
Activity 4D

Estimated Time	**25 minutes**
Objective	**To provide you with an opportunity to develop actions to mitigate risks including identifying insurance requirements and adequate cover**
Activity	**1. You are about to take out an insurance policy. Thinking about the likely risks to your business, suggest the approach and cover you would likely use to insure against the following risks.** Likely risks to the business are both internal and External, using a probability-impact matrix (PIM) you can determine mathematically which risks need insurance and prevention methods most. The cover required will not be limited to Public liability, workers compensation etc.

Skills and Knowledge Activity

Estimated Time	**60 Minutes**
Objective	**To provide you with an opportunity to demonstrate your knowledge of the foundation skills, knowledge evidence and performance evidence.**
Activity	**Complete the following individually and attach your completed work to your workbook.** The answers to the following questions will enable you to demonstrate your knowledge of: ➢ Reading ➢ Writing ➢ Oral Communication ➢ Numeracy ➢ Navigate the world of work ➢ Interact with others ➢ Get the work done ➢ Outline business registration and licensing requirements ➢ Identify commonwealth, state/territory and local government legislative requirements relating to business operation ➢ Explain creation and termination of relevant legal contracts ➢ Summarise relevant cultural differences and legal implications ➢ Describe legal rights and obligations of alternative ownership structures ➢ Outline necessary record keeping to meet minimum legal and taxation requirements ➢ Summarise relevant consumer legislation and industry codes of practice ➢ Outline the key steps in the risk management process ➢ Explain relevant insurance requirements and products **1. What texts may you have to read to assess the legal and risk management requirements of the business?**

Skills and Knowledge Activity

1. Local, state/Territory, commonwealth and International Legislation, regulations and Codes of Practice.
2. Injury/incident reports, S.W.M.S and records.
3. Good Verbal, Non-verbal and written communication skills.
4. Risk management Plan.
5. Codes of Conduct.
6. Breaches of regulations or Legislation.
7. Company documents and details, client imformation/details.
8. More effective use of resources, procurement processes and growing the economy.
9. Environmental.
10. Offer, acceptance, key terms, payment, mutuality of obligation, competency and Capacity.
11. Teamwork, model the right Behaviour, Awareness and communication
12. Sole proprietorship, partnership, corporation
13. Income statements, payment Summaries, records and receipts.
14. The ACCC promotes competition and fair trade in markets to benefit customers, businesses and the Community.
15. Risk management Plan
16. Public liability, Product liability, Workers Compensation, Vehicle, property or building and Contents, Income Burglery.

	2. **What reports and workplace documentation may you have to write?** 3. **What skills are needed to communicate effectively during communications?** 4. **What information might you need to determine insurance costs?** 5. **What are organisational policies which may apply to your ethical behaviour?** 6. **Why may you need to seek legal advice?** 7. **What sort of information may you need to store securely?** 8. **What are the benefits of being on the Australian Business Register (ABR)?** 9. **What local, state/territory, commonwealth and international legislation, regulations and codes of practice may affect business operations?** 10. **What elements must be present for a legally enforceable contract?** 11. **How can you manage diversity and cultural differences within a workplace?** 12. **What alternative ownership structures exist?** 13. **What records will you need to keep in order to meet taxation regulation?** 14. **What is the purpose of the Australian Competition and Consumer Commission?** 15. **How would you assess risks within an organisation?** 16. **What insurance requirements may your organisation have?**

Major Activity

Estimated Time	60-120 Minutes
Objective	**To provide you with an opportunity to demonstrate your knowledge of the entire unit.**
Activity	**This is a major activity – your instructor will let you know whether you will complete it during class or in your own time.** **Attach your completed answers to the workbook.** You must individually, answer the following questions in full to show your competency of each element: 1. Identify and implement business legal requirements 2. Comply with legislation, codes and regulatory requirements 3. Negotiate and arrange contracts 4. Identify and treat business risks 1. **Which business legal structure do you believe is the most appropriate? Note the positive and negative aspects of your chosen structure in relation to your business needs.** 2. **What kind of permissions do you need to secure and maintain for your business?** 3. **Pick three elements of general reporting on Section 1.3 of the Learner Guide and explain them in the context of your company, describing what you need to do in order to satisfy this requirement.** 4. **What measures do you have in place regarding WHS policies and procedures? Explain why they are effective. If your company has not yet been opened or established, write about what you may need to implement and why.** 5. **Which description in section 2.2 of the Learner Guide applies to your business? Explain how this works in relation to your business.**

Major Activity

1. The chosen structure is Sole Trader. The positives of choosing this structure is it is easy to Set up with all the profits belonging to me. The negetive of this structure is it is limited in Size and liability is mine.
2. Permissions required to run and maintain the business is Business name registration, ABN, QBCC license & Insurances.
3. Keep financial records, Indentify Tax requirements, monitor provisions of Products and Services of the business to protect legal rights and comply with responsibilities. Being a Sole trader Ensuring all Tax reports are completed on time and correctly, with all relevant Insurances are up to date.
4. The measure in place regarding WHS policies and procedures are produced through effective J.S.A and S.W.M.S completed by all involved and updated if new methods are develped. Possible Workers Compensation Insurance Policy required.
5. Business description: Sole trader
   This desciption works in relation to the business as it is Solely run by myself without anyone else.
6. Income received, receipts, Accounts payable
   These systems are used to balance books, Taxation purposes
7. Fair Work Act, workers compensation, fair trading Act, codes of Practice.
8. Reporting procedures to ensure full compliance
9. To ensure legal co-operation with contractual rights and Obligations is to completely understand all terms of a contract and complete all terms appropriately.

	6. What kind of records do you keep in relation to finance? Explain why each system you use is appropriate for your needs. 7. What legislation may affect any contracts associated with the running of your business? 8. What measures could you put in place to detect incidences of non-compliance? 9. What can you do to ensure legal co-operation with contractual rights and obligations? 10. What systems can you implement to ensure you are sourcing the right item, from the right supplier at the right time? 11. Through the general running of your business, who can you expect to have contracts with? How does each person or company fit into your business plan? 12. Is renting or buying more ideal for your business needs? Explain why and how you made this decision and detail the options that are available to you in this endeavour. 13. What is the difference between internal and external threats? 14. What are likely or certain risks within your business? 15. How can you prioritise risks? 16. What compulsory insurance must you obtain in order to run your business? What extra or voluntary insurance could you also get, and why?

10. Procurement rights to products and Services.

11. We expect to have contacts with various builders requiring waterproofing Services. This fits in with our business Plan ideally as they are a targeted consumer.

12. I actually Plan to work from home as this is an option available and quite ideal, having Secured the premises already, as I provide a Service that does not require Public access.

13. Internal risks arise due to the business's normal processes relating to human factors, Technology or Physical factors.
External risks are ones that impose on the business from without, such as natural disasters, burglary or fire.

14. Likely risks to my business could include fire or vandalism to the property I am working on, Vehicle breakdown or Health.

15. To prioritise risks you use the probability - Impact MATRIX (PIM) To calculate which risks require insurance and prevention methods.

16. Compulsory Insurance to run my business is Public liability Insurance, any extra Insurance we could purchase may include Income, property, Premises, Contents, Vehicle, burglary or Workers Compensation.
This will ensure full Compliance to legal requirements and provide longevity of the business.