

|                      |  |                     |
|----------------------|--|---------------------|
| <b>Domain Title:</b> | <b>HOSPITALITY OPERATIONS<br/>Manage financial operations in a<br/>hospitality establishment</b> | <b>Unit ID: 542</b> |
| <b>Level: 5</b>      |  | <b>Credits: 10</b>  |

### Purpose

This unit standard specifies the skills and knowledge required to manage financial operations in a hospitality establishment. It includes developing approaches to financial management, developing and monitoring financial procedures and systems, making pricing decisions, monitoring and analysing financial performance and controlling financial transactions and records. The unit is not intended to cover detailed tasks that are undertaken by qualified accountants or financial controllers, but does include the awareness of accounting issues and concepts needed by managers for effective communication with accountants or other specialists on financial matters. This unit standard is intended for those who work as managers in the hospitality and tourism industry.

### Special Notes

1. Entry information

Prerequisite:

- Unit 42 *Follow workplace health, safety and hygiene procedures in a hospitality establishment* or demonstrated equivalent knowledge and skills.
2. Assessment evidence may be collected from a real workplace, or simulated real workplace or an appropriate simulated realistic environment in which hospitality operations are carried out.
  3. All inspection, operation and maintenance procedures associated with the use of tools and equipment shall comply with establishment procedures and manufacturer's instructions.
  4. Financial operations may be for a department within a large organization or a small business.
  5. The scope of financial management requirements for different projects or establishments will vary and may relate to differing requirements for budgeting and forecasting, reporting (depth, regularity, nature of reports), control mechanisms, specialist financial skills.
  6. Regulations and legislation relevant to this unit standard include the following:
    - Labour Act, 15 of 2004
    - Companies Act of 2004
    - Income Tax Amendment Act, 10 of 2003
    - Sales Tax Act, 5 of 1992
    - Value-Added Tax Amendment Act, 12 of 2004

- Occupational Health and Safety Regulations No.18 of 1997 and all subsequent amendments to any of the above.

### **Quality Assurance Requirements**

This unit standard and others within this subfield may be awarded by institutions which meet the accreditation requirements set by the Namibia Qualifications Authority and the Namibia Training Authority and which comply with the national assessment and moderation requirements. Details of specific accreditation requirements and the national assessment arrangements are available from the Namibia Qualifications Authority and the Namibia Training Authority. All approved unit standards, qualifications and national assessment arrangements are available on the Namibia Training Authority website [www.nta.com.na](http://www.nta.com.na)

### **Elements and Performance Criteria**

#### **Element 1: Develop approaches to financial management**

##### **Range**

Financial procedures and systems must address but are not limited to transaction recording, checking and reconciliation processes, banking procedures, invoicing, accounts payable, cash management and security measures, cashflow management, budget management, capital expenditure; reporting requirements, Value Added Tax and other taxation requirements, levies (tourism, training); statutory requirements that apply to the specific business structure, sector specific requirements such as the Travel Compensation Fund in retail travel.

Financial procedures and systems may cover but are not limited to stock control, financial responsibilities within an organisation or department.

Financial management and control may include but are not limited to computerized and manual equipment.

##### **Performance Criteria**

- 1.1 The scope of financial management requirements for a given establishment or project is assessed in line with establishment procedures.
- 1.2 The need for specialist accounting assistance is identified and organized where appropriate in line with establishment procedures.
- 1.3 Approaches to financial management are developed based on overall direction and goals of the establishment or project.
- 1.4 Financial management and control systems and procedures are developed in line with establishment needs.

## **Element 2: Develop and monitor financial procedures and systems**

### **Range**

Financial reports must include but are not limited to Value Added Tax reporting, cashflow statements, profit and loss statements, balance sheets, reconciliations.

### **Performance Criteria**

- 2.1 The importance of financial objectives, management controls and systems is communicated to all staff in line with establishment procedures.
- 2.2 Procedures and systems are developed to meet relevant statutory and internal control requirements.
- 2.3 Practical procedures and systems are developed for monitoring income and ensuring payment of accounts in line with establishment procedures.
- 2.4 The use of current industry practices and technology are researched and integrated into systems as appropriate.
- 2.5 Compliance with procedures and systems is checked in line with establishment procedures.
- 2.6 The flow of financial information within the organisation is monitored in terms of currency, accuracy, level of detail and relevance in line with establishment procedures.
- 2.7 Financial management systems are reviewed regularly and adjustments made in accordance with establishment requirements.

## **Element 3: Make pricing decisions**

### **Performance Criteria**

- 3.1 Pricing decisions are made based on current, sufficient, accurate and relevant financial and marketplace data in line with establishment procedures.
- 3.2 Fixed, variable and semi-variable costs are identified accurately in line with establishment procedures.
- 3.3 Simple cost - volume - profit analysis is correctly performed and interpreted in line with establishment procedures.
- 3.4 Appropriate profit margins and prices are set in accordance with establishment policy.

## **Element 4: Monitor and analyse financial performance**

### **Performance Criteria**

- 4.1 Budgets are monitored against performance targets on a regular basis in line with establishment procedures.

- 4.2 Corrective budgets are negotiated as appropriate to maximise business performance in line with establishment procedures.
- 4.3 Remedial action to address financial performance problems is taken where appropriate in line with establishment procedures.
- 4.4 Profit and loss statements are accurately prepared and interpreted with appropriate level of detail in line with accounting standards and establishment procedures.
- 4.5 Financial ratio analysis is correctly conducted and the information applied to financial management and reporting as appropriate in line with establishment procedures.
- 4.6 Feedback on positive and negative performance is communicated to appropriate colleagues in an appropriate manner in line with establishment procedures.

#### **Element 5: Control financial transactions and records**

##### **Performance Criteria**

- 5.1 Accurate, concise, relevant and sufficiently detailed financial reports are prepared in a format appropriate to the audience and in accordance with establishment and statutory requirements.
- 5.2 The need for specialist advice on reporting requirements is identified and appropriate advice is sourced where appropriate in line with establishment procedures.

##### **Registration Data**

|                                      |                            |
|--------------------------------------|----------------------------|
| <b>Subfield:</b>                     | Hospitality and Tourism    |
| <b>Date first registered:</b>        | 13 November 2008           |
| <b>Date this version registered:</b> | 13 November 2008           |
| <b>Anticipated review:</b>           | 2017                       |
| <b>Body responsible for review:</b>  | Namibia Training Authority |