



**Occupational Standards  
of Competence**

**Accounting  
for Small Business**

**Level 3**

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## **ACKNOWLEDGEMENTS**

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**Qualification Overview**

**NVQB**

**in**

**Accounting for Small Business**

**Level 3**

## **NVQB in Accounting for Small Business Level 3**

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### **Qualification Overview**

Employers can use this qualification to support employees in developing their accounting and general work skills, planning their careers and in the development of systems for better internal financial management.

Employees at this level must have an understanding of what skills and knowledge are required to function within a small business' accounting processes. They must also be able to contribute to the development of the team and improve the business process for better efficiency in the operations process, as it relates to both internal and external customers.

Like all NVQs, this qualification is competence based. This means that it is linked to the candidate's ability to competently perform a range of tasks connected with their work. Candidates must plan a programme of development and assessment with their assessors and compile a portfolio of evidence to prove that they are competent in their work role.

### **Who is this qualification for?**

The NVQB in Accounting for Small Business Level 3 is aimed at persons who provide an accounting assisting function at a supervisory or management level in a small or micro enterprise.

## **A06603 - APPROVED NATIONAL VOCATIONAL QUALIFICATION STRUCTURE**

### **ACCOUNTING FOR SMALL BUSINESS LEVEL 3**

To achieve a full award, candidates must complete all sixteen (16) mandatory units.

<b>Mandatory Units (All must be completed)</b>	<b><u>CODES</u></b>
<b>1. Plan small business finances</b>	<b>U95903</b>
1.1 Prepare a profit statement	
1.2 Develop a financial plan	
1.3 Acquire finance	
<b>2. Manage small business finances</b>	<b>U96003</b>
2.1 Implement financial plan	
2.2 Monitor and review financial performance	
<b>3. Set up and operate a computerized accounting system</b>	<b>U96103</b>
3.1 Implement and maintain integrated accounting system	
3.2 Process transactions within system	
3.3 Produce reports	
3.4 Ensure system integrity	
<b>4. Maintain a safe, healthy and productive work environment</b>	<b>U82003</b>
4.1 Monitor and maintain a safe, healthy and secure work environment	
4.2 Monitor and maintain the work environment	
<b>5. Make and record small business payments</b>	<b>U96203</b>
5.1 Process documents	
5.2 Process payments	
<b>6. Prepare small business reports and returns</b>	<b>U96303</b>
6.1 Prepare and present performance and final reports	
6.2 Prepare reports and returns for outside agencies	
6.3 Prepare Corporate and Tax returns	

<b>Mandatory Units (All must be completed)</b>	<b>CODES</b>
<b>7. Maintain financial records and prepare accounts for small businesses</b>	<b>U96403</b>
7.1 Collect and collate information	
7.2 Prepare ledger balances and control accounts	
7.3 Prepare final accounts of partnerships and other business structures	
7.4 Maintain records	
<b>8. Manage cash and bank transactions</b>	<b>U96503</b>
8.1 Prepare petty cash documentation	
8.2 Conduct petty cash transactions	
8.3 Conduct transactions with alternative payment methods	
8.4 Prepare deposit facility and make deposits	
8.5 Prepare bank reconciliations	
<b>9. Provide customer service in small businesses</b>	<b>U96603</b>
9.1 Communicate with customers	
9.2 Provide services to meet customer requirements	
9.3 Resolve problems and complaints	
<b>10. Record and evaluate small business costs and revenues</b>	<b>U96703</b>
10.1 Record information	
10.2 Analyze information	
10.3 Evaluate information	
<b>11. Record and process income and receipts</b>	<b>U96803</b>
11.1 Process documents	
11.2 Process receipts	
<b>12. Supply information for small business management control</b>	<b>U96903</b>
12.1 Code and extract information	
12.2 Provide comparisons on cost and income	
<b>13. Work with computers</b>	<b>U65303</b>
13.1 Use computer systems and software	
13.2 Maintain security of data	

**Mandatory Units (All must be completed)**

**CODES**

**14. Maintain and improve personal performance**

**U65403**

- 14.1 Plan and organize work
- 14.2 Maintain working relationships
- 14.3 Improve your own performance

**15. Maintain payroll and employee benefits records**

**U97003**

- 15.1 Collect and verify data
- 15.2 Prepare and maintain payroll
- 15.3 Complete payroll and generate records
- 15.4 Handle pay roll enquiries

**16. Establish a business continuity system**

**U97103**

- 16.1 Identify business vulnerabilities
- 16.2 Develop and implement mitigation strategies
- 16.3 Determine interdependencies and develop response strategies
- 16.4 Establish the business continuity plan
- 16.5 Establish the communication plan within the organization's planning framework
- 16.6 Deliver business continuity professional activities



**U95903****Plan small business finances**

Unit Descriptor:

This unit deals with the knowledge, skills and attitudes required to analyze and determine small business financial needs and obligations and develop a feasible financial plan that supports small/micro business viability. Candidates are required to identify profit targets, cash flow projections and strategies for obtaining financial support.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |                               |   |
|-------------------------------|---|
| 1. Prepare a profit statement | <ul style="list-style-type: none"> <li>1.1 Identify and record operational <b>costs</b> and income associated with the business' products/services.</li> <li>1.2 Calculate unit prices for products or hourly labour charge-out rates for services using a cost and profit margin.</li> <li>1.3 Calculate break-even sales point to establish business viability and product margins.</li> <li>1.4 Outline appropriate <b>pricing strategies</b> that match market conditions and business profit targets.</li> <li>1.5 Prepare a profit statement that can supplement a business plan/budget.</li> </ul> |
| 2. Develop a financial plan   | <ul style="list-style-type: none"> <li>2.1 Set <b>profit targets/goals</b> that meet business owner expectations/desires.</li> <li>2.2 Identify working capital requirements to meet profit projections.</li> <li>2.3 Identify non-current asset requirements and outline suitable alternative asset management strategies (e.g. buy/rent/lease decisions).</li> <li>2.4 Prepare <b>cash flow projections</b> which reflect the business plan and <b>legal requirements</b>.</li> <li>2.5 Identify capital investment requirements accurately for each operational period.</li> </ul>                     |

- 2.6 Select budget targets to enable ongoing monitoring of financial performance.
- 3. Acquire finance
  - 3.1 Identify start-up and ongoing financial requirements according to **financial plan**/budget.
  - 3.2 Identify **sources of finance** which will provide required liquidity for the business and complement business goals and objectives.
  - 3.3 Determine the cost of securing finance on optimal terms.
  - 3.4 Identify strategies to obtain finance as required to ensure the financial viability of the business.

## RANGE STATEMENT

*All range statements must be assessed:*

**1. Costs:**

- Direct/indirect costs
- Fixed, variable, semi-variable costs

**2. Pricing strategies:**

- Competitor Analysis
- Cost/Volume/profit analysis
- Cost factors

**3. Profit targets/goals:**

- Break-even point
- Cost of goods/services sold
- Gross profit/net profit
- Sales turnover/gross fees or income

**4. Cash flow projections:**

- Anticipated payments
- Anticipated receipts
- Customer credit policy/debt recovery
- Assumptions/Notes
- Taxation provisions

**5. Legal requirements:**

Contractual arrangements

- Corporations law
- Industrial law
- Taxation Laws
- Other statutory obligations (NIS, VAT, PAYE, CAIPO, etc)

**6. Financial Plan:**

- Cash flow estimates for each forward period
- Monthly, quarterly or annual returns
- Projections (profit targets, pricing strategies, margins, budgeting, etc.)
- Working, fixed, debt and equity capital

**7. Sources of finance:**

- Shareholders
- Financial Institutions (e.g. Banks and Lending agencies)
- Personal
- Government agencies

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. How to analyse and interpret financial data.
2. How to develop and use communication skills to secure finance.
3. How to develop a financial plan/budget.
4. How to interpret legal requirements and financial reports.
5. What is break-even analysis.
6. How to perform costing for the business, including margin/mark-up, hourly charge out rates and unit costs.
7. How to perform financial decision making relevant to the business.
8. What are the methods and relative costs of obtaining finance.
9. What are the principles for preparation of balance sheets/statement of financial position.
10. What are the principles for the preparation of cash flow forecasts.
11. What are the principles for the preparation of profit and loss statements/statement of income.
12. What is the purpose of financial reports.
13. What are the relevant terms in accounting terminology.
14. What are working capital cycles.
15. What are the various pricing strategies.
16. What are the differences between planning finances for an incorporated business and operating under a business name.

## EVIDENCE GUIDE

*For assessment purposes:*

### 1) Critical Aspects of Evidence

Candidates have to prove that they can carry out **all** of the elements, meeting **all** the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

### (2) Method of Assessment

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Written evidence
- Witness testimony
- Professional discussion

Questioning techniques should not require language, literacy or numeracy skills beyond those required in this unit of competency.

### (3) Context of Assessment

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by a candidate working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidate must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, product and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **should not be used**, except in exceptional circumstances where natural work evidence is unlikely to occur.

## U96003

## Manage small business finances

Unit Descriptor:

This unit deals with the knowledge, skills and attitudes required to implement, monitor and review strategies for the ongoing day to day management of a small business's finances.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |   |   |
|---|---|
| 1. Implement financial plan                 | <ul style="list-style-type: none"> <li>1.1 Identify <b>financial information</b> requirements and obtain specialist services, as required, to profitably operate the business in accordance with the business plan.</li> <li>1.2 Produce financial budgets or projections, including <b>cash flow</b> estimates.</li> <li>1.3 Negotiate, secure and manage business capital to best enable implementation of the business plan and to meet the requirements of financial backers.</li> <li>1.4 Develop and maintain strategies to enable adequate financial provision for taxation/statutory requirements in accordance with legal requirements.</li> <li>1.5 Develop, monitor and maintain client <b>credit policies</b>, including contingencies for debtors in default, to maximise <b>cash flow</b>.</li> <li>1.6 Select key performance indicators to enable the ongoing monitoring of financial performance.</li> </ul> |
| 2. Monitor and review financial performance | <ul style="list-style-type: none"> <li>2.1 Monitor and report on financial performance targets, and analyse data regularly to establish the extent to which the <b>financial plan</b> has been met.</li> <li>2.2 Monitor marketing and operational strategies for their effect on the <b>financial plan</b>.</li> <li>2.3 Calculate and evaluate <b>financial ratios</b> according to business or industry benchmarks.</li> </ul>   |

- 2.4 Assess the **financial plan** to determine whether variations or alternative plans are needed, and change as required.



