

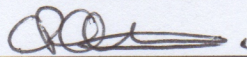
BSBSMB401

ESTABLISH LEGAL AND RISK MANAGEMENT REQUIREMENTS OF SMALL BUSINESS

PRACTICAL ASSESSMENT INSTRUCTIONS

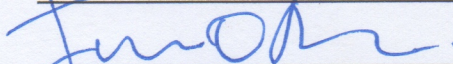
- The following practical assessment will require the Participant to complete work related activities.
- The Assessor will conduct observations of the Participant's work to determine whether they display sufficient practical skills and knowledge.
- Please fill in the details below – providing your name, signature and date of assessment.
 - The Participant's signature acknowledges that the Assessor provided clear instructions and the Participant understood what was required to complete this assessment.
- The Assessor may substitute a Practical Task with an alternate task of equal value.
 - Alternate tasks must be fully documented by the assessor in the Assessor Comments area.

Participant name Clint Richardson

Participant signature 

Date 09Mar2021

Assessor name JAMES O'REILLY

Assessor signature 

Date 09/03/21

Number of tasks	Number of tasks fully completed	Task outcome (Tick)	
		Satisfactory	Not Yet Satisfactory
1		☒	☐

BSBSMB401

ESTABLISH LEGAL AND RISK MANAGEMENT REQUIREMENTS OF SMALL BUSINESS

Practical Task 1		
Description of task: The participant is required to demonstrate their ability to identify and comply with all regulations affecting a small business. The participant is required to negotiate and arrange contracts, as well as identify and treat business risks. These tasks may be simulated or real. The participant is to gather evidence of how they have completed each component of the Practical Task, which is to be submitted with this Practical Assessment sheet. The observer is to provide detailed comments on the tasks completed by the participant. The assessor is to verify the observer's comments in the Assessor Comments section, and provide the Practical Assessment outcome on the front cover of this document.		
Resources required: Computer and telephone.		
Assessment of task		
Name of participant:	Clint Richardson	
Name of observer:	James O'Reilly	
Role of observer (Confirm suitability to sign)	Director of Toowoomba Formwork Company which, has operated for several years under a Builder's License and Carpentry License.	
Email address of observer	admin@toowoombaformwork.com	
Signature of observer:		
Date:	09Mar2021	
When completing the task, did the participant:	Tick if satisfactorily completed. Provide comments if left unticked.	
	1st Occasion	2nd Occasion
1 Identify and implement business legal requirements		
1.1A. Identify and research possible options for the business legal structure using appropriate sources.	✓	
1.1B. Determine legislation and regulatory requirements affecting operations of the business under its chosen structure.	✓	
1.1C. Develop and implement procedures to ensure full compliance with relevant legislation and regulatory requirements.	✓	
2 Comply with legislation, codes and regulatory requirements		
1.2A. Establish systems to ensure legal rights and responsibilities of the business were identified and the business was adequately protected, specifically in relation to the following requirements: • Work health and safety (WHS) • Business registration • Environmental requirements	✓	
1.2B. Identify taxation principles and requirements relevant to the business, and follow procedures to ensure compliance.	✓	
1.2C. Identify and carefully maintain legal documents and maintain and update relevant records to ensure their ongoing security and accessibility	✓	

1.2D. Monitor provision of products and services of the business to protect legal rights and to comply with legal responsibilities.	✓	
1.2E. Conduct investigations to identify areas of non-compliance with legal and regulatory requirements, and take corrective action where necessary.	✓	
3 Negotiate and arrange contracts		
1.3A. Seek legal advice on contractual rights and obligations, if required, to clarify business liabilities.	✓	
1.3B. Investigate and assess potential products and services to determine procurement rights and ensure protection of business interests where applicable.	✓	
1.3C. Negotiate and secure contractual procurement rights for goods and services including contracts with relevant people, as required, in accordance with the business plan.	✓	
1.3D. Identify options for leasing or ownership of business premises and complete contractual arrangements in accordance with the business plan.	✓	
4 Identify and treat business risks		
1.4A. Identify potential internal and external risks to the business.	✓	
1.4B. Assess the probability and impact of identified risks.	✓	
1.4C. Prioritise risks for treatment.	✓	
1.4D. Develop actions to mitigate risks, including identifying insurance requirements and adequate cover.	✓	
The Participant's performance was: ☒ Satisfactory ☐ Not Satisfactory		

Observer comments:

1.1A Clint Richardson, as the combined Director of Operations and Director of Administration for the now operational company Darkstone Construction Pty Ltd. was responsible for completing all appropriate administration to establish the aforementioned company. To complete this task Clint Richardson researched possible options for the most appropriate legal and functional structure of the company. Clint Richardson contacted a lawyer from Clifford Gouldson Lawyers as well as an accountant from Bentley Accountants to confirm which structure would be most financially appropriate. Clint, explained in finite detail, to each of these individuals, the nature of the proposed business and the desired structure of the proposed business. With the professional assistance from the aforementioned persons, Clint has successfully organised contracts defining the Directors rights and entitlements and has successfully registered the company with ASIC.

