Candidate Details

Assessment – BSBSMB401: Establish legal and risk management requirements of small business

Please complete the following activities and hand in to your trainer for marking. This forms part of your assessment for BSBSMB401: Establish legal and risk management requirements of small business

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Employer: ryan civil

Declaration

I declare that no part of this assessment has been copied from another person's work with the exception of where I have listed or referenced documents or work and that no part of this assessment has been written for me by another person.

Signed:

Date: 11/6/19

If activities have been completed as part of a small group or in pairs, details of the learners involved should be provided below;

This activity workbook has been completed by the following persons and we acknowledge that it was a fair team effort where everyone contributed equally to the work completed. We declare that no part of this assessment has been copied from another person's work with the exception of where we have listed or referenced documents or work and that no part of this assessment has been written for us by another person.

Learner 1: Blaine Colles

Signed:

Learner 2:

Signed:

Learner 3:

Signed:

Competency Record to be completed by Assessor

Learner Name: ______________________________

Date of Assessment: ______________________________

The learner has been assessed as competent in the elements and performance criteria and the evidence has been presented as;

	Assessor Initials
Authentic	
Valid	
Reliable	
Current	
Sufficient	

Learner is deemed: COMPETENT NOT YET COMPETENT (Please circle)

If not yet competent, date for re-assessment: ______________________________

Comments from Trainer / Assessor:

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Assessor Signature: ______________________________

Activities

Activity 1A

Estimated Time	30 minutes
Objective	To provide you with an opportunity to identify and research possible options for the business legal structure using appropriate sources
Activity	1. Conduct your own research and document advantages and disadvantages in creating the types of legal structure detailed in this table. sole trading & partnership as legal structures for our business are disadvantaged mainly by the unlimited liability and reliance on one person only. The advantages of privacy and non disclosure of profit does not have enough positive influence to justify the risk. ~~versus~~ Extra cost and regulation involved in a PTY LTD company is offset by taxation advantages and the ability to attain more capital through issuing of shares

Observation/Demonstration

Throughout this unit, you will be expected to show your competency of the elements through observations or demonstrations. Your instructor will have a list of demonstrations you must complete or tasks to be observed. The observations and demonstrations will be completed as well as the activities found in this workbook. An explanation of demonstrations and observations:

Demonstration is off-the-job

A demonstration will require:

- Performing a skill or task that is asked of you
- Undertaking a simulation exercise

Observation is on-the-job

The observation will usually require:

- Performing a work based skill or task
- Interaction with colleagues and/or customers

Your instructor will inform you of which one of the above they would like you to do. The demonstration/observation will cover one of the unit's elements.

The observation/demonstration will take place either in the workplace or the training environment, depending on the task to be undertaken and whether it is an observation or demonstration. Your instructor will ensure you are provided with the correct equipment and/or materials to complete the task. They will also inform you of how long you have to complete the task.

You should demonstrate that you can:

1. Identify and implement business legal requirements
2. Comply with legislation, codes and regulatory requirements
3. Negotiate and arrange contracts

You should also demonstrate the following skills:

- Reading
- Writing
- Oral Communication
- Numeracy
- Navigate the world of work
- Interact with others
- Get the work done

Activity 1B

Estimated Time	**20 minutes**
Objective	**To provide you with an opportunity to determine legislation and regulatory requirements affecting operations of the business under its chosen structure.**
Activity	**1. Report on your organisation or in accordance with directions from the instructor, the legislation and regulatory requirements affecting the operations of your business.** Our business is affected by the requirement to conduct business according to: QLD WHS codes of practice such as confined spaces COP 2011 concrete pumping COP 2005 demolition work COP 2013 electrical safety COP 2010 excavation work COP 2013 first aid in the workplace COP 2014 hazardous manual tasks COP 2011 as well as: the fair work act of 2009 competition and consumer act of 2010 environmental protection & biodiversity act of 1999 among many others legislative requirements from local, ~~state~~ & federal governments

Activity 1C

Estimated Time	**20 minutes**
Objective	**To provide you with an opportunity to develop and implement procedures to ensure full compliance with relevant legislation and regulatory requirements.**
Activity	**1. What methods are used to implement procedures to ensure full compliance with the relevant legislation and regulatory requirements governing your specific business operations?** **You may make reference to your answers in Question 1B.** records of all financial information as well as minutes of meetings & resolutions are kept. as well as an annual company statement with third party audit & review of all company processes policies & procedures & work method statements outline the way all tasks are to be undertaken and are regularly reviewed to maintain relevance to all legislation and regulation