## RANGE STATEMENT

*All range statements must be assessed:*

### 1. Financial information:

- accrual of staff leave/entitlements
- asset management strategies which may include:
  - owning, leasing, sharing, syndicating
  - maintaining and deploying assets
- asset registers
- balance sheets
- bookkeeping/accounting/stock/job costing records
- cash book/cash flow forecasts
- financial budgets/financial indicators (short, medium and/or long term)
- profit and loss statements
- ratios for profitability, liquidity/efficiency
- taxation and statutory returns

### 2. Cash flow:

- anticipated payments and receipts
- customer credit policy/debt recovery
- taxation provisions

### 3. Credit policies:

- Credit limits
- debt collection
- payment options
- trading terms
- Interest rate/finance charge

### 4. Financial plan:

- Cash flow estimates for each forward period
- Monthly, quarterly or annual returns
- Projections (profit targets, pricing strategies, margins, budgeting, etc.)
- Working, fixed, debt and equity capital

### 5. Financial ratios:

- days debtors outstanding
- gross profit percentage
- liquidity ratio
- inventory turnover

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. What are the legal requirements relevant to managing business finances.
2. How to interpret financial data using analytical skills.
3. How to negotiate capital using effective communication and report on performance.
4. How to interpret legal requirements and financial reports.
5. How to calculate costs, prices, profit and other financial information.
6. What is benchmarking.
7. How to perform financial decision making relevant to the business.
8. What are financial indicators/ratios.
9. What is the purpose of financial reports.
10. How to prepare and interpret budgets/actual reports.
11. What are the principles for the preparation of balance sheets and their interpretation.
12. What are the principles for the preparation of profit and loss statements and their interpretation.
13. How to maintain stock records/stock control relevant to the business.
14. What are the various debt collection procedures or strategies.

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## EVIDENCE GUIDE

*For assessment purposes:*

### (1) Critical Aspects of Evidence

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

### (2) Methods of Assessment

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Personal statement
- Professional discussion
- Written evidence (projects or assignments)
- Case study and scenario analysis
- Role play/simulation

### (3) Context of Assessment

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is, the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by an individual working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidates must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **should not be used**, except in exceptional circumstances where natural work evidence is unlikely to occur.

**U96103****Set up and operate a computerised accounting system**

Unit Descriptor:

This unit deals with the knowledge, skills and attitudes required to modify and operate an integrated computerised accounting system. This generally occurs under supervision and encompasses processing transactions within the system, maintaining the system, producing reports and ensuring system integrity.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |  |   |
|--|---|
| 1. Implement and maintain integrated accounting system | <ul style="list-style-type: none"> <li>1.1 Implement general ledger, <b>chart of accounts</b> and subsidiary accounts in accordance with <b>organizational requirements, procedures and policy</b>.</li> <li>1.2 Add any new general ledger accounts, customer, supplier, inventory and fixed asset records as required.</li> <li>1.3 Set up customers, suppliers and inventory items in system to facilitate reports according to organizational, international accounting standards and statutory requirements.</li> <li>1.4 Maintain and update existing <b>chart of accounts</b>, customer, supplier, inventory and fixed asset records and subsidiary accounts.</li> <li>1.5 Use <b>appropriate technical help</b> to solve any operational problems.</li> </ul> |
| 2. Process transactions within system                  | <ul style="list-style-type: none"> <li>2.1 Collate, code and classify input data before processing.</li> <li>2.2 Process a wide range of cash and credit <b>transactions</b> in the service and trading environment.</li> <li>2.3 Use general journal to make any <b>end of period adjustments</b> in accordance with accounting standards.</li> </ul>  |

- 2.4 Review system output regularly to verify the accuracy of data input and make adjustments for any detected processing errors.
    - 2.5 Perform end of financial year rollover.
  - 3.1 Generate reports to indicate the financial performance and financial position of the organization and other purposes as required or requested.
  - 3.2 Generate **reports** to ensure that **subsidiary ledgers** and accounts reconcile with the general ledger.
  - 3.3 Generate monthly reports, which ensure that bank accounts reconcile with bank statements.
- 3. Produce reports
- 4.1 **Back-up** system regularly to ensure against loss or corruption of data.
- 4.2 Restore data from back-ups in event of loss or corruption of current data.
- 4.3 Maintain secure records of all processed transactions for audit purposes.
- 4. Ensure system integrity

**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Chart of accounts:**

- Income & Expenses by type
- Current & Non-current assets
- Current & Non-current liabilities
- Equity

**2. Organizational requirements, procedures and policies:**

- International Accounting Standards
- Statutory Requirements
- User permissions and passwords
- Electronic and paper-based recording
- Storing data to security requirements and for appropriate future access

**3. Appropriate technical help:**

- Designated technology assistance staff
- On-screen help
- On-screen/software/online help
- Software manuals

**4. Transactions:**

- Sales
- Purchases
- Expenses
- Receipts
- Payments

**5. End of period adjustments:**

- Accrued expenses
- Depreciation
- Doubtful debts
- Prepaid expenses

**6. Reports:**

- Aged reports
- General ledger
- Financial Statements

**7. Subsidiary ledgers:**

- Accounts payable
- Accounts receivable
- Fixed assets
- Inventory

**8. Back-up:**

- Removable Media
- Cloud Storage
- Data-Loss Prevention Systems.

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. How to review reports for reasonableness and accuracy.
2. How to reconcile bank, subsidiary and statutory accounts.
3. How to access and manage information.
4. How to interpret documentation.
5. How to perform financial calculations and analysis using numeracy skills.
6. How to modify and use integrated financial software.
7. How to identify and use financial data from a variety of sources using literacy skills.
8. How to identify issues that have the potential to impact on the data entry and reporting process and how to develop options to resolve these issues when they arise.
9. How to plan and sequence work.
10. What are the organizational procedures and policies relating to maintaining financial records.
11. What are the relevant principles and practices of accrual accounting.
12. What are the principles of double entry accounting.
13. What are the relevant legislative and statutory requirements.
14. What are the characteristics and included information in relevant source documents of financial data.



**EVIDENCE GUIDE**

*For assessment purposes:*

**(1) Critical Aspects of Evidence**

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

**(2) Methods of Assessment**

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Personal statement
- Written evidence (projects or assignments)

**(3) Context of Assessment**

This unit may be assessed on the job, off the job or a combination of both. The competencies covered by this unit would be demonstrated by an individual working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidates must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **is not allowed**.

**U82003****Maintain a safe, healthy and productive work environment**

Unit Descriptor:

This unit deals with the knowledge, skills and attitudes required to monitor the working environment and ensure that it meets the requirements for healthy, safe, secure and effective working conditions. Candidates are required to demonstrate that they can achieve this standard of health, safety and security.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |    |  |     |  |
|----|--|-----|--|
| 1. | Monitor and maintain a safe, healthy and secure work environment | 1.1 | Identify and correct health and safety <b>hazards</b> in the workplace within the limits of own authority.           |
|    |  | 1.2 | Identify opportunities for improving health, safety and security and make recommendations to the appropriate person. |
|    |  | 1.3 | Follow organizational <b>emergency procedures</b> promptly, safely and efficiently.                                  |
|    |  | 1.4 | Maintain security of the workplace in accordance with organizational requirements.                                   |
|    |  | 1.5 | Use equipment and materials in accordance with manufacturer's instructions and organizational procedures.            |
|    |  | 1.6 | Transport and store equipment and materials in accordance industry requirements.                                     |
|    |  | 1.7 | Dispose of <b>waste</b> safely and correctly according to organizational procedures.                                 |
|    |  | 1.8 | Keep health and safety records up to date and accurately completed.  |
| 2. | Monitor and maintain the work environment                        | 2.1 | Organize work area to allow self and others to work efficiently.   |
|    |  | 2.2 | Arrange work area according to organizational requirements.  |
|    |  | 2.3 | Identify conditions that interfere with effective work/productivity.   |

- 2.4 Rectify conditions that can be dealt with safely and competently and report those beyond the limits of own responsibility to relevant persons.
- 2.5 Use and maintain equipment in accordance with manufacturer's instructions and organizational procedures.

**RANGE STATEMENT**

*All range statements must be assessed:*

1.       **Hazards:**
  - People
  - Equipment and materials
  - Work area
  
2.       **Emergency procedures:**
  - Accidents
  - Fires
  - Breaches of security
  
3.       **Waste:**
  - Hazardous
  - Non-hazardous

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. What is the importance of health, safety and security in the workplace.
2. What are the basic requirements of health and safety and other legislation and regulations that apply to the workplace.
3. Who is responsible for health, safety and security in the workplace.
4. What is the relevant, up-to-date information on health, safety and security that applies to the workplace.
5. Why it is important to be alert to health, safety and security hazards.
6. What are the common health, safety and security hazards that affect persons working in an administrative role and how these should be identified.
7. Which are the conditions that can be put right and which ones must be reported.
8. Why it is important to warn others about hazards and how to do so until the hazard is removed.
9. What are the organization's emergency procedures.
10. How to follow organizational emergency procedures and what are your own responsibilities in relation to these procedures.
11. How to recommend improvements to health and safety.
12. What health and safety records must be completed and how to do so.
13. How the conditions under which you work can affect your own efficiency and effectiveness and those around you.
14. How to organize your own work area so that you and others can work efficiently.
15. What are your organization's requirements on how to organize your own work area.
16. Why it is important to organize your own work area to make a positive impression on others.
17. Why it is important to work in a way that shows respect for others.

