Outcome** | | | | |
| **RPL Achieved** | Yes □ | No □ | |
| **Further Evidence Required** | Yes □ | No □ | |
| **Further Evidence *(list of required evidence)*** | | | | |
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| *RPL Assessor Name:* | | | *Date:* | |