

Specification of Competency Standards
for the Automotive Industry
Unit of Competency

Functional Area - Corporate Management

Title	Apply financial accounting techniques
Code	108557L3
Range	This unit of competency is applicable in workplaces relevant to the operational management of the automotive industry. Practitioners should be able to employ financial accounting theory as well as performing such duty independently and effectively for the industry according to the requirements.
Level	3
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge (Financial accounting theory for the automotive industry)</p> <ul style="list-style-type: none"> • Good understanding of the functions of financial accounting theory. • Good understanding of the principles and procedure of financial accounting theory. • Good understanding of the life cycle of automotive products. • Good understanding of the inventory management of automotive products. • Good understanding of the effect of exchange rates on the finance of the automotive industry. • Good understanding of the relevant legal requirements of government policy on the automotive industry. <p>2. Performance (Adopt financial accounting techniques for the automotive industry)</p> <ul style="list-style-type: none"> • Adopt financial accounting principles to perform relevant duty for the automotive industry, including compilation of: <ul style="list-style-type: none"> ○ ledger by account ○ profit and loss statements ○ balance sheet ○ cash flow statements • Adopt accounting ratios. • Adopt accounting concepts. • Adopt the management functions of accounting systems. • Estimate the time value of currencies. • Estimate the change in exchange rates on the effect of finance account. • Estimate the inventory and value of stock.
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are that the practitioner being assessed shall prove that he/she is:</p> <ul style="list-style-type: none"> • Capable of employing financial accounting theory for the automotive industry; and • Capable of independently and effectively performing respective financial accounting duty according to legal and requirements.
Remark	