**EVIDENCE GUIDE**

*For assessment purposes:*

**(1) Critical Aspects of Evidence**

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

**(2) Methods of Assessment**

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Written evidence (work records, reports)
- Simulations

**(3) Context of Assessment**

This unit may be assessed on the job, off the job or a combination of both.

Where assessment occurs off the job, that is, the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by an individual working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidates must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **should not be used**, except in exceptional circumstances where natural work evidence is unlikely to occur.

**U96203****Make and record small business payments**

Unit Descriptor:

This unit describes the knowledge, skills and attitudes required to deal with the organization's expenditure. It includes dealing with documentation from suppliers, ordering and delivery documentation, preparing payments, recording expenditure in the appropriate records, and making payments relating to invoices, wages and salaries, loans, credit facilities and petty cash.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |    |                   |     |  |
|----|-------------------|-----|--|
| 1. | Process documents | 1.1 | Check suppliers' invoices and credit notes for validity against relevant <b>documentation</b> .  |
|    |                   | 1.2 | Check <b>calculations</b> on suppliers' invoices and credit notes for accuracy.  |
|    |                   | 1.3 | Check suppliers' statements for accuracy and reconcile them.   |
|    |                   | 1.4 | Identify and deduct available discounts.   |
|    |                   | 1.5 | <b>Code</b> invoices and credit notes correctly according to organizational procedures.  |
|    |                   | 1.6 | Enter invoices and credit notes correctly into appropriate <b>ledgers</b> and books of prime entry in accordance with organizational procedures. |
|    |                   | 1.7 | Identify and resolve <b>discrepancies</b> or refer to the appropriate person.  |
|    |                   | 1.8 | Appropriately <b>communicate</b> information regarding accounts to suppliers in line with organizational requirements.                           |
| 2. | Process payments  | 2.1 | Obtain authorization and schedule <b>payments</b> in accordance with organizational procedures.  |

- 2.2 Use appropriate **payment method** and timeline in accordance with organizational procedures.
- 2.3 Generate **payments** from relevant **documentation** and enter into accounting records.
- 2.4 Identify and resolve **queries** or refer to the appropriate person.
- 2.5 Maintain security and confidentiality according to organizational procedures and financial regulations.



**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Documentation:**

- Orders
- Suppliers' invoices
- Delivery notes
- Credit notes
- Contracts

**2. Calculations:**

- Pricing
- Price extensions and VAT
- Bulk, trade and settlement discounts
- Cheque requisitions

**3. Code:**

- Manual system
- Computerized system
- Chart of Accounts
- Filing Lists

**4. Ledgers:**

- Manual main ledger and subsidiary ledger
- Computerized ledgers

**5. Discrepancies:**

- Incorrect calculations
- Non-delivery of goods charged
- Duplicated invoices
- Incorrect discounts

**6. Communicate:**

- Verbally
- In writing

**7. Payments:**

- Payroll
- Creditors/payables
- Petty cash
- Loans/Credit facilities

**8. Payment method:**

- Cash
- Cheque
- Automated payment
- Signing Authority

**9. Queries:**

- Unauthorized documents for payment
- Insufficient supporting evidence
- Claims exceeding authorized limit

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. What are the necessary payment transactions.
2. What aspects of basic contract law cover payments.
3. What are the document retention policies regarding payments.
4. What types of discounts are available from suppliers.
5. What are the general features of cheques presented to customers, including crossings and endorsements.
6. What the various systems used for ordering.
7. How to handle automated payments to customers.
8. What documentation is used to make payments.
9. What is the basic data protection law regarding suppliers.
10. How double entry book-keeping is completed, including balancing accounts.
11. How accounting for payments to suppliers with and suppliers without credit accounts is completed.
12. What are capital and operating expenditure.
13. What methods of coding data can be used.
14. How the operation of manual accounting systems is managed.
15. How the operation of computerized accounting systems, including output is managed.
16. How to use the cash and petty cash books as part of the double entry system or as books of prime entry.
17. What is batch control.
18. What is the relationship between the accounting system and the ledger.
19. What credit card and foreign currency payment procedures are in existence.
20. What are the methods for handling and storing money, including security aspects.
21. What petty cash procedures are in existence.
22. How the organization's accounting and administrative systems and procedures function.
23. What is the nature of the organization's business transactions.
24. What are the processes and systems required to make and record internal and external payroll payments, excluding the use of tax and national insurance tables.
25. What are the organizational procedures for the authorization and coding of purchase invoices and payments.
26. What are the organizational procedures for filing information.
27. What is the house style for correspondence.

28. What methods are in place to ensure security and confidentiality of information.
29. What are the general principles of VAT regarding payments.
30. What are the relevant work flows for billing clients and receiving payments.

**EVIDENCE GUIDE**

*For assessment purposes:*

**(1) Critical Aspects of Evidence**

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

**(2) Methods of Assessment**

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Personal statement
- Written evidence (projects or assignments)
- Case study and scenario analysis
- Role play/simulation

**(3) Context of Assessment**

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is, the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by an individual working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidates must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **must not be used**, except in exceptional circumstances where natural work evidence is unlikely to occur.

## U96303

## Prepare small business reports and returns

## Unit Descriptor:

This unit deals with the knowledge, skills and attitudes required to prepare reports and returns from information obtained from relevant sources. It involves the calculation of ratios and performance indicators and the presentation of the information to management or an external agency. Also covered are communication responsibilities including obtaining authorization prior to the dispatch of reports, seeking guidance from relevant offices and presenting reports in the appropriate manner.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |  |  |
|--|--|
| 1. Prepare and present performance and final reports | <ul style="list-style-type: none"> <li>1.1 Consolidate <b>information</b> derived from different units of the organization into the appropriate form.</li> <li>1.2 Appropriately reconcile <b>information</b> derived from different information systems within the organization.</li> <li>1.3 Compare results over time using an appropriate method that allows for variance analysis.</li> <li>1.4 Account for transactions between separate units in the organization correctly in accordance with organizational procedures.</li> <li>1.5 Calculate <b>ratios</b> and <b>performance indicators</b> correctly in accordance with organizational procedures and financial requirements.</li> <li>1.6 Prepare reports in the appropriate form and present to management within required timescales.</li> <li>1.7 Obtain authorization for the dispatch of completed reports and returns from appropriate persons.</li> </ul> |
| 2. Prepare reports and returns for outside agencies  | <ul style="list-style-type: none"> <li>2.1 Identify relevant <b>information</b> and collate and present it correctly in accordance with the conventions and definitions used by outside agencies.</li> </ul>   |

- 2.2 Complete calculations of **ratios** and **performance indicators** accurately according to external agency requirements.
  - 2.3 Obtain authorization for the dispatch of completed reports and returns from appropriate persons.
  - 3.1 Complete and submit **statutory returns** correctly, using data from the appropriate **financial statements**, within statutory time limits according to organizational requirements and financial regulations.
3. Prepare Corporate and Tax returns

**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Information:**

- Assets
- Liabilities
- Capital
- Income
- Expenses

**2. Ratios:**

- Gross profit margin
- Net profit margin
- Return on capital employed
- Liquidity

**Performance indicators:****3.**

- Product/Service Costs
- Profitability

**4. Statutory returns:**

- VAT
- PAYE
- NIS
- Corporation Tax

**5. Financial Statements:**

- Balance Sheets
- Income Statements
- Cash Flow Statements
- Notes/Assumptions



**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. What are the main sources from which to obtain relevant government information.
2. What are the relevant performance and quality measures.
3. Who are the main external organizations requiring reports and returns.
4. What legislation and best practice covers your area of responsibility.
5. What sources of information are available about corporate and tax returns.
6. What are the processes and systems required to complete and submit corporate and tax returns in compliance with current legislation.
7. How to use various accounting techniques to compile, record, analyze and present information.
8. How the accounting systems of an organization are affected by its organizational structure, administrative systems and procedures and the nature of its business transactions.
9. What are the purposes and structure of reporting systems within the organization.
10. Why the requirements for reports and returns from outside agencies must be built into the organization's administrative and accounting systems and procedures.
11. How recording and accounting practices may differ between organizations and within different parts of organizations.
12. What is the basis for the relationship between the organization and the relevant offices.

## EVIDENCE GUIDE

*For assessment purposes:*

### (1) Critical Aspects of Evidence

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

### (2) Methods of Assessment

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Personal statement
- Written evidence (projects or assignments)
- Case study and scenario analysis
- Role play/simulation

### (3) Context of Assessment

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is, the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by an individual working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidates must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **must not be used**, except in exceptional circumstances where natural work evidence is unlikely to occur.

**U96403****Maintain financial records and prepare accounts for small businesses**

Unit Descriptor:

This unit deals with the knowledge, skills and attitudes required to maintain accounts from the preparation of the trial balance, through to the preparation of information to produce a set of final accounts. Candidates will also be required to prepare an initial trial balance manually and produce a trial balance from a computerized accounting system.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |    |  |     |   |
|----|--|-----|---|
| 1. | Collect and collate information              | 1.1 | Collect and classify source documents for data entry into primary records in accordance with accounting procedures.                 |
|    |  | 1.2 | Identify, calculate and record data from source documents.  |
|    |  | 1.3 | Identify and rectify <b>discrepancies</b> in the reconciliation process or refer to the appropriate person.                         |
|    |  | 1.4 | Prepare a trial balance accurately according to organizational procedures.  |
|    |  | 1.5 | Store documentation securely in line with organizational confidentiality requirements.  |
|    |  | 1.6 | Observe organizational policies, regulations, procedures and timescales relating to the preparation of <b>final accounts</b> .      |
| 2. | Prepare ledger balances and control accounts | 2.1 | Total relevant accounts in the main ledger in accordance with organizational procedures.  |
|    |  | 2.2 | Reconcile <b>control accounts</b> with totals of the balance in the subsidiary ledger in accordance with organizational procedures. |
|    |  | 2.3 | Reconcile petty cash <b>control account</b> with cash in hand and subsidiary records.   |
|    |  | 2.4 | Identify, calculate and record appropriate <b>adjustments</b> correctly according to organizational and financial requirements.     |

- 2.5 Make relevant end of period journal entries to close profit and loss accounts in preparation for the transfer of balances to the **final accounts**.
  3. Prepare final accounts of partnerships and other business structures
    - 3.1 Prepare draft trial balance in line with organizational policies and procedures.
    - 3.2 Prepare the **final accounts** in the correct format from the trial balance according to business structure.
    - 3.3 Observe organizational policies, regulations, procedures and timescales relating to the preparation of **final accounts**.
    - 3.4 Identify and resolve unusual features or **discrepancies**, or refer to the appropriate person.
    - 3.5 Obtain authorization for the dispatch of reports and returns from the appropriate person.
4. Maintain records
  - 4.1 Record relevant details on capital expenditure/property, plant and equipment in accordance with organizational procedures.
  - 4.2 Confirm the agreement between organizational **records** and the physical presence of capital items and resolve any **discrepancies** in accordance with organizational policies.
  - 4.3 Identify correctly and record acquisition and disposal costs and revenue appropriately according to financial and organizational procedures.
  - 4.4 Calculate correctly and suitably record **depreciation** charges and other necessary entries and adjustments according to financial and organizational regulations.
  - 4.5 Calculate and record profit and loss/income on disposal correctly and appropriately according to organizational procedures.

