



FNSACC413

ASSESSOR GUIDE

Make a decision in a legal context

Assessment 3 of 3

Project

Assessment Instructions

Task overview

This is assessment three (3) of three (3) assessments for FNSACC413 Make decisions in a legal context.

This assessment requires you to complete four (4) tasks to test your knowledge, understanding and skills required for this unit.

To be assessed as competent, you must complete all tasks in this workbook, or the template provided.

Additional resources and supporting documents

To complete this assessment, you will need:

- Access to your learning materials
- Access to a computer and the internet
- Access to Microsoft Word
- Larry's Landscapes Payroll Policy and Procedure.pdf
- Updated Payroll Policy and Procedure Template

Assessment Information

Submission

You are entitled to three (3) attempts to complete this assessment satisfactorily. Incomplete assessments will not be marked and will count as one of your three attempts.

All questions must be responded to correctly to be assessed as satisfactory for this assessment.

Answers must be typed into the space provided and submitted electronically via the LMS. Hand-written assessments will not be accepted unless previously arranged with your assessor.

Reasonable adjustment

Students may request a reasonable adjustment for assessment tasks.

Reasonable adjustment usually involves varying:

- the processes for conducting the assessment (e.g. allowing additional time)
- the evidence gathering techniques (e.g. oral rather than written questioning, use of a scribe, modifications to equipment)

However, the evidence collected must allow the student to demonstrate all requirements of the unit.

Refer to the Student Handbook or contact your Trainer for further information.



Please consider the environment before printing this assessment.

Assessment 3

The following assessment task uses two simulated businesses, Ace Finance and Larry's Landscapes Pty Ltd.

To complete the assessment tasks, you will need to access information, templates, policies, and procedures associated with Larry's Landscapes Pty Ltd. These additional resources and supporting documents can be downloaded from the learning platform under the Module's Assessment 3 tab.

For this assessment, you will play the role of Kathinya, the bookkeeper at Ace Finance, the recently appointed accounting firm for Larry's Landscapes Pty Ltd. Larry's Landscapes is a small company that has been in the business of pool construction and landscaping for the past 15 years. Larry Green, the owner has asked Ace Finance for assistance in updating their Payroll Policy.

TASK 1 Short Answer Questions

Download copies of the following documents:

- Larry's Landscapes Payroll Policy and Procedure



From: Andrew
To: Kathinya
Email subject: Updated Payroll Policy

Hi Kathinya,

Larry's Landscapes has enlisted our services to revise their payroll policy and procedure, which has been in effect since 1 July 2011, without updates.

Kindly review Larry's Landscapes Payroll Policy and Procedure for compliance, particularly focusing on superannuation, privacy, record-keeping, and taxation.

Regarding superannuation, Larry is keen to identify when the policy became non-compliant and understand any legislative or regulatory changes necessary for future compliance.

It's important to note that although Larry's Landscapes doesn't surpass an annual turnover of \$3 million, Larry has chosen to adhere to the Privacy Act. This decision aims to ensure the implementation of best practices in the collection, usage, and storage of customer and employee information, guarding against unauthorised access, theft, and misuse.

If you have any questions, please send me an email.

Warm regards,

Andrew | Manager
andrew@ace.finance



Student Instructions

Access Larry's Landscapes Payroll Policy and Procedure and assess its compliance, focusing on superannuation, privacy, record-keeping, and taxation.

To ensure its accuracy, conduct your own research by examining legislative and regulatory sources to identify any changes in compliance requirements. Evaluate whether the policy adheres to these changes and answer the following questions.

Question 1

Analyse information from legislative and regulatory sources in relation to business record-keeping.

In the table below:

- identify what is non-compliant in Larry's Landscapes Payroll Policy and Procedure
- reference any legislations and/or regulatory bodies that relate to Larry's Landscaping Pty Ltd.