1.1B Clint Richardson has exercised his knowledge in the appropriate execution of operations for Darkstone Construction Pty Ltd. He has taken all the correct precautions to ensure that Darkstone Construction Pty Ltd only completes works that are legally allowed in accordance to BCA, NCC 2019 Volume Two, Ammendment One, relating to the QBCC licenses associated with Darkstone Construction Pty Ltd.

1.1C Clint Richardson has identified, in accordance with BCA, NCC 2019 Volume Two, Ammendment One the classification of buildings and scope of works Darkstone Construction Pty Ltd are legally allowed to conduct.

1.2A Clint Richardson has displayed exceptional knowledge and understanding of WHS standards as dictated by WHS Queensland, both on and off site. Clint Richardson formats and dictates Safe Work Method Statements for each respective task to ensure that all employees of Darkstone Construction Pty Ltd adhere to the guidelines dictated by WHS Queensland to protect all personnel and the environment. Furthermore, Clint Richardson has secured a compulsory policy through WorkCover Queensland to protect employees, and an insurance policy through BentleysInsure to protect the company.

1.2B Clint Richardson with the assistance of an accountant from Bentleys Accountants have established an accounting and bookkeeping system through the application Xero Accounting. Clint Richardson to date, has successfully paid employees, paid subcontractors, invoiced contractors, paid bills ensuring to adhere to all taxation requirements.

1.2C Clint Richardson has compiled an extensive portfolio of documents for each respective job. These documents are both hard copy and digital copy. Clint Richardson compiles a hard copy for each respective site as well as an additional copy which remains on his person at all times. Clint Richardson also, upload a copy to the company googledrive as well as the company onedrive online storage applications. This is to

ensure that every employee has access to a hard copy on site as well as a digital copy if they are off site. These documents include but, are not limited to the following;

Engineer Drawings,
Builders Documents,
SWMS,
Insurance Policy,
WorkCover Policy,
QBCC Licenses,
Purchase Orders,
Builders Timeline.

1.2D Clint Richardson ensures that all building products meet AS/NZ standards as published in SAI Global and BCA. Clint Richardson ensures that all employees and subcontractors have the appropriate licenses to conduct works or operate any machinery associated with the respective works. Clint Richardson has also forecast requirements and enrolled employees in courses to acquire licenses to maintain continuity in future works.

1.2E Clint Richardson has displayed constant vigilance to ensure Darkstone Construction Pty Ltd and associated employees comply with all legal requirements as dictated by WHS, BCA, as well as Builders and client requirements/request. Clint Richardsons' vigilance is evident during WHS site inspections. WHS staff Dennis and Jason (SWQ WHS representative) have been very pleased with the manner in which Clint conducts operations.

1.3A As previously mentioned, Clint Richardson is responsible for tendering and securing all contracts for Darkstone Construction Pty Ltd. Clint has exceptional understanding and knowledge of contracts. Clint Richardson draws on this knowledge to assess any contract he is considering. Clint Richardson also works with Gouldson Lawyers to ensure the contract is a sound representation of Clint's understanding.

1.3B Clint Richardson thoroughly researches all products and services to ensure they are both legally appropriate and financially viable before tendering a job or committing to a contract.

1.3C Clint Richardson maintains a company account with EstimateOne and regularly tenders and is awarded contracts.

1.3D Clint Richardson is currently in the process of securing a AUD200,000 business loan with ANZ to procure work equipment including;

Work trucks,
Trowel Machines,
Trailers, and
Storage containers.

Prior to this, Clint Richardson has hired equipment from local vendors;

ABC Container Hire,
Master Hire,
Kennards Hire, and
Coates Hire.

1.4A Clint Richardson has identified job procurement as the biggest foreseeable risk. Too little work and the company will not meet financial requirements. Too much work and the company may be financially penalised i.e., liquidated damages. Clint Richardson has identified workplace accidents as the biggest unforeseeable risk. Injury to personnel and/or damage to equipment will have negative effects on the company's financial state.

1.4B As above

1.4C As above

1.4D Clint Richardson has implemented Workcover policies and Insurance policies to mitigate the potential for these risks to adversely affect Darkstone Construction Pty Ltd. Clint Richardson has also dictated SWMS to ensure employees are conducting tasks appropriately. Finally, Clint Richardson has ensured that all requirements dictated by QBC, WHS, and BCA are adhered to by all employees.