**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Discrepancies:**

- Incorrect double entries
- Missing entries
- Numerical inconsistencies and wrong calculations
- Insufficient data and incomplete records provided
- Inconsistencies with data
- Manual sales ledger and manual purchase ledger control account not agreeing with subsidiary ledger

**2. Final accounts:**

- Profit and loss/statement of income accounts
- Balance sheets/statement of financial position
- Partnership appropriation accounts
- Partners' capital and current accounts

**3. Control accounts:**

- Manual or computerized
- Purchase/payables ledgers
- Non-trade debtors/receivables

**4. Adjustments:**

- Prepayments and accruals
- Provisions for doubtful debts
- Provisions for depreciation
- Closing stock
- Correcting errors
- Writing off approved bad debts

**5. Records:**

- Asset register
- Books of original entry
- Ledgers
- Journal

**6. Depreciation:**

- Straight line
- Reducing balance

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. What are the types and characteristics of different assets and the key issues relating to the acquisition and disposal of capital assets/property, plant and equipment.
2. What are the relevant legislation and regulations relating to maintaining records and preparing accounts.
3. What are the main requirements of International Accounting Standards and International Financial Reporting Standards.
4. What legal requirements exist relating to the division of profits between partners.
5. What are the methods of recording information for organizational accounts of corporations and other business structures.
6. What is the structure of the organizational accounts of corporations and other business structures.
7. Why accounts need to be presented in the correct format.
8. What is the correct format in which accounts need to be presented.
9. What format the final accounts of corporations and other business structures should take.
10. Why it is important to maintain the confidentiality of business transactions.
11. What methods of depreciation exist and when these should be used.
12. How to deal with capital items that have been sold, scrapped or otherwise retired from service.
13. How to use property, plant and equipment registers and other subsidiary records.
14. How to use the journal.
15. What are the methods of funding part exchange deals.
16. How to deal with accruals and pre-payments.
17. What are the methods of analyzing income and expenditure.
18. What are the methods of closing off profit and loss accounts.
19. What are the methods of preparing accounts from incomplete records.
20. How to identify and correct different types of accounting errors.

21. How to make and adjust provisions.
22. How to draft the final year accounts of corporations and other business structures.
23. What basic accounting concepts play a role in the selection of accounting policies, accruals and going concerns.
24. What are the objectives and constraints in selecting accounting policies - relevance, reliability, materiality, comparability and ease of understanding.
25. What are the principles of double entry accounting.
26. What is the distinction between capital and revenue expenditure and what constitutes capital expenditure/property, plant and equipment.
27. What are the function and format of accounts for income and expenditure.
28. What are the function and format of a trial balance and an extended trial balance/worksheet.
29. What are the function and format of a profit and loss/statement of income and balance sheet for corporations and other business structures.
30. What are the basic principles of stock valuation including those relating to cost or net realizable value and what is included in cost.
31. What are the objectives of making provisions for depreciation, bad debts and other provision entries.
32. What are the ways in which the accounting system of an organization can be affected by its structure, administrative systems and procedures, and the nature of its business transactions.
33. What is the process for recording prior authority for capital expenditure/property, plant and equipment and disposal.
34. What are the approved methods of funding and disposal.



**EVIDENCE GUIDE**

*For assessment purposes:*

**(1) Critical Aspects of Evidence**

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

**(2) Methods of Assessment**

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Personal statement
- Written evidence (projects or assignments)
- Case study and scenario analysis

**(3) Context of Assessment**

This unit may be assessed on the job, off the job or a combination of both. The competencies covered by this unit would be demonstrated by an individual working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidates must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **must not be used**.

**U96503****Manage cash and bank transactions**

## Unit Descriptor:

This unit deals with the knowledge, skills and attitudes required to maintain bank transactions and petty cash systems in accordance with workplace requirements. This includes bank deposits and other cheque payments and bank reconciliations.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |                                     |  |
|-------------------------------------|--|
| 1. Prepare petty cash documentation | <ul style="list-style-type: none"> <li>1.1 Validate requests for petty cash advances and prepare required vouchers in accordance with organizational procedures.</li> <li>1.2 Validate petty cash claims and attach check receipts in accordance with organizational procedures.</li> <li>1.3 Present claims and vouchers to nominated person/section for checking and approval appropriate to workplace limits.</li> <li>1.4 Note and refer irregularities to nominated person/section for resolution.</li> <li>1.5 Record details of claims and vouchers to enable the tracing and balancing of cash float.</li> </ul> |
| 2. Conduct petty cash transactions  | <ul style="list-style-type: none"> <li>2.1 Provide petty cash against claims and vouchers from cash float.</li> <li>2.2 Secure petty cash returns.</li> <li>2.3 Record any adjustments in accordance with organizational procedures.</li> <li>2.4 Reconcile documented transactions against cash held.</li> <li>2.5 Draw cash using workplace procedures to maintain a balance appropriate to normal transaction levels.</li> <li>2.6 Secure cash in accordance with workplace security requirements.</li> </ul>   |

3. Conduct transactions with alternative payment methods
  - 3.1 Provide receipts for all **payment** received in accordance with organizational policies.
  - 3.2 Check cheques and card vouchers for **validity** before processing in accordance with organizational procedures.
  - 3.3 Bank all negotiable instruments on day received in accordance with organizational procedures.
  - 3.4 Post all batches on day received in accordance with organizational procedures.
  - 3.5 Secure cash and cheques in accordance workplace procedures.
  - 3.6 Reconcile total receipts to **payment** held in accordance with organizational procedures.
  - 3.7 Record transactions in accounting system on date of receipt.
4. Prepare deposit facility and make deposits
  - 4.1 Select a **deposit facility** appropriate to the **banking method** to be used.
  - 4.2 Balance batch (grouped receipts) with **deposit facility** without error.
  - 4.3 Take organizational security and safety precautions appropriate to the **banking method** in accordance with organizational policy and industry and legislative requirements.
  - 4.4 Obtain and file **proof of lodgement** in a manner that is accessible and traceable.
5. Prepare bank reconciliations
  - 5.1 Check cash journals against bank statements to identify differences in accordance with organizational procedures.
  - 5.2 Update cash journals with relevant data from bank statement/s in accordance with organizational procedures.

- 5.3 Identify **discrepancies** and refer to an appropriate staff member, organization or agency.
- 5.4 Prepare monthly reconciliation reports in accordance with organizational procedures.

**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Payment Methods:**

- cash
- cheque
- debit
- credit
- third-party
- electronic transfer

**2. Validity:**

- signature
- dates
- amounts

**3. Deposit facility:**

- bank deposit slips
- electronic transaction reports

**4. Banking method:**

- personal
- through a third-party security company
- courier
- night depository

**5. Proof of lodgement:**

- bank stamped deposit facility
- verified transaction listing

**6. Discrepancies:**

- Accounts receivable, accounts payable and control accounts not agreeing with subsidiary ledger
- Cash in hand not agreeing with subsidiary record and control account
- Incorrect entries
- Missing entries and wrong calculations
- Missing vouchers
- Unknown bank amounts

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. What are the codes of practice and regulations relevant to the maintenance of petty cash accounts.
2. What are the relevant OH&S and environmental protection procedures and guidelines.
3. What are the workplace procedures and policies for the maintenance of petty cash accounts.
4. What is the focus of operation of work systems, equipment, management and site operating systems for the maintenance of petty cash accounts.
5. What are the problems that may occur when maintaining petty cash accounts and the appropriate action that can be taken to resolve the problems.
6. What are the documentation requirements for the maintenance of petty cash accounts.
7. How to use the various instruments of payment including letters of credit, cheques, promissory notes, bank drafts etc.
8. What are the relevant accounting conventions, processes and procedures.
9. What are the relevant banking procedures and guidelines.
10. What are the relevant legislative and regulatory requirements for managing bank transactions.
11. What are the relevant organizational policies and procedures for managing bank transactions.
12. What are the security procedures for handling cheques, vouchers and cash.