(Approximate word count 70-120 words)

The policy is non-compliant in relation to record-keeping for the following reasons (references are provided):

- Documents are not stored in a secure location (Reference: The Privacy Act (1988), the Australian Privacy Principles)
- There is no restricted access to payroll records (Reference: The Privacy Act (1988), the Australian Privacy Principles)
- There are no destruction procedure records (Reference: The Privacy Act (1988), the Australian Privacy Principles)
- No storage and retention timeframes are outlined in the policy records (Reference: The Privacy Act (1988), The Australian Privacy principles)
- ASIC requires records to be kept securely for 7 years (Reference: Australian Securities and Investment Commission (ASIC))
- The ATO requires a business to keep records securely for 5 years (Reference: Australian Taxation Office (ATO))
- FairWork requires a business to keep records securely for 7 years (Reference: FairWorkAct 2009)
- The Corporations Act requires a business

Question 2

a. Analyse information from legislative and regulatory sources in relation to superannuation.

In the table below:

- Identify what is non-compliant in Larry's Landscapes Payroll Policy and Procedure
- Explain any changes to superannuation legislation that have occurred since the implementation of the policy on 1 July 2011
- Reference your source.

(Approximate word count 110-150 words)

ASSESSOR INSTRUCTIONS

Students must review legislative and regulatory sources of information to determine what is non-compliant in the Payroll Policy and Procedure in relation to **superannuation** and describe what is non-compliant. They must reference legislation and/or regulatory bodies and address all of the non-compliances as per the benchmark answer below.

Question 2a

The policy is non-compliant in relation to superannuation for the following reasons:

- The superannuation rate of 9% outlined in the policy is outdated
- The current rate of superannuation, according to the Superannuation Guarantee Act, is 11% (as of 1 July 2023). This rate is scheduled to increase to 11.5% on 1 July 2024 and then to 12% on 1 July 2025.
- All superannuation payments are paid into the employers' fund, and employees are not given a choice of superannuation funds
- Payment of superannuation is to be processed through Single Touch payroll or the superannuation small business clearing house
- Superannuation payments are remitted annually rather than quarterly, as per the following timeframes:
 - Quarter 1 (July-September) –**28 October**
 - Quarter 2 (October-December) –**28 January**
 - Quarter 3 (January-March) –**28 April**
 - Quarter 4 (April- June) –**28 July**

(Source: <https://www.ato.gov.au/business/super-for-employers/paying-super-contributions/super-payment-due-dates/>)

Students may reference any of the following:

- Australian Securities and Investment Commission (ASIC)
- Australian Taxation Office (ATO)
- The Superannuation Guarantee (Administration) Act 1992
- FairWork Act 2009
- The Privacy Act (1988)
- The Australian Privacy principles

- b. Research www.ato.gov.au and www.legislation.gov.au to identify the changes to the superannuation guarantee contribution percentage that have occurred since 1 July 2013.

Take screenshots of your findings and paste them in the table below.

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Students must research www.ato.gov.au or www.legislation.gov.au and provide a screenshot of changes to the superannuation guarantee contribution percentage since 1 July as per the benchmark answer provided.

Question 2b

www.ato.gov.au

Super guarantee percentage

Table 21: Super guarantee percentage

Period	General super guarantee (%)	Super guarantee (%) for Norfolk Island (transitional rate) (from 1 July 2016)
1 July 2002 – 30 June 2013	9.00	0
1 July 2013 – 30 June 2014	9.25	0
1 July 2014 – 30 June 2015	9.50	0
1 July 2015 – 30 June 2016	9.50	0
1 July 2016 – 30 June 2017	9.50	1
1 July 2017 – 30 June 2018	9.50	2
1 July 2018 – 30 June 2019	9.50	3
1 July 2019 – 30 June 2020	9.50	4
1 July 2020 – 30 June 2021	9.50	5
1 July 2021 – 30 June 2022	10.00	8
1 July 2022 – 30 June 2023	10.50	7
1 July 2023 – 30 June 2024	11.00	8
1 July 2024 – 30 June 2025	11.50	9
1 July 2025 – 30 June 2026	12.00	10
1 July 2026 – 30 June 2027	12.00	11
1 July 2027 – 30 June 2028 and onwards	12.00	12