Activity 2A

Estimated Time	30 minutes
Objective	**To provide you with an opportunity to establish systems to ensure legal rights and responsibilities of the business are identified and the business is adequately protected, specifically in relation to work health and safety (WHS), business registration and environmental requirements**
Activity	**1. Detail/report your company's systems to ensure the legal rights and responsibilities of the business are identified and the business is adequately protected.** Ryan Civil has numerous policies (eg. health/safety, environmental, quality, equal opportunity) which outline the roles & philosophy of our business. As well as work method statements / procedures which detail each task and its steps, risks and methods of management. as well as many accreditations with various government bodies such as DTMR & QBCC. as well as quality enviro/safety management certification systems through ISO 9001, 14001 & AS/NZS4801 ~~all of these~~ are as well as record keeping systems which highlight & detail any issues

Activity 2B

Estimated Time	**25 minutes**
Objective	**To provide you with an opportunity to identify taxation principles and requirements relevant to the business, and follow procedures to ensure compliance, and identify and carefully maintain legal documents and maintain and update relevant records to ensure their ongoing security and accessibility.**
Activity	**1. Define a sole trader, an incorporated company and a trust.** sole trader: individually owned & run business with full control including ownership of all profits and responsibility for all debts inc. company: distinct legal entity regulated by ASIC money earnt by company belongs to company not staff must have a separate bank account trust: an obligation to hold property or income for the benificiaries **2. What legal documents may you have to maintain?** franchise agreements financial documentation registers of directors environmental records WHS records contract documentation

Activity 2C

Estimated Time	20 minutes
Objective	To provide you with an opportunity to monitor provision of products and services of the business to protect legal rights and to comply with legal responsibilities and conduct investigations to identify areas of non-compliance with legal and regulatory requirements, and take corrective action where necessary
Activity	1. Suggest three options that could likely cause an error in compliance. For the areas identified, give your recommendations on ways to eliminate future occurrences. failure to follow environmental policy failure to follow workplace health & safety policy failure to follow work method statement to eliminate future occurence records highlighting the breach must be kept then any incident discussed between all staff revision of procedures may be necessary or reeducation of staff about those procedures and why they are important

Activity 3A

Estimated Time	**25 minutes**
Objective	**To provide you with an opportunity to seek legal advice on contractual rights and obligations, if required, to clarify business liabilities, investigate and assess potential products or services to determine procurement rights and ensure protection of business interests where applicable**
Activity	**1. In pairs, groups or individually list five contractual rights and obligations that could give cause to potential business liabilities.** the right & obligation to conduct business that is not contravened by actions outlined in racial discrimination act sex discrimination act fair work act fair trading act workers compensation act that would lead to potential liability

Activity 3B

Estimated Time	30 minutes
Objective	**To provide you with an opportunity to seek legal advice on contractual rights and obligations, if required, to clarify business liabilities, Investigate and assess potential products or services to determine procurement rights and ensure protection of business interests where applicable.**
Activity	**1. List five products or services to determine procurement rights and ensure protection of the business interests where applicable.** products or services involving licensing, patents registered designs, intellectual property or Software licences will have procurement rights

Activity 3C

Estimated Time	30 minutes
Objective	**To provide you with an opportunity to negotiate and secure contractual procurement rights for goods and services including contracts with relevant people, as required, in accordance with the business plan**
Activity	**1. Create a five point plan on negotiating for securing contractual procurement rights for goods and services contracts.** 1. prepare effectively 2. understand the needs of all parties 3. manage your personal negotiation style 4. generate value through creativity 5. successfully adress all elements of negotiation through preperation, engagement & review

Activity 3D

Estimated Time	25 minutes
Objective	**To provide you with an opportunity to identify options for leasing/ownership of business premises and complete contractual arrangements in accordance with the business plan**
Activity	**1. What would be your choice, to either lease or purchase premises for a small business in your capital city, and why?** lease if the premise is unsuitable due to business growth there is no commitment to stay less capital required which is better invested elsewhere in the business not responsible for property tax fire insurance & maintenance