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**EVIDENCE GUIDE**

*For assessment purposes:*

**(1) Critical Aspects of Evidence**

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

**(2) Methods of Assessment**

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Personal statement
- Written evidence (projects or assignments)
- Case study and scenario analysis

**(3) Context of Assessment**

This unit may be assessed on the job, off the job or a combination of both. The competencies covered by this unit would be demonstrated by an individual working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidates must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

**Simulation is not allowed.**

**U96603****Provide quality customer service in small businesses**

Unit Descriptor:

This unit describes the knowledge, skills and attitudes required to communicate effectively with customers and to provide a service which gives a positive impression of yourself and your company.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |   |   |
|---|---|
| 1. Communicate with customers                     | 1.1 Follow correct organizational procedures for dealing with customers.  |
|   | 1.2 Present a positive image of yourself, your colleagues and the organization when dealing with customers.   |
|   | 1.3 Communicate with customers clearly, politely and confidently.   |
|   | 1.4 Identify specific problems in communicating with customers, and follow organizational guidelines in seeking to resolve them.                            |
|   | 1.5 Refer problems you are unable to resolve to the appropriate person.   |
| 2. Provide services to meet customer requirements | 2.1 Obtain relevant information about customer's needs and the services they require.   |
|   | 2.2 Give information to customers that is accurate, up-to-date and within the limits of the organizational rules on confidentiality and your own authority. |
|   | 2.3 Provide requested services within the agreed timescales.  |
|   | 2.4 Seek and obtain customer satisfaction on the service provided.  |
|   | 2.5 Clearly and accurately record services requested and provided according to organizational procedures.   |
| 3. Resolve problems and complaints                | 3.1 Identify potential suitable solutions to problems using organizational procedures.  |



- 3.2 Suggest and explain potential solutions to the customer, and seek agreement on resolution.
- 3.3 Follow through on agreed solutions with customers and solicit their satisfaction with the solution
- 3.4 Refer problems to the appropriate person if unable to resolve or it is outside own level of responsibility and keep the customer informed at all times.
- 3.5 Follow organizational procedures for recording and reporting the problem and what has been done.

**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Customers:**

- Internal
- External

**2. Communication:**

- Verbal
- Written

**3. Appropriate persons:**

- Owner/manager
- Consultant
- Colleague

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. Why customer service is important to both internal and external customers.
2. Who are the customers for whom your organization provides goods and/or services.
3. What are the organizational procedures for dealing with customers.
4. Why it is important to identify and take account of any special needs customers may have and how to do so.
5. What is a 'positive image' of yourself and the people you work with, and how to present this both face-to-face and on the telephone and via email?
6. Why presenting a positive image is important.
7. Why you should deal with customers politely and promptly, and what are your organization's standards for doing so.
8. How to communicate clearly and confidently with customers adopting an appropriate tone of voice.
9. The importance of body language when communicating with customers face-to-face.
10. Why it is important that both yourself and the customer understand what is being said.
11. What are the types of problems that may occur when communicating with customers.
12. How to identify communication problems and deal with them effectively.
13. What are the types of services your organization provides to customers and your role in supporting these services.
14. Why it is important to be clear about what the customer requires, and how to do so.
15. Why it is important to identify customers' needs and other services you could supply to meet these.
16. Why it is important to keep a written record of the customer's requirements.
17. What are the types of services you provide within your job role.
18. How to ensure that information is accurate and up-to-date.
19. Why it is important to provide the service within agreed timescales.
20. Why it is important to check that customers are satisfied with the service, and what to do if they are not.
21. What are the basic legal requirements when dealing with customer problems and complaints.
22. What are your organization's procedures for dealing with problems and complaints.
23. Why it is important to collect as much information as possible about customer's problems and confirm the information with them.
24. What is the relevant information that should be collected.
25. Why it is important to explain more than one possible solution and reach agreement with the customer.

26. Why it is important to show empathy with the customer, and how to do so.
27. Who is the relevant person to whom you must refer problems when you cannot reach agreement with the customer.
28. Why it is important to keep customers fully informed about developments relating to the solution to their problem.
29. Why it is important to follow through agreed solutions and to check that the customer is satisfied.
30. How to deal with customers politely and calmly, especially when they are confused, excited or angry.
31. Why it is important to show customers that you are determined to solve the problem and how to do so.
32. What are the organizational procedures for recording and reporting problems and complaints.

## EVIDENCE GUIDE

*For assessment purposes:*

### (1) Critical Aspects of Evidence

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

### (2) Methods of Assessment

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Written evidence (work records, reports)
- Simulations

### (3) Context of Assessment

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is, the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by a candidate working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidate must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **may be used**.

**U96703****Record and evaluate small business costs and revenue**

Unit Descriptor:

This unit describes the knowledge, skills and attitudes required to record, analyze and report current and future costs and revenue data for use within the organization. It involves the ways in which organizations build up costs and revenues, how recording of costs varies with the type of industry and respective measurement rules.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |    |                     |   |
|----|---------------------|---|
| 1. | Record information  | 1.1 Identify <b>direct costs</b> in accordance with organizational costing procedures.                          |
|    |                     | 1.2 Identify revenue by source and business line in accordance with organizational policies.                    |
|    |                     | 1.3 Record and analyze information relating to <b>direct costs</b> .  |
|    |                     | 1.4 Calculate <b>direct costs</b> in accordance with accepted international standards.                          |
|    |                     | 1.5 Check cost information for <b>stock</b> against usage and stock control practices.                          |
|    |                     | 1.6 Resolve queries in consultation with staff in operational departments or refer to the appropriate person.   |
| 2. | Analyze information | 2.1 Identify <b>overhead costs</b> in accordance with organizational procedures.                                |
|    |                     | 2.2 Allocate <b>overhead costs</b> to goods/services.   |
|    |                     | 2.3 Calculate overhead absorption rates in accordance with agreed <b>financial reporting factors</b> .          |
|    |                     | 2.4 Record and analyze information relating to <b>overhead costs</b> in accordance with established procedures. |

- 2.5 Make adjustments for changes to **overhead costs**.
      - 2.6 Review methods of **financial reporting factors** at regular intervals and implement agreed changes.
    - 3.1 Prepare **estimates** of future income and costs.
    - 3.2 Calculate the changes in outputs on unit costs.
    - 3.3 Analyze critical factors affecting costs and revenues using appropriate accounting techniques, and draw clear conclusions from the analysis.
    - 3.4 Clearly state assumptions used when evaluating future costs and revenues.
    - 3.5 Identify and evaluate options and solutions to contribute to organizational goals.
    - 3.6 Present recommendations to the appropriate persons in a clear, concise and logical manner.
  3. Evaluate information

**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Direct costs:**

- Materials
- Direct labour costs

**2. Stock:**

- Raw materials
- Part-finished goods
- Finished goods

**3. Overhead costs:**

- Fixed
- Variable
- Semi-variable

**4. Financial reporting factors:**

- Labour hour methods
- Machine hour methods

**5. Estimates:**

- Short and long term decisions
- Break even analysis
- Margin of safety
- Target profit
- Profit volume ratio
- Limiting factors



**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. How to record cost and revenue data in the accounting records.
2. What methods of stock control and valuation can be used, including First in First Out, Last in First Out, and Weighted Average Cost.
3. What methods can be used for the calculation of payments for labour.
4. What are the procedures and documentation that relate to expenses.
5. What are the bases for allocating and apportioning indirect costs to direct costs.
6. How and when to use marginal versus absorption costing for costing and reporting purposes.
7. What are relevant financial reporting factors.
8. How to calculate product and service costs.
9. How to analyze the effect of changing activity levels on unit costs.
10. How to present information in written reports.
11. How to identify fixed, variable and semi-variable costs and their uses in cost recording, cost reporting and cost analysis.
12. How to perform cost-volume-profit analysis.
13. How to identify limiting factors.
14. What is the nature and purpose of internal reporting.
15. What are management information requirements.
16. How to maintain an appropriate cost accounting system.
17. What is the relationship between the materials costing system and the stock control system.
18. What is the relationship between the labour costing system and the payroll accounting system.
19. What is the relationship between the accounting system and the expenses costing system.
20. What costing systems are appropriate to the organization: job, batch, unit and process costing systems.
21. What are the sources of information for revenue and costing data.
22. What are the relevant International Financial Reporting Standards (IFRS) for small and micro enterprises (SMEs).

## EVIDENCE GUIDE

*For assessment purposes:*

### (1) Critical Aspects of Evidence

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

### (2) Methods of Assessment

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Written evidence (work records, reports)
- Simulations

### (3) Context of Assessment

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is, the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by a candidate working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidate must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **may be used**.

**U96803****Record and process income and receipts**

Unit Descriptor:

This unit describes the knowledge, skills and attitudes required to prepare invoices and receive payments. Candidates are required to prepare invoices and credit notes, check and record receipts and enter the details in manual and computerized systems.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |                      |  |
|----------------------|--|
| 1. Process documents | <ul style="list-style-type: none"> <li>1.1 Prepare <b>invoices and credit notes</b> accurately in accordance with organizational requirements, and check against <b>source documents</b>.</li> <li>1.2 Appropriately authorize invoices and credit notes before sending to customers according to organizational procedures.</li> <li>1.3 Correctly <b>code invoices and credit notes</b> according to organizational procedures.</li> <li>1.4 Enter <b>invoices and credit notes</b> into appropriate <b>accounting system</b> according to organizational procedures.</li> <li>1.5 Produce <b>statements</b> of account for dispatch to debtors.</li> <li>1.6 Communicate relevant information regarding accounts to customers politely and effectively, using aged receivables analysis.</li> </ul> |
| 2. Process receipts  | <ul style="list-style-type: none"> <li>2.1 Check <b>receipts</b> against relevant supporting information.</li> <li>2.2 Enter <b>receipts</b> in the appropriate accounting records.</li> <li>2.3 Prepare deposit book and reconcile it to relevant records.</li> <li>2.4 Identify and resolve <b>unusual features</b> or refer to the appropriate person.</li> </ul>   |

**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Invoices and credit notes:**

- Pricing
- Price extensions
- Discounts
- VAT

**2. Source documents:**

- Quotations
- Delivery notes
- Sales orders
- Receipt books

**3. Code**

- Manual systems
- Computerized systems
- Chart of accounts
- Filing lists

**4. Accounting system:**

- Manual system (journals/ledgers)
- Computerized system (journals/ledgers)

**5. Statements:**

- Manual
- Computerized

**6. Receipts:**

- Cash
- Cheques
- Automated payments

**7. Unusual features:**

- Wrongly completed cheques
- Out-of-date cheques
- Credit and debit card errors
- Disagreement with supporting documentation
- Cash security features

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. What are income and receipt transactions.
2. What aspects of basic contract law cover income and receipts.
3. What are the document retention policies regarding income and receipts.
4. What are the general principles of VAT regarding income and receipts.
5. What are the types of discounts available to customers.
6. What are the general features of cheques presented by customers, including crossings and endorsements.
7. What documentation is used in banking.
8. How automated payments from customers are handled.
9. What are the limits to credit.
10. What is the basic data protection law regarding customers.
11. How double entry bookkeeping is done, including balancing accounts.
12. How accounting for receipts from credit customers and customers without accounts is done.
13. What methods of coding data can be used.
14. How the operation of manual accounting systems is managed.
15. How the operation of computerized accounting systems, including output is managed.
16. What is batch control.
17. What is the relationship between the accounting system and the ledger.
18. What credit card procedures exist.
19. What are the methods for handling and storing money, including the security aspects.
20. How the organization's accounting systems and administrative systems and procedures function.
21. What is the nature of the organization's business transactions.
22. What are the organizational procedures for authorization and coding of sales invoices.
23. What are the organizational procedures for filing source documents.
24. What is the in-house style for correspondence.
25. What are the organizational banking and security procedures.
26. How to prepare and analyse aged receivables.