Charge percentage (unless reduced under section 22 or 23)		
Item	Column 1 Year	Column 2 Charge perce
1	Year starting on 1 July 2013	9.25
2	Year starting on 1 July 2014	9.5
3	Year starting on 1 July 2015	9.5
4	Year starting on 1 July 2016	9.5
5	Year starting on 1 July 2017	9.5
6	Year starting on 1 July 2018	9.5
7	Year starting on 1 July 2019	9.5
8	Year starting on 1 July 2020	9.5
9	Year starting on 1 July 2021	10
10	Year starting on 1 July 2022	10.5
11	Year starting on 1 July 2023	11
12	Year starting on 1 July 2024	11.5
13	Year starting on or after 1 July 2025	12

Question 3

Analyse information from legislative and regulatory sources in relation to **privacy**.

In the table below:

- identify what is non-compliant in Larry's Landscapes Payroll Policy and Procedure
- reference any legislations and/or regulatory bodies that relate to Larry's Landscaping Pty Ltd.

(Approximate word count 130-150 words)

ASSESSOR INSTRUCTIONS

Students must review legislative and regulatory sources of information to determine what is non-compliant in the Payroll Policy and Procedure in relation to **privacy** and describe what is non-compliant. They must reference legislation and/or regulatory bodies and address all of the non-compliances as per the benchmark answer below.

The Policy is non-compliant in relation to privacy for the following reasons (references are provided):

- Documents are not stored in a secure location [Reference: The Privacy Act (1988), The Australian Privacy Principles)
- There is no restricted access to payroll records [Reference: The Privacy Act (1988), The Australian Privacy Principles)
- There is no destruction or de-identification procedure (Reference: The Privacy Act (1988), The Australian Privacy Principles)
- No storage and retention timeframes are outlined in the policy Reference: The Privacy Act(1988), The Australian Privacy Principles)
- Sensitive and personal information can be accessed by anyone in the office. Reference: The Privacy Act (1988), The Australian Privacy Principles)
- The Privacy Act 1988 (Commonwealth) is an Australian law that regulates the handling of personal information about individuals. This includes the collection, use, storage, and disclosure of personal information. (Reference: The Privacy Act (1988), The Australian Privacy Principles)

- The storage of records is non-compliant with the Australian Privacy Principles Reference: The Privacy Act (1988), The Australian Privacy Principles)

Question 4

Analyse information from legislative and regulatory sources in relation to **taxation**.

In the table below:

- identify what is non-compliant in Larry's Landscapes Payroll Policy and Procedure
- reference any legislations and/or regulatory bodies that relate to Larry's Landscaping Pty Ltd.

(Approximate word count 90-120 words)

ASSESSOR INSTRUCTIONS

Students must review legislative and regulatory sources of information to determine what is non-compliant in the Payroll Policy and Procedure in relation to **taxation** and describe what is non-compliant. They must reference legislation and/or regulatory bodies and address all of the non-compliances as per the benchmark answer below.

The policy is non-compliant in relation to taxation for the following reasons:

- PAYG withholding must be reported to the ATO quarterly, not annually, as per the following
 - Quarter 1 (July-September) **-28 October**
 - Quarter 2 (October-December) **-28 February**
 - Quarter 3 (January-March) **-28 April**
 - Quarter 4 (April- June) **-28 July**(Source: <https://www.ato.gov.au/General/PAYG-instalments/How-often-you-lodge-and-pay/#Quarterlyinstalments1>)
- PAYG withholding must be reported via single-touch payroll or through the Business Portal
- The ATO regulates the reporting and collection of taxes in Australia, and all businesses must comply.
- PAYG Withholding is to be reported through the Business Activity Statement or Instalment Activity Statement

TASK 2 Updated Payroll Policy and Procedure



From: Andrew
To: Kathinya
Email subject: Updated Payroll Policy and Procedure

Hi Kathinya,

Thank you for reviewing the Payroll Policy and Procedure of Larry's Landscapes Pty Ltd and researching the reasons for its non-compliance with current legislation and regulations.