Activity 4A

Estimated Time	**20 minutes**
Objective	**To provide you with an opportunity to identify potential internal and external risks to the business**
Activity	**1. Give examples of internal and external risks that may affect your organisation.** internal theft by employees cash flow problems union strikes loss of data on computer systems external burglary fire damage market fluctuations political instability

Activity 4B

Estimated Time	30 minutes
Objective	**To provide you with an opportunity to assess the probability and impact of identified risks**
Activity	**1. For each risk you identified in Activity 4A, assess its probability and impact.** loss of data on computer system probability : possible could have ~~major~~ Moderate business impact fire damage prob : unlikely could have high impact from damage to equipment cash flow problems possible Could cause major business impact

Activity 4C

Estimated Time	25 minutes
Objective	To provide you with an opportunity to prioritise risks for treatment
Activity	1. Create probability-impact matrix and determine which risk has the highest priority.

	minor 0.2	mod 0.4	maj 0.6	cat 0.8
highly unlikely 0.9	0.18	0.36	0.54	0.72
unlikely 0.7	0.14	0.28	0.42	0.56
possible 0.5	0.1	0.2	0.3	0.4
likely 0.3	0.6	0.12	0.18	0.24
Certainly 0.1	0.2	0.4	0.6	0.8

certainly and catastrophic 0.8 risk

Skills & knowledge activity

1. codes of practice, acts, tax law, contracts

2. meeting minutes, financial records, policies & procedures

3. preperation, clear & succinct, visual aids (plan, graphs, records)

4. ~~a~~ financial records of the business (assets & liabilities) safety records, contractual obligations. risk assessments

5. equal opportunities policy, health & safety policy

6. negotiating & arranging contracts, commencing a PTY LTD business

7. financial records required by ASIC or ATO for up to 7 yrs

8. reduces administrative ~~business~~ cost to business in their dealings with other businesses and in complying with government regulation

9. local: brisbane city council standard drawings for construction
   state: qld codes of practice eg. for excavation
   commonwealth: fair trade act
   international: UN human rights

10. offer by one party & acceptance by the other
must intend to create a legal relationship with enforceable terms
must be a valuable consideration, must be competent
certainty as to terms, must be for a lawful purpose

11. create inclusive policies & practices, foster an
inclusive culture, provide diversity training,
encourage interaction

12. sole trader, pty ltd company, not for profit, trust

13. all incoming & outgoing finances

14. enforce the competition & consumer act of 2010
promoting fair trading, competition

15. risk assessment, matrix, probability / severity

16. public liability, management liability, workcover, general
property

Major Activity

1. Pty Ltd. company
   advantages: limited liability, seperate legal entity, organised control, tax advantages

   disadvantages: government regulations, annual returns to ASIC, responsibilities of directors, admin costs

2. QBCC licence
   TMR accreditation
   ISO accreditations
   local council approved contractor

3. . hold an annual general meeting once a year to review past performance and decide on future strategy

   keep proper financial records
   these allow to have a clear picture of all incoming & outgoing finances

   . record all meetings so as to keep records of decisions made

4. health & safety policy machinery prestarts
plant risk assessments electrical registers
safe work method statements lifting equipment registers
plant maintenance records accidents & incidents register
daily prestarts MSDS of products
site induction registers toolbox talks

between these they detail every part of what we do and how it is done while ensuring correct procedures and maintenance

5. ABN

GST all goods we purchase have GST attached
works we perform are invoiced with GST added

PAYG for all employees tax contributions

Superannuation guarantee for employees super contributions

fuel tax credits for fuel used

6. accounts payable/receivable

tax invoices
pay G & super records
purchase orders
wage records

7. ~~codes of practice~~, fair work act, racial discrimination act
workers compensation act

8. conduct investigations to identify areas of non compliance & take corrective action where necessary

9. seek legal advice

10. procurement policy & procedure & communication with relevant parties

11. various buiders for commercial/industrial premises:
these provide the bulk of ongoing work
local councils:
these provide a more stable and profitable section of work

12. renting 240 waterworks Rd ashgrove as it allows to have a central location while not removing funds from areas of the business that would generate more with that capital

13. internal threats are supply chain failures or problems with management

external threats are fire damage or burglary

14. ~~weather~~ wet causing downtime ~~with~~ while still incurring costs

15. risk assessment matrix

16. public liability