## EVIDENCE GUIDE

*For assessment purposes:*

### (1) Critical Aspects of Evidence

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

### (2) Methods of Assessment

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Written evidence (work records, reports)
- Simulations

### (3) Context of Assessment

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is, the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by a candidate working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidate must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **may be used**.

## U96903

## Supply information for small business management control

Unit Descriptor:

This unit describes the knowledge, skills and attitudes required to recognize and provide basic management information. This involves information relating to both costs and income and includes the comparison of actual costs and income against the previous and corresponding period's data and forecast data

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |    |   |     |  |
|----|---|-----|--|
| 1. | Code and extract information            | 1.1 | Recognize appropriate cost centres and <b>elements</b> of costs.                               |
|    |   | 1.2 | Extract income and expenditure details from the relevant <b>sources</b> .                      |
|    |   | 1.3 | Correctly code income and expenditure according to organizational procedures.                  |
|    |   | 1.4 | Refer problems in obtaining the necessary <b>information</b> to management.                    |
|    |   | 1.5 | Identify and report <b>errors</b> to management.   |
|    |   | 1.6 | Prepare reports in the appropriate format and present to management within required timelines. |
| 2. | Provide comparisons on costs and income | 2.1 | Clarify <b>information</b> requirements with management.                                       |
|    |   | 2.2 | Compare <b>information</b> extracted from a particular source with actual results.             |
|    |   | 2.3 | Identify and rectify discrepancies or refer to management.                                     |
|    |   | 2.4 | Provide comparisons, to the appropriate person in the required format.                         |

- 2.5 Conduct all communications in a manner that strictly follows **organizational requirements** regarding confidentiality.



**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Elements:**

- Materials
- Labour
- Expenses

**2. Sources:**

- Purchase orders/invoices
- Sales orders/invoices
- Policy manual
- Payroll
- Previous period's data
- Corresponding period's data
- Forecast data
- Accounting systems

**3. Information:**

- Costs
- Income
- Expenditure

**4. Errors:**

- Incorrect codes
- Excessive volumes

**5. Organizational requirements:**

- Sharing of information
- Storage of documents

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. What are the various types of cost centres, including profit centres and investment centres in the industry.
2. What are the cost centres in the organization.
3. How the cost centres are identified.
4. What are the costs, including wages, salaries, services and consumables.
5. What is the purpose of providing management information.
6. How gross pay is made up.
7. What is the relationship between financial and management accounting.
8. What are the various methods for analyzing information in spreadsheets.
9. What are the various methods for presenting information.
10. What information is confidential and how it should be handled.
11. What is the role of management information in the organization.
12. What are the organization's accounting and administrative systems and procedures.
13. What is the nature of the organization's business transactions.
14. What are the goods and services produced, bought and delivered by the organization.
15. What are the organization's coding structures

## EVIDENCE GUIDE

*For assessment purposes:*

### (1) Critical Aspects of Evidence

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

### (2) Methods of Assessment

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Written evidence (work records, reports)
- Simulations

### (3) Context of Assessment

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is, the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by a candidate working alone or as part of a team. The assessment environment should not disadvantage the candidate.

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Simulation **may be used**.

**U65303****Work with Computers**

Unit Descriptor:

This unit describes the knowledge, skills and attitudes required to use a computer system safely and effectively. Candidates must demonstrate a full awareness of the responsibilities when using a computer system and software packages. They also need to demonstrate an understanding of the need to keep data secure and confidential.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |                                      |   |
|--------------------------------------|---|
| 1. Use computer systems and software | 1.1 Perform initial <b>visual safety checks</b> and power up the <b>computer system</b> .                             |
|                                      | 1.2 Use <b>passwords</b> to access the <b>computer system</b> where limitations to data access are required.          |
|                                      | 1.3 Access data files, save, print and exit from the relevant software.   |
|                                      | 1.4 Back up work completed on the computer system to <b>suitable storage media</b> at regular intervals.              |
|                                      | 1.5 Close down computer without damage to the system.   |
|                                      | 1.6 Seek immediate assistance when <b>difficulties</b> occur.   |
| 2. Maintain security of data         | 2.1 Keep <b>passwords</b> secret and change at the appropriate time.  |
|                                      | 2.2 Keep computer hardware and program disks secure.  |
|                                      | 2.3 Identify <b>potential risks</b> to data from different <b>sources</b> and take steps to resolve or minimize them. |
|                                      | 2.4 Maintain <b>security</b> and confidentiality of data at all times.  |

- 2.5 Demonstrate an understanding of relevant **legal regulations** prior to implementation.

---

**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Visual safety checks:**

- Hardware components
- Plugs
- Cables
- Interfaces

**2. Computer system:**

- Standalone PC
- Networked system

**3. Passwords:**

- System
- Software

**4. Suitable storage media:**

- External hard drive
- Compact disc
- Flash drives
- Cloud
- Dropbox

**5. Difficulties:**

- Hardware/software failure
- Corruption of data

**6. Potential risks:**

- Corruption
- Loss of data
- Illegal copying

**7. Sources:**

- Internal
- External
- Viruses
- Poor storage facilities
- Theft

**8. Security:**

- Back-up copies
- Secure storage

**9. Legal regulations:**

- Data protection
- VDU
- Health and safety
- Document maintenance and retention

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. Why it is important to carry out simple visual safety checks on hardware and correct booting up and shutting down procedures.
2. What is the purpose of passwords.
3. How to save, transfer and print documents.
4. How to make back-up copies.
5. What are the causes of difficulties, which necessary files have been damaged or deleted, printer problems and hardware problems.
6. What are the different types of risk, viruses and confidentiality.
7. What are the relevant security and legal regulations, data protection legislation and health and safety regulations.
8. Where the hardware, software and back-up copies are located.
9. Where the information sources are located.
10. What are the organization's procedures for changing passwords, and doing back-ups.
11. What is the organization's style for presentation of documents.
12. What are the organization's security policies.



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## EVIDENCE GUIDE

*For assessment purposes:*

### (1) Critical Aspects of Evidence

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### (2) Methods of Assessment

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Written evidence (work records, reports)
- Simulations

### (3) Context of Assessment

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is, the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by a candidate working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidate must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **may be used**.

**U65403****Maintain and improve personal performance**

Unit Descriptor:

This unit describes the knowledge, skills and attitudes required to perform the personal and organizational aspects of your role. Candidates are required to show how to plan, prioritize and organize work effectively, as well as demonstrate how to work effectively with others by offering assistance, resolving difficulties and meeting deadlines. Candidates are also required to demonstrate personal development through learning and acquiring new skills.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |                                   |   |
|-----------------------------------|---|
| 1. Plan and organize work         | <ul style="list-style-type: none"> <li>1.1 Identify and prioritize <b>tasks</b> according to organizational procedures and regulatory requirements.</li> <li>1.2 Identify changes in priorities and adapt work plans and resource allocations accordingly.</li> <li>1.3 Use appropriate <b>planning aids</b> to plan and monitor work progress.</li> <li>1.4 Identify, negotiate and coordinate appropriate and relevant assistance, to meet specific demands and deadlines.</li> <li>1.5 Report anticipated difficulties in meeting deadlines to the <b>appropriate person</b>.</li> <li>1.6 Check conformation of work methods with legal and regulatory requirements.</li> </ul> |
| 2. Maintain working relationships | <ul style="list-style-type: none"> <li>2.1 <b>Communicate</b> clearly and effectively in accordance with organizational procedures.</li> <li>2.2 Discuss and agree realistic objectives, resources, working methods and schedules with others in a way that promotes good working relationships.</li> <li>2.3 Meet commitments to colleagues within agreed timescales.</li> </ul>   |

- 2.4 Offer assistance and support within own work constraints and commitments, where colleagues cannot meet deadlines.
  - 2.5 Find workable solutions for any conflicts and dissatisfaction which reduce personal and team effectiveness.
  - 2.6 Follow organizational procedures if there are any difficulties in working relationships which are beyond your authority to resolve and promptly refer to the **appropriate person**.
  - 2.7 Treat others courteously and perform work in a way that shows respect for others.
  - 2.8 Maintain strict confidentiality of information relating to colleagues and data protection requirements.
3. Improve your own performance
- 3.1 Consider current work activities and career goals to **identify own development needs**.
  - 3.2 Define and agree development objectives with **appropriate persons**.
  - 3.3 Research appropriate ways of acquiring new skills and knowledge.
  - 3.4 Seek resources and support from **appropriate persons** to ensure that development opportunities are realistic and achievable.
  - 3.5 **Review and evaluate performance and progress** to agreed timescales.
  - 3.6 Develop and maintain specialist knowledge relevant to your own working environment.
  - 3.7 Monitor understanding of developments relating to your job role.
  - 3.8 Undertake learning opportunities to assist in improving own performance.