Larry has transitioned to a quarterly electronic funds transfer (EFT) for PAYG payments. Employee salaries are now processed weekly through EFT, and electronic payslips are issued on a monthly basis. Additionally, superannuation payments are made using electronic funds transfer (EFT) to the Small Business Superannuation Clearing House.

Please update the Payroll Policy and Procedure Template to ensure that it is compliant with current legislative and regulatory requirements.

This is urgent as Larry needs to address payroll matters promptly. Kindly complete this task within the next two days to allow time for discussion and review.



Warm regards,

Andrew | Manager
andrew@ace.finance

Student Instructions

Access the Updated Payroll Policy and Procedure Template.

Update the policy based on the issues you identified as non-compliant in Task 1 and the information in the Updated Payroll Policy and Procedure email from Andrew.

Your updated Payroll Policy and Procedure should align with current legislation and regulations, with a particular focus on superannuation, record-keeping, privacy, and taxation. All changes you make must be made in **bold blue text**.

Save the updated Payroll Policy and Procedure with the following naming convention:

FNSACC413_Project_Updated Payroll Policy and Procedure_yourname_yymmdd.

ASSESSOR INSTRUCTIONS

Students must access the Payroll Policy and Procedure and make necessary revisions to ensure compliance with current legislation and regulations. Specifically, the focus should be on superannuation, privacy, record keeping, and taxation.

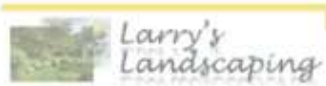
Additionally, students should take into account the supplementary information provided in the email from Andrew when updating the Policy and Procedure. All modifications should be highlighted using bold blue text. A sample answer has been provided.

LARRY'S LANDSCAPING PAYROLL POLICY & PROCEDURE

Effective xx/xx/xxxx (Current date)

Student name: <insert student name here>
Student number: <insert student number here>

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Policy

1. Purpose and scope

- 1.1 The purpose of the policy and procedure is to place payroll as an important part of the accounting function and integral to compliance requirements as set out with legislative bodies and government.
- 1.2 This policy and procedure provide a framework for applying and managing effective payroll practices.

2. Terminology

2.1 For the purposes of this policy and procedure, the following terms apply:

- ATO: Australian Taxation Office
- Fair Work: Fair Work Act 2019
- ASIC: Australian Securities and Investment Commission
- Corporations Act 2001
- Superannuation Act
- Privacy Act

3. Procedure

3.1 Collection of Staff details:

Upon hiring a new staff member, the following information will be collected for compliance purposes.

1. Tax Declaration Form
2. Personal details and emergency contact
3. Bank details
4. Superannuation choice form

3.2 Processing Payroll payments

- 3.2.1 All staff members will be paid weekly on Thursday.
- 3.2.2 Staff leave used during the period is to be applied.
- 3.2.3 Enter all payroll timesheets into the accounting system.
- 3.2.4 Payroll is to be authorised by Larry before processing payments.
- 3.2.5 Staff will receive net payments via **Electronic Funds Transfer (EFT)**
- 3.2.6 **Print and issue payslips to all employees along with cheques.**
- 3.2.6 **Electronic payslips will be Issue to all staff**
- 3.2.7 **Staff will be issued with a pay slip within one (1) working day of being paid**

Student name: <insert student name here>
Student number: <insert student number here>

FNSACC413 Make decisions in a legal context



Gayelene Townsend ⋮

Remove this point
20 November 2023, 10:19 AM

4. Withholding Tax

- 4.1 Payment is to be made after end of year reconciliation has been completed.
- 4.2 Payment is to be made to the Australian Taxation Office (ATO) every quarter, as per the ATO requirements.
- 4.3 Unless otherwise specified by and agreed to by the ATO, payments are to follow the schedule:
- Quarter 1 (July-September) – 28 October
 - Quarter 2 (October-December) – 28 February
 - Quarter 3 (January-March) – 28 April
 - Quarter 4 (April- June) – 28 July
- 4.4 PAYG Withholding is to be reported through the Business Activity Statement
- 4.5 Withholding tax payments are paid directly to the Australian Taxation Office by electronic funds transfer.
- 4.6 The reporting and lodgement of PAYG is to be processed through the business portal.

