

Domain	FRONT OFFICE OPERATIONS	Unit ID: 552
Title:	Prepare financial reports as part of hospitality operations	
Level: 5		Credits: 5

Purpose

This unit standard specifies the competency required to prepare financial reports used in front office operations. It includes recording general journal entries for balance day adjustments and preparing final general ledger accounts and end-of-period financial reports. This unit standard is intended for those who work in front office operations 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. *Safe working practices* include day to day observation of safety policies and procedures, legislative requirements and professional requirements.
 5. '*Specifications*' refers to any, or all of the following: manufacturer's specifications and recommendations, establishment specific requirements.
 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, 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

Elements and Performance Criteria

Element 1: Record general journal entries for balance day adjustments

Range

Calculation of depreciation refers to either straight-line method or reducing balance method.

Expense accounts may include but are not limited to rent paid; insurance; rates; wages and salaries; freight inward/outward; interest paid; distribution expenses; electricity; telephone/fax.

Revenue accounts may include but are not limited to interest received; commission received; rent received.

Prepayments and accruals may include but are not limited to prepaid expenses; prepaid revenue; accrued expenses; accrued revenue.

Bad and doubtful debts may include but are not limited to writing off bad debts against provision for doubtful debts; calculation of provision for doubtful debts.

Inventories may include but are not limited to goods for resale; stationery/office supplies.

Performance Criteria

- 1.1 Depreciation of non-current assets and disposal of fixed assets are recorded in accordance with legislative, establishment and accounting requirements.
- 1.2 Expense and revenue accounts are adjusted for prepayments and accruals in accordance with legislative, establishment and accounting requirements.
- 1.3 Bad and doubtful debts are recorded in accordance with legislative, establishment and accounting requirements.
- 1.4 Ledger accounts are adjusted for inventories, if required, and transferred to final accounts in accordance with legislative, establishment and accounting requirements.

Element 2: Prepare final general ledger accounts

Range

Final accounts may include but are not limited to trading; profit and loss.
Reporting period may include but is not limited to financial year as determined in organisational procedures.

Performance Criteria

- 2.1 General journal entries for balance day adjustments are entered in general ledger system in accordance with legislative, establishment and accounting requirements.
- 2.2 Revenue and expense account balances are posted to final general ledger accounts system in accordance with legislative, establishment and accounting requirements.
- 2.3 Final general ledger accounts are prepared to reflect gross and net profits for reporting period in accordance with legislative, establishment and accounting requirements.

Element 3: Prepare end-of-period financial reports

Range

Revenue statement comprises cost of goods sold if applicable; unclassified adjusted expenses and revenue; gross profit; operating net profit.

Balance sheet comprises narrative or T format; unclassified assets and liabilities.

Performance Criteria

- 3.1 Revenue statement is prepared in accordance with legislative, establishment and accounting requirements to reflect operating profit for reporting period.
- 3.2 Balance sheet is prepared in accordance with legislative, establishment and accounting requirements to reflect financial position of business at end of reporting period.
- 3.3 Errors are identified and corrected, or referred for resolution in accordance with legislative, establishment and accounting requirements.

Registration Data

Subfield:	Hospitality and Tourism
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