**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Tasks:**

- Routine
- Unexpected

**2. Planning aids:**

- Diaries
- Schedules
- Action plans

**3. Appropriate persons:**

- Line manager
- Project manager
- Colleagues

**4. Communicate:**

- Face to face
- By telephone
- By fax
- By email
- In writing

**5. Identify own development needs:**

- Through training
- Through discussions with supervisor/line manager/HR personnel

**6. Review and evaluate performance and progress:**

- Alone
- In conjunction with others

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. What are the work methods and practices in your organization.
2. How to handle confidential information.
3. How to establish constructive relationships.
4. Why it is important to integrate your work with that of other persons.
5. What are the ways of identifying development needs.
6. How self-development objectives are set.
7. What are development opportunities and their resource implications.
8. What are the ways of assessing own performance and progress.
9. How to maintain good working relationships, even when disagreeing with others.
10. What are the scope and limit of your own authority for taking corrective action.
11. How to use different styles of approach in different circumstances.
12. How to set targets, prioritize and organize work, and inform and consult with others about work methods.
13. How to use scheduling techniques and aids, and plan work.
14. How to manage time, deadlines and timescales, work as a team, seek and exchange information, advice and support.
15. How to handle disagreements and conflict and what procedures exist to deal with conflict and poor working relationships.
16. How to show commitment and motivation towards your work.
17. How to deal with changed priorities and unforeseen situations.
18. How to negotiate the assistance of others.
19. How to coordinate resources and tasks.
20. What are the organizational and/or departmental structures.

21. What is your work role and responsibility and colleagues' work roles and responsibilities.
22. What are the reporting procedures.
23. Where to access information that will assist in learning, including formal training courses.
24. Who are the people able to assist with planning and implementing your required learning.

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**EVIDENCE GUIDE**

*For assessment purposes:*

**(1) Critical Aspects of Evidence**

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

**(2) Methods of Assessment**

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Written evidence (work records, reports)
- Simulations

**(3) Context of Assessment**

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is, the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by a candidate working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidate must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **may be used**.

**U97003****Maintain payroll and employee benefits records**

Unit Descriptor:

This unit deals with the knowledge, skills and attitudes required to process payroll from provided data using manual and computerized systems. This also involves calculating taxes, benefits, deductions and allowances; maintaining records in a manner that is secure and preparing statutory deductions for payment.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |                                 |   |
|---------------------------------|---|
| 1. Collect and verify data      | <ul style="list-style-type: none"> <li>1.1 Review <b>source documents</b> to verify employee details and update employee information in accordance with organizational procedures.</li> <li>1.2 Enter employee <b>pay period details</b> and any <b>deductions and allowances</b> in <b>payroll system</b> in accordance with <b>source documents</b>.</li> <li>1.3 Identify discrepancies, unusual features or queries and refer them to <b>designated persons</b> in accordance with organizational procedures.</li> <li>1.4 Calculate payment due to individual employees to reflect standard pay and authorized <b>variations</b> in accordance with employee source data.</li> </ul> |
| 2. Prepare and maintain payroll | <ul style="list-style-type: none"> <li>2.1 <b>Prepare payroll</b> within designated time lines in accordance with organizational policies, procedures and legislative requirements.</li> <li>2.2 Reconcile the total wages/salaries for the pay period and check or correct irregularities or refer to management for resolution in accordance with organizational procedures.</li> <li>2.3 Obtain authorization of payroll and individual pay advice in accordance with organizational requirements.</li> </ul>  |



- 2.4 Make arrangements for payment in accordance with organizational and individual requirements.
- 3. Complete payroll and generate records
  - 3.1 Prepare net pay and deductions for payment.
  - 3.2 Distribute payslips and annual returns to employees in accordance with organizational procedures and legislative requirements.
  - 3.3 Prepare payroll summaries, statutory remittances and any other applicable remittances.
  - 3.4 Reconcile and prepare annual payroll filings
  - 3.5 Update general ledger.
  - 3.6 Store **payroll records** in accordance with organizational policy and security procedures.
- 4. Handle payroll enquiries
  - 4.1 Respond to payroll **enquiries** in accordance with organizational and **legislative requirements**.
  - 4.2 Confirm that all enquiries outside your own area of responsibility and knowledge are referred to management for resolution in accordance with organizational procedures.
  - 4.3 Complete additional information or follow-up action within designated time lines in accordance with organizational policy and procedures.

**RANGE STATEMENT**

*All range statements must be assessed:*

**1. Source documents:**

- employment contracts
- employee earnings and payroll register
- employee records or history
- employee timesheets
- authorized instructions

**2. Pay period details:**

- bonus
- casual wage
- commission/service charge
- contract
- piecework
- salary/wage

**3. Deductions and allowances:**

- car allowance
- health insurance
- statutory deductions
- meal allowance
- superannuation contributions/pensions
- travel allowance
- benefits

**4. Payroll system:**

- manual
- computerized

**5. Designated persons:**

- immediate supervisor
- those who have the authority to approve payroll decisions

**6. Variations:**

- holiday pay
- overtime
- leave (paid/unpaid)
- rates of pay

- sick leave
- statutory

**7. Prepare payroll**

- calculation of gross pay
- cash analysis
- electronic funds transfer
- net pay
- preparing cheques
- preparing pay advice slips
- statutory deductions

**8. Payroll records:**

- cash analysis sheets
- electronic funds transfer
- employee summary report
- end of month reports
- end of year reports
- group certificates
- pay advice slips
- statutory reports

**9. Enquiries:**

- email
- face-to-face
- fax
- telephone

**10. Legislative requirements:**

- PAYE tax
- NIS
- Current statutory taxes

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. What is the relevant income tax legislation.
2. What are the options, methods and practices for deductions, benefits and depreciation.
3. What are the ethical considerations for the handling of payroll (e.g. conflict of interests, confidentiality, disclosure requirements).
4. What are the relevant statutory requirements.
5. How to prepare payroll.
6. What are the relevant organizational policies and procedures.
7. What are the relevant accounting principles and practices.
8. How to collect and verify data.
9. How to calculate taxable income.
10. How to review compliance.

## EVIDENCE GUIDE

*For assessment purposes:*

### (1) Critical Aspects of Evidence

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

### (2) Methods of Assessment

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Personal statement
- Written evidence (projects or assignments)
- Case study and scenario analysis

### (3) Context of Assessment

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by a candidate working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidate must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, product and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation **must not be used**.

**U97103****Establish a business continuity system**

Unit Descriptor:

This unit deals with the knowledge, skills and attitudes required to work within the business continuity framework to develop and implement business continuity plans in order for an organization to manage risk and ensure business resilience when faced with a disruptive event.

**ELEMENT****PERFORMANCE CRITERIA**

*To be competent you must achieve the following:*

- |    |   |     |  |
|----|---|-----|--|
| 1. | Identify business vulnerabilities                           | 1.1 | Identify the organization's <b>critical business functions</b> and their <b>dependencies</b> and <b>inter-dependencies</b> .                                     |
|    |   | 1.2 | Identify <b>risk</b> and <b>disruption scenarios</b> .   |
| 2. | Develop and implement mitigation strategies                 | 2.1 | Identify <b>risk treatments</b> relevant to the business type.   |
|    |   | 2.2 | Participate in <b>risk treatment</b> review in accordance with organizational procedures.  |
|    |   | 2.3 | Report on <b>risk treatment</b> review to management and relevant appropriate personnel.   |
|    |   | 2.4 | Update <b>risk treatment</b> review in line with feedback provided by relevant personnel.  |
| 3. | Determine interdependencies and develop response strategies | 3.1 | Develop the organization's <b>emergency response, business continuity and recovery strategies</b> according to organizational requirements.                      |
|    |   | 3.2 | Consult and seek endorsement of the organization's <b>emergency response, continuity and recovery strategies</b> from management and other appropriate personnel |

- |    |   |     |   |
|----|---|-----|---|
| 4. | Establish the business continuity plan  | 4.1 | Confirm that content of the business continuity plan is comprehensive and meets the requirements of regulations, standards, industry practice and geographical dispersion where applicable. |
|    |   | 4.2 | Document and analyse feedback received through consultation and finalize the business continuity plan according to organizational standards.  |
| 5. | Establish the communication plan within the organization's planning framework | 5.1 | Identify stakeholders and determine the objectives and scope of the communication plan for periods before, during and after disruptions.  |
|    |   | 5.2 | Determine the organizational communication capabilities in line with the objectives and scope and identify gaps and options for meeting shortfalls.   |
|    |   | 5.3 | Develop and implement appropriate risk and incident monitoring, reporting and escalation processes across the organization.   |
| 6. | Deliver business continuity professional development activities               | 6.1 | Provide staff with appropriate information relating to the business continuity management plan.   |
|    |   | 6.2 | Conduct business continuity management plan <b>exercises</b> in line with organizational policies and procedures  |
|    |   | 6.3 | Conduct post exercise debriefs, complete post exercise reviews and update business continuity strategies and plans as required.   |

## RANGE STATEMENT

*All range statements must be assessed:*

### 1. Critical business functions:

- customer service functions
- financial systems
- payroll
- records management

### 2. Dependencies:

- personnel
- systems and applications
- vital records

### 3. Interdependencies:

- communications
- outsourcer and third party suppliers
- power

### 4. Risk:

- disability/death of key person
- fire
- fraud
- natural disaster
- robbery and/or major vandalism

### 5. Disruption scenarios:

- damage to/loss of critical infrastructure
- information and intelligence – unavailable including loss of communications i.e. telephone/internet/IT systems
- equipment and other assets - unavailable
- loss of access to building or premises
- loss of access to records and organizational information systems
- loss of distribution chain
- loss of number and availability of staff, including key staff

### 6. Risk treatment:

- activating workplace emergency management plan i.e. lockdown, evacuation
- personnel working from home
- relocation of facilities
- temporarily suspending/transferring activities



**7. Emergency response strategies:**

- Evacuation/lockdown procedures
- Workplace emergency management plan
- Documentation/reporting/recording procedures