5. Superannuation

- 5.1 The current rate of superannuation is paid at 11%. (assessor please note this rate is for 2023/24 FY, 2024/25 FY the rate will be 11.5% and 2025/26 FY onwards the rate will be 12%)
- 5.2 Payment of the superannuation is quarterly as per the following:
- Quarter 1 (July-September) – 28 October
 - Quarter 2 (October-December) – 28 January
 - Quarter 3 (January-March) – 28 April
 - Quarter 4 (April- June) – 28 July
- 5.3 The superannuation will be paid directly to the Small Business Superannuation Clearing House, which will then forward the funds to the employees' choice superannuation fund.
- 5.4 Payment of the superannuation is made by electronic funds transfer or BPay.

6. Record keeping retention and disposal

- 6.1 Filed payroll payment records are to be stored in the yearly folder they relate to and kept in a locked cabinet in the shared office space.
- 6.2 Access to payroll records containing personal and sensitive information is restricted to authorised personnel.

Student name: <insert student name here>
Student number: <insert student number here>

FNSACC413 Make decisions in a legal context



Gayelene Townsend



Remove this point

@ mention or reply

- 6.3 In line with ASIC requirements, records are to be kept securely for a period of seven (7) years.
- 6.4 Records are to be de-identified and destroyed by shredding the documents after the seven (7) year retention period.

Student name: [redacted student name]
Student number: [redacted student number]

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TASK 3 Role Play



From: Andrew
To: Kathinya
Email subject: Meeting to discuss the Policy

Hi Kathinya,

Now that you've revised the Payroll Policy and Procedure for Larry's Landscapes let's schedule a discussion to go over the changes and the reasons behind them. Please have both the original Policy and Procedure and the updated version ready for our conversation.

Since we're both working from home today, I'll initiate a Zoom call at 11 am this morning. I've already coordinated with Larry, and he finds this time convenient.

Warm regards,

Andrew | Manager
andrew@ace.finance



Instructions to Students

This is a role-play activity. To complete this task, you will need to meet with Andrew from Ace Finance and Larry from Larry's Landscapes Pty Ltd to discuss the updated Payroll Policy and Procedure.

Role Play Instructions

The role play/meeting must include at least number three (3) participants, must not exceed 15 minutes in duration and must address all elements of the Observation Checklist below.

In this task, you will participate in a role/play meeting with others. These may be resourced using one of the following options:

1. Peers who you are already working within the industry your qualification relates to.
2. Fellow students who will play the role of a team member. Please contact your fellow students via the Discussion Forum and coordinate your role-play with them directly.

If you are unable to find participants to play the roles of the other team members, contact your assessor via the Discussion Forum, who will discuss options for pairing up with another student to complete this task.

Option 1: Peer/s participant

Should you complete this task with your Peers, you must fully brief all participants, providing them with the context to the role-play/meeting, a role outline to play and a copy of the observation checklist so that they can prepare for the recording.

Peer/s will need to state their name and job title at the start of the recording to inform consent.

Option 2: Fellow student/s participant

Fellow students participating in the recording must be provided with context to their role and responsibilities in the session and have reviewed the assessment activity and observation checklist so that they can prepare for the recording.

Students will need to state their name and that they are a student (as their job title) at the start of the recording to inform consent.

Recording instructions

Your role play must be recorded with all participants captured in a virtual room using a system such as Zoom, Skype or Teams.

Consent to participate in the recording must be captured for all participant/s at the start of the meeting. This is achieved by the student reading the following statement at the start of the recording, with all participants replying with their name and job title to inform consent.

