BSBSMB406A
MANAGE SMALL BUSINESS FINANCES

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: Nathan Wheeler

Participant signature:

Date: 17/01/2021

Assessor name:

Assessor signature:

Date: Click here to enter a date.

Task	Task outcome (Tick)	
	Satisfactory	Not Yet Satisfactory
Task 1	☐	☐

ASSESSOR COMMENTS

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Practical Task 1

Description of task:
A suitable observer is to verify the participant's ability to implement, monitor and review strategies for the ongoing management of a small business's finances. 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.

Evidence to be submitted may include:

- A cash flow forecast or budget
- Evidence of bookkeeping and transaction recording processes including accounting system/s used, for example MYOB, QuickBooks, Excel.
- Copies of transaction records
- Business loan agreements or Lease agreements
- Supplier account notices with trading terms
- Copy of invoice noting trading terms
- A letter from their accountant, etc. that acknowledges their association
- Copy of a Business Activity Statement
- A copy of a Profit and Loss Statement or Balance Sheet
- A copy of a financial plan if available

The observer is to provide detailed comments on the tasks completed by the participant. The assessor is to verify the observer's comments and provide the outcome for the practical task on the front cover of the Practical Assessment.

Resources required:
Business financial data, business plan.

Assessment of task

Name of participant:	Nathan Wheeler
Name of observer:	Tom Wheeler
Role of observer (Confirm suitability to sign)	Company Director
Email address of observer	tom@twbuilders.com.au
Signature of observer:	
Date:	18/01/2021

When completing the task, did the participant:	**Tick if satisfactorily completed. Provide comments if left unticked.**
1.A. Collate/prepare documentation of existing business financial information, including: • Balance sheets • Profit and loss statements • Stock records	☑
1.B. Identify financial information requirements and obtain specialist services, as required, to profitably operate the business in accordance with the business plan.	☑

1.C.	Produce financial budgets or projections, including cash flow estimates, as required for each forward period, and distribute to relevant people in accordance with legal requirements.	☑
1.D.	Verbally negotiate, secure and manage business capital to best enable implementation of the business plan to meet requirements of financial backers.	☑
1.E.	Develop and maintain strategies to enable adequate financial provision for taxation in accordance with legal requirements.	☑
1.F.	Develop, monitor and maintain client credit policies, including contingencies for debtors in default, to maximise cash flow.	☑
1.G.	Select key performance indicators to enable ongoing monitoring of financial performance.	☑
1.H.	Record and verbally communicate financial procedures to relevant people to facilitate implementation of the business plan, confirming audience understanding through questioning and listening.	☑
1.I.	Regularly monitor and report (verbally and in writing) on financial performance targets, and analyse data to establish the extent to which the financial plans has been met.	☑
1.J.	Monitor marketing and operational strategies for their effects on the financial plan.	☑
1.K.	Calculate and evaluate financial ratios according to own or industry benchmarks.	☑
1.L.	Assess financial plan to determine whether variations or alternative plans were needed, and changed as required.	☑

The Participant's performance was: ☑ **Satisfactory** ☐ **Not Satisfactory**

OBSERVER COMMENTS

Names of company in the evidence provided has been removed to maintain privacy of sensitive documentation.