**8. Continuity strategies:**

- action required to resume critical business activities to pre-disruption capacity
- contact lists of critical personnel and stakeholders
- critical business activities and prioritization of when they can/need to resume
- relocation to alternative worksite

**9. Recovery strategies:**

- customer confidence/relationship management
- damage assessment
- process for assessing loss and filing insurance claims
- relocation of business to original location
- salvaging and restoration of records, infrastructure and premises

**10. Exercises:**

- drills
- discussion exercises
- planned walkthroughs
- scenario planning and exercises
- simulated exercises
- testing

**UNDERPINNING KNOWLEDGE AND SKILLS**

*You need to know and understand:*

1. How to analyse relevant workplace information/data and make observations and connections between workplace tasks and interactions in relation to people, activities, equipment, environment and systems.
2. How to read and interpret organizational reports, policies and procedures to develop business continuity management plans.
3. How to effectively communicate and work with a diverse range of individuals at all levels during and after a disruptive event.
4. How to effectively negotiate the trust and confidence of colleagues and stakeholders.
5. How to employ information technology to effectively respond to information technology issues.
6. How to employ initiative and enterprise skills to generate a range of options in response to a disruptive event.
7. How to employ planning and organizational skills to participate in or to establish the organization's improvement and planning processes.
8. How to use presentation skills to develop and present reports or presentations that deal with complex ideas and concepts and articulate information and ideas clearly.
9. How to employ stress management skills to work effectively and positively under the pressure of a major incident or situation within the workplace.
10. What are the organizational policies and procedures, including business continuity strategies.
11. What are the overall operations of the organization, including existing data and information systems, paper and digital recordkeeping systems.
12. What are the past and current internal, external and industry disruptions.
13. What are the relevant legislation and regulations that impact on business continuity, such as OHS, environment, duty of care, contract, company, freedom of information, industrial relations, emergency management, privacy and confidentiality, due diligence, records management.
14. What are the relevant types of available insurance, what is required and who are the insurance providers in relation to business continuity planning.
15. What are the various types of available recoverable services.

## EVIDENCE GUIDE

*For assessment purposes:*

### (1) Critical Aspects of Evidence

Candidates must prove that they can carry out **all** the elements, meeting **all** of the performance criteria, range and underpinning knowledge **on more than one occasion**. This evidence must come from a real working environment.

### (2) Methods of Assessment

Assessors should gather a range of evidence that is valid, sufficient, current and authentic.

Evidence may be collected in a variety of ways including:

- Observation
- Written/oral questioning
- Witness testimony
- Personal statement
- Written evidence (projects or assignments)
- Case study and scenario analysis
- Role play/simulation

### (3) Context of Assessment

This unit may be assessed on the job, off the job or a combination of both. Where assessment occurs off the job, that is, the candidate is not in productive work, then an appropriate simulation must be used where the range of conditions reflects realistic workplace situations. The competencies covered by this unit would be demonstrated by a candidate working alone or as part of a team. The assessment environment should not disadvantage the candidate.

The candidates must have access to all tools, equipment, materials and documentation required. The candidate must be permitted to refer to any relevant workplace procedures, products and manufacturing specifications, codes, standards, manuals and reference materials.

Simulation is **allowed**.

**Assessment methods**

The methods which can be used to determine competence in performance and underpinning knowledge.

**Assessors**

The Assessor guides and assesses the candidate. His/her role is to determine whether evidence presented by a candidate for assessment within the programme, meets the required standard of competence in the relevant unit or element. The Assessor needs to be competent to assess to national standards in the area under assessment.

**Approved Centre**

Organization/Centre approved by the TVET Council to offer full National Vocational Qualifications.

**Case Studies**

In situations where it is difficult for workplace assessment to take place, case studies can offer the candidate an opportunity to demonstrate potential competence.

A case study is a description of an actual or imaginary situation presented in some detail. The way the case study is presented will vary depending upon the qualification, but the most usual methods are written, taped or filmed.

The main advantage of a case study is the amount of evidence of underpinning knowledge it can generate and the specific nature of the evidence produced.

**Competence**

In the context of vocational qualifications, competence means: the ability to carry out prescribed activities to nationally pre-determined standards in an occupation. The definition embraces cognitive, practical and behavioural skills, underpinning knowledge and understanding and the ability to react appropriately in contingency situations.

**Element**

An element is a description of an activity which a person should be able to do. It is a description of an action, behaviour or outcome which a person should be able to demonstrate.

**Explanation of NVQ Levels**

NVQs cover five (5) levels of competence, from entry level staff at Level 1 through to senior management at Level 5.

**Level 1 - Entry Level**

Recognizes competence in a range of varied work activities performed in a variety of contexts. Most work activities are simple and routine. Collaboration with others through work groups or teams may often be a requirement. Substantial supervision is required especially during the early months evolving into more autonomy with time.

**Level 2 - Skilled Occupations**

Recognizes competence in a broad range of diverse work activities performed in a variety of contexts. Some of these may be complex and non-routine and involve some responsibility and autonomy. Collaboration with others through work groups or teams and guidance of others may be required.

**Level 3 - Technician and Supervisory Occupations**

Recognizes competence in a broad range of complex, technical or professional work activities performed in a wide variety of contexts with a substantial degree of personal responsibility and autonomy. Responsibility for the work of others and the allocation of resources are often a requirement. The individual is capable of self-directed application, exhibits problem solving, planning, designing and supervisory capabilities.

**Level 4 - Technical Specialist and Middle Management Occupations**

Recognizes competence involving the application of a range of fundamental principles and complex techniques across a wide and unpredictable variety of contexts. Requires very substantial personal autonomy and often significant responsibility for the work of others, the allocation of resources, as well as personal accountability for analysis, diagnosis, design, planning, execution and evaluation.

**Level 5 - Chartered, Professional and Senior Management Occupations**

Recognizes the ability to exercise personal professional responsibility for the design, development or improvement of a product, process, system or service. Recognizes technical and management competencies at the highest level and includes those who have occupied positions of the highest responsibility and made outstanding contributions to the promotion and practice of their occupation.

**External Verifier**

The External Verifier is trained and appointed by the TVET Council and is competent to approve and ensure an approved Centre's quality of provision.

**Internal Verifier**

The Internal Verifier acts in a supporting role for Assessors to ensure consistent quality of assessment and competence. He or she needs to be competent to assess to national standards in the area under assessment.

**NVQ**

National Vocational Qualifications (NVQs) are work-based qualifications that assess an individual's competence in a work situation and certify that the individual can perform the work role to the standards expected in employment.

NVQs are based on national occupational standards of competence drawn up by standards-setting bodies known as Industry Lead Bodies. The standards describe the level and breadth of performance that is expected of persons working in the industry or sector which the NVQ covers.

**NVQ Coordinator**

The NVQ Coordinator is the centre contact within each approved Centre offering NVQs. He/she has overall responsibility for the operation and administration of the NVQ system.

**Observation**

Observation of the candidate carrying out his/her job in the workplace is the assessment method recommended in the vast majority of units and elements. Observation of staff carrying out their duties is something that most supervisors and managers do every day.

**Performance Criteria**

Performance criteria indicate what is required for the successful achievement of an element. They are descriptions of what is expected in competent performance.

**Product of Work**

This could be items produced during the normal course of work which can be used for evidence purposes such as reports, menus, promotional literature, training plans, etc.

### Questioning

Questioning is one of the most appropriate ways to collect evidence to assess a candidate's underpinning knowledge and understanding.

Questioning can also be used to assess a candidate in those areas of work listed in the range which cannot be assessed by observation. Guidance on when this assessment method can be used is given in the assessment guidance of each individual element.

As an assessment method, questioning ensures the Assessor has all of the evidence about a candidate's performance. It also allows the Assessor to clarify situations.

### Range statements

The range puts the element of competence into context. A range statement is a description of the range of situations to which an element and its performance criteria are intended to apply.

Range statements are prescriptive therefore each category must be assessed.

### Role-plays

Role-plays are simulations where the candidate is asked to act out a situation in the way he/she considers "real" people would behave. By using role-play situations to assess a candidate the Assessor is able to collect evidence and make a judgment about how the candidate is most likely to perform. This may be necessary if the range specified includes a situation in which the candidate is unlikely to find himself/herself in the normal course of their work, or where the candidate needs to develop competence, before being judged, for example, in a disciplinary situation.

### Simulations

Where possible, assessment should always be carried out by observing **natural performance** in the workplace. **Simulated performance**, however, can be used where specified to collect evidence about an aspect of the candidate's work which occurs infrequently or is potentially hazardous; for example, dealing with fires.

By designing the simulated situation, briefing the candidate and observing his/her performance, the Assessor will be able to elicit evidence which will help judge how a candidate is **most likely** to perform in real life.

### Supplementary evidence

Supplementary evidence can be used to confirm and support performance evidence. Types of supplementary evidence include witness testimonies, reports, journals or diaries, records of activities, personal statements, simulation. (see note in glossary).

### Underpinning knowledge

Underpinning knowledge indicates what knowledge is essential for a person to possess in order to successfully achieve an element and prove total competence.

### Units

A unit of competence describes one or more activities which form a significant part of an individual's work. Units are accredited separately but in combination can make up a vocational qualification. There are three categories of units:

**Mandatory units** - are core to a qualification and must to be completed.

**Optional units** - candidates must choose the required number of individual units, specified in the qualification structure, to achieve the qualification.

**Additional units** - are units which the candidate can undertake but are not a requirement to achieve a qualification.

### Work-based projects

Work-based projects are a useful way for the Assessor to collect evidence to support any decision made about a candidate's performance. They are particularly appropriate in determining the level of a candidate's underpinning knowledge and understanding where it may be insufficient to rely only on questioning and observation.

A project often involves the identification of a solution to a specific problem identified by the Assessor and/or the candidate (such as looking at ways to redress a recent drop in sales), or may be a structured programme of work built around a central situation or idea (such as the introduction of a new job rostering process).