"This session/presentation is being recorded for assessment purposes for my course with Colab. This session will be recorded and submitted through my course online learning platform to my Assessor for grading. All participant/s in this session indicate their consent to be included in this recording by stating their name and job title."

The time taken to capture consent at the start of the recording does not count towards the recording time limit. Save the recording as 'FNSACC413 Role-Play_YourName_DDMMYYYY'

Include this recording as part of your assessment submission.

Instructions for Participants

Participant 1: You will play the role of Kathinya, a bookkeeper at Ace Finance. During the meeting, you must introduce yourself to the client.

The purpose of the meeting is to use Andrew's expertise to seek guidance on the changes in the Payroll Policy and Procedure, ensuring your understanding aligns with current legislation and complies with requirements. In addition, during the meeting, you must explain the changes made to the Payroll Policy and Procedure to Larry to help him understand why the update was necessary, including the introduction of specific timeframes for lodgement and reporting. During the meeting, you must explain to Andrew and Larry the changes you have made.

Before the role-play meeting

To prepare for this meeting, please provide the participants role-playing Andrew (Participant 2) and Larry (Participant 3) with copies of the following documents:

- Project Payroll Policy & Procedure
- Updated Payroll Policy and Procedure

This will allow them to prepare and contribute to the meeting.

During the role-play meeting

This meeting is to be a discussion and must not exceed 15 minutes in duration. You will be assessed by demonstrating the criteria outlined below:

- Introduce yourself.
- Use active listening skills.
- Use questioning techniques to clarify thinking.
- Seek advice and guidance to evaluate the decisions you made when updating the payroll policy.
- Address non-compliance in version 1 of the Payroll Policy and Procedure.
- Discuss timeframes for lodgement and reporting to align with statutory deadlines.
- Confirm your interpretation of the compliance requirements of the Payroll Policy and Procedure with Andrew.
- Use appropriate conversation and protocols suitable for a discussion with a manager and external client.

Participants' briefing instructions:

Role-play context for the participant role-playing Andrew.

Participant 2: You will play the role of Andrew. Andrew is a manager at Ace Finance who oversees the work done by Kathinya, one of the bookkeepers. Larry's Landscapes has enlisted the services of Ace Finance to revise their payroll policy and procedure, which has been in effect since 1 July 2011, without updates. Kathinya has been actively working on the project under Andrew's management.

Andrew has scheduled a meeting with Kathinya and Larry from Larry's Landscape to discuss the changes made to Larry's Landscapes Payroll Policy and Procedure. The focus of the discussion is on the recent policy updates, specifically addressing the transition to quarterly electronic funds transfer (EFT) for PAYG payments and weekly EFT processing of employee salaries. Andrew aims to clarify the reasons behind these changes and ensure that the updated policy aligns with current legislative and regulatory requirements.

Before the role-play meeting

Familiarise yourself with:

- Project Payroll Policy & Procedure
- Updated Payroll Policy and Procedure

Kathinya will refer to them during the meeting.

During the meeting, you must ask Kathinya to:

- Present the non-compliances identified in the Payroll Policy and Procedure and explain the changes made.
- Explain how this aligns with current legislative and regulatory requirements.
- If asked by Kathinya if you agree with his interpretation of the current legislation and regulatory requirements as per the changes made to the Payroll Policy and Procedure, you must answer 'yes'.

Please note: The student being assessed will be recording this meeting and submitting the recording for assessment.

During the meeting, the student must address all elements of the Observation Checklist below.

Observation Checklist

During the meeting, the student must:
Follow accepted communication practices by introducing themselves.
Use active listening skills.
Use questioning techniques to clarify thinking.
Seek advice and guidance to evaluate the decisions you made when updating the payroll policy.
Address non-compliance in version 1 of the Payroll Policy and Procedure.

Discuss timeframes for lodgment and reporting to align with statutory deadlines.
Confirm your interpretation of the compliance requirements of the Payroll Policy and Procedure with Andrew.
Use appropriate conversation and protocols suitable for a discussion with a manager and external client.

