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**SOUTH AFRICAN QUALIFICATIONS AUTHORITY  
REGISTERED UNIT STANDARD:**

**Prepare and analyse municipal financial reports**

SAQA US ID	UNIT STANDARD TITLE		
116363	Prepare and analyse municipal financial reports		
SGB NAME		REGISTERING PROVIDER	
SGB Public Administration and Management			
FIELD		SUBFIELD	
Field 03 - Business, Commerce and Management Studies		Public Administration	
ABET BAND	UNIT STANDARD TYPE	NQF LEVEL	CREDITS
Undefined	Regular	Level 6	12
REGISTRATION STATUS	REGISTRATION START DATE	REGISTRATION END DATE	SAQA DECISION NUMBER
Registered	2004-10-13	2007-10-13	SAQA 0256/04

**PURPOSE OF THE UNIT STANDARD**

This Unit Standard is for all people involved in Financial Management in a municipality. People credited with this Unit Standard are able to:

- Select, measure, recognise, classify, and report on financial information after taking into account relevant financial reporting standards, as well as legislative requirements.
- Contribute to municipal financial reporting.

**LEARNING ASSUMED TO BE IN PLACE AND RECOGNITION OF PRIOR LEARNING**

It is assumed that the Learners are competent in:

- Communication at NQF Level 4
- Mathematical Literacy at Level 4.
- Accountancy at Level 4.

**UNIT STANDARD RANGE**

N/A

**UNIT STANDARD OUTCOME HEADER**

N/A

**Specific Outcomes and Assessment Criteria:**

**SPECIFIC OUTCOME 1**

Select measure, record, classify and report financial data in accordance with current financial

reporting standards.

## **ASSESSMENT CRITERIA**

### **ASSESSMENT CRITERION 1**

The background and purpose of a financial reporting standard is commented on in line with the principles of municipal financial reporting.

### **ASSESSMENT CRITERION 2**

The components of the statement of financial position are defined, measured, classified and disclosed in accordance with acceptable local and international public sector accounting standards.

### **ASSESSMENT CRITERION 3**

The components of the statement of financial performance are defined, measured, classified, and disclosed in accordance with internationally accepted public sector accounting procedures.

### **ASSESSMENT CRITERION 4**

The concepts of the different types of capital maintenance are applied in line with generally recognised accounting practice.

## **SPECIFIC OUTCOME 2**

Prepare and comment on financial reports for different forms of municipal entities.

## **ASSESSMENT CRITERIA**

### **ASSESSMENT CRITERION 1**

Consequential differences in the reporting of equity of municipal entities is recognised in the preparation of consolidated financial statements.

### **SPECIFIC OUTCOME 3**

Apply and comment on statements of generally recognised accounting practice.

## **ASSESSMENT CRITERIA**

### **ASSESSMENT CRITERION 1**

The concepts of the different types of capital maintenance are applied in line with international public sector accounting standards.

### **ASSESSMENT CRITERION 2**

The appropriate method of current value accounting is used in preparation and presentation of supplementary financial statements in line with international public sector accounting standards.

### **SPECIFIC OUTCOME 4**

Analyse and interpret financial statements for stakeholders.

## **ASSESSMENT CRITERIA**

**ASSESSMENT CRITERION 1**

Ratios relevant to the determination of liquidity, profitability, activity and long-term solvency are calculated and advised on from a set of financial statement.

**ASSESSMENT CRITERION 2**

Different users of municipal financial statements are identified and their information needs presented and explained to inform financial reporting system.

**ASSESSMENT CRITERION 3**

Limitations of published financial information are recognised with reference to improving operating capability of a municipality.

**ASSESSMENT CRITERION 4**

Results of an analysis of profitability and solvency risks are interpreted in the assessment of financial health of a municipality.

**ASSESSMENT CRITERION 5**

Multivariate financial analysis are carried out and communicated to appropriate users of municipal financial statements.

**ASSESSMENT CRITERION 6**

Ratios relevant to the determination of liquidity, profitability, activity and long-term solvency are calculated and advised on from a set of financial statement.

**ASSESSMENT CRITERION 7**

The financial performance report is prepared to enable an analysis of the overall financial state of a municipality within the framework of financial reporting.

**UNIT STANDARD ACCREDITATION AND MODERATION OPTIONS**

- An individual wishing to be assessed (including through RPL) against this Unit Standard may apply to an assessment agency, assessor or provider institution accredited by the relevant ETQA, or an ETQA that has a Memorandum of Understanding with the relevant ETQA.
- Anyone assessing a learner against this Unit Standard must be registered as an assessor with the relevant ETQA, or an ETQA that has a Memorandum of Understanding with the relevant ETQA.
- Any institution offering learning that will enable achievement of this Unit Standard or assessing this Unit Standard must be accredited as a provider with the relevant ETQA, or an ETQA that has a Memorandum of Understanding with the relevant ETQA.
- Moderation of assessment will be conducted by the relevant ETQA at its discretion.

**UNIT STANDARD ESSENTIAL EMBEDDED KNOWLEDGE**

- Nature of accounting data
- Objectives of financial reporting
- Different bases of measurement
- International public sector accounting standards
- National Treasury regulations
- Municipal finance management legislation

**UNIT STANDARD DEVELOPMENTAL OUTCOME**

N/A

**UNIT STANDARD LINKAGES**

N/A

**Critical Cross-field Outcomes (CCFO):****UNIT STANDARD CCFO IDENTIFYING**

Identify and solve problems using critical and creative thinking processes, e.g. by implement effective risk management and accounting practices.

**UNIT STANDARD CCFO WORKING**

Work effectively with others as a member of a team, group, organisation or community, e.g. through assuring that all roles players are committed to meeting the required reporting standards.

**UNIT STANDARD CCFO ORGANISING**

Organise and manage oneself and one`s activities responsibly and effectively, e.g. through the demonstration of ethical and moral principles in all reporting processes.

**UNIT STANDARD CCFO COLLECTING**

Collect, analyse, organise and critically evaluate information, e.g. through assuring accuracy in all reporting documents.

**UNIT STANDARD CCFO COMMUNICATING**

Communicate effectively using visual, mathematical and / or language skills in the modes of oral and/or written persuasion, e.g. through contributing to discussions on ways of minimizing risks and improving financial reporting procedures.

**UNIT STANDARD CCFO SCIENCE**

Use Science and technology effectively and critically, showing responsibility to the environment and health of others, e.g. use appropriate computer software for mathematical computation, planning, data capturing and document storage purposes.

**UNIT STANDARD CCFO DEMONSTRATING**

Demonstrate an understanding of the world as a set of interrelated systems by recognising that problem-solving contexts do not exist in isolation, e.g. in keeping in mind that best practice financial reporting effects the financial sustainability of not only the municipality but the country as a whole.

**UNIT STANDARD CCFO CONTRIBUTING**

Participating as responsible citizens in the life of local, national and global communities, e.g. acting as custodian of ethical behaviour and maintaining a high level of commitment to providing effective reporting procedures.

**UNIT STANDARD ASSESSOR CRITERIA**

N/A

**UNIT STANDARD NOTES**

N/A

**QUALIFICATIONS UTILISING THIS UNIT STANDARD:**

	<b>ID</b>	<b>QUALIFICATION TITLE</b>	<b>LEVEL</b>	<b>STATUS</b>	<b>END DATE</b>
Core	<a href="#">48965</a>	Certificate: Municipal Financial Management	Level 6	Registered	2007-10-13

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