Participant 3: Will play the role of the client Larry, the owner of Larry's Landscape. During the meeting, Larry will listen to your explanation of what changes have been made to the payroll.

Role-play context for the participant role-playing Larry.

Participant 3: You will play the role of the client Larry, the owner of Larry's Landscape. You have enlisted the services of Ace Finance to revise Larry's Landscapes Payroll Policy and Procedure, which has been in effect since 1 July 2011, without updates. Kathinya has been actively working on the project under Andrew's supervision.

Andrew has scheduled a meeting with Kathinya and you to discuss the proposed changes made to the Payroll Policy and Procedure. The focus of the discussion is on the recent policy updates, specifically addressing:

- the transition to quarterly electronic funds transfer (EFT) for PAYG payments
- weekly EFT processing of employee salaries.
- record-keeping requirements
- changes to superannuation

Before the role-play meeting

Familiarise yourself with:

- Project Payroll Policy & Procedure
- Updated Payroll Policy and Procedure

Kathinya will refer to them during the meeting.

During the meeting, you must:

- Ask questions if something is not clear or if you want Kathinya to elaborate on a topic.
- Ask about the consequences of non-compliance for future reference.

Please note: The student being assessed will be recording this meeting and submitting the recording for assessment.

During the meeting, the student must address all elements of the Observation Checklist below.

Observation Checklist

During the meeting, the student must:
Follow accepted communication practices by introducing themselves.

Use active listening skills.
Use questioning techniques to clarify thinking.
Seek advice and guidance to evaluate the decisions you made when updating the payroll policy.
Address non-compliance in version 1 of the Payroll Policy and Procedure.
Discuss timeframes for lodgment and reporting to align with statutory deadlines.
Confirm your interpretation of the compliance requirements of the Payroll Policy and Procedure with Andrew.
Use appropriate conversation and protocols suitable for a discussion with a manager and external client.

ASSESSOR INSTRUCTIONS

Students must submit a video recording of the role-play/meeting between themselves and at least two (2) participants. The meeting must not exceed fifteen minutes in duration and must address all elements of the Observation Checklist below.

Observation Checklist

Observation Checklist		
The student was observed demonstrating the following during their meeting:	Satisfactory /Not Yet Satisfactory S/NYS	Assessor Comment
<p>1. Follow accepted communication practices by introducing yourself.</p> <p>This can be demonstrated by the student clearly stating their name and role.</p> <p>For example, "Hello Larry, my name is Kathinya, and I am one of the bookkeepers here at Ace Finance. I have been working with Andrew to update your Payroll Policy and Procedure".</p>		
<p>2. Used active listening skills.</p> <p>This can be demonstrated by the student:</p> <ul style="list-style-type: none"> • Paying close attention to what Andrew and Larry are saying • Showing that they are engaged by making eye contact, nodding, and providing verbal cues • Not interrupting Andrew and Larry when they are speaking • Paraphrasing and summarising what Andrew and Larry are saying 		

<p>3. Used questioning techniques to clarify thinking.</p> <p>This can be demonstrated by the student:</p> <ul style="list-style-type: none"> • Asking clarifying questions, for example: <ul style="list-style-type: none"> • "Can you please elaborate on your thoughts about the current payroll policy? I want to ensure that I fully understand your perspective." • Summarising what Andrew or Larry has said, for example: <ul style="list-style-type: none"> • "If I understand correctly, you're suggesting that by implementing these changes, we could address the compliance issues more effectively. Is that a fair summary of your viewpoint?" 		
<p>4. Sought advice and guidance to evaluate and moderate the decisions made related to the update of the payroll policy.</p> <p>This can be demonstrated by the student: Asking Andrew if he agrees with his interpretation of the current legislation and regulatory requirements as per the changes made to the Payroll Policy and Procedure.</p>		
<p>5. Addressed non-compliance in version 1 of the Payroll Policy and Procedure.</p> <p>This can be demonstrated by discussing changes to the Payroll Policy and Procedure:</p> <p>3.1 Collection of Staff Details Adding 4. Superannuation choice form</p> <p>3.2 Processing Payroll payments Amending 3.2.5 Staff will receive net payments via Electronic Funds Transfer (EFT)</p> <p>Deleting 3.2.6 Print and issue payslips to all employees along with cheques</p> <p>Adding 3.2.6 Electronic payslips will be Issue to all staff</p> <p>Adding 3.2.7 Staff will be issued with a pay slip within one (1) working day of being paid.</p> <p>4. Withholding Tax Adding</p>		

4.2 Payment is to be made to the Australian Taxation Office (ATO) every quarter, as per the ATO requirements.

4.3 Unless otherwise specified by and agreed to by the ATO, payments are to follow the schedule:

- Quarter 1 (July-September) – 28 October
- Quarter 2 (October-December) – 28 February
- Quarter 3 (January-March) – 28 April
- Quarter 4 (April- June) – 28 July

4.4 PAYG Withholding is to be reported through the Business Activity Statement.

4.6 The reporting and lodgment of PAYG are to be processed through the business portal.

5. Superannuation

Amending

5.1 The current rate of superannuation is paid at 11%.(assessor, please note this rate is for 2023/24 FY, 2024/25 FY, the rate will be 11.5% and 2025/26 FY onwards the rate will be 12%)

5.2 Payment of the superannuation is quarterly as per the following:

- Quarter 1 (July-September) – 28 October
- Quarter 2 (October-December) – 28 January
- Quarter 3 (January-March) – 28 April
- Quarter 4 (April- June) – 28 July

5.3 The superannuation will be paid directly to the Small Business Superannuation Clearing House, which will then forward the funds to the employees' choice superannuation fund.

5.4 Payment of the superannuation is made by electronic funds transfer or BPay.

6. Record-keeping retention and disposal

Amending

6.1 Filed payroll payment records are to be stored in the yearly folder they relate to and

<p>kept in a locked cabinet in the shared office space.</p> <p>Adding</p> <p>6.2 Access to payroll records containing personal and sensitive information is restricted to authorised personnel.</p> <p>6.3 In line with ASIC requirements, records are to be kept securely for a period of seven (7) years.</p> <p>6.4 Records are to be de-identified and destroyed by shredding the documents after the seven (7) year retention period.</p>		
<p>6. Discussed timeframes for lodgement and reporting to align with statutory deadlines.</p> <p>This can be demonstrated by the student by discussing:</p> <p>4 Withholding Tax</p> <p>4.2 Payment is to be made to the Australian Taxation Office (ATO) every quarter, as per the ATO requirements.</p> <p>4.3 Unless otherwise specified by and agreed to by the ATO, payments are to follow the schedule:</p> <ul style="list-style-type: none"> • Quarter 1 (July-September) – 28 October • Quarter 2 (October-December) – 28 February • Quarter 3 (January-March) – 28 April • Quarter 4 (April- June) – 28 July <p>4.5 PAYG Withholding is to be reported through the Business Activity Statement. The reporting and lodgment of PAYG are to be processed through the business portal.</p> <p>5. Superannuation</p> <p>5.1 The current rate of superannuation is paid at 11%.(assessor, please note this rate is for 2023/24 FY, 2024/25 FY, the rate will be 11.5% and 2025/26 FY onwards the rate will be 12%)</p> <p>5.2 Payment of the superannuation is quarterly as per the following:</p>		

<ul style="list-style-type: none"> • Quarter 1 (July-September) – 28 October • Quarter 2 (October-December) – 28 January • Quarter 3 (January-March) – 28 April • Quarter 4 (April- June) – 28 July <p>5.3 The superannuation will be paid directly to the Small Business Superannuation Clearing House, which will then forward the funds to the employees' choice superannuation fund.</p>		
<p>7. Confirmed interpretation of the compliance requirements of the Payroll Policy and Procedure with Andrew.</p> <p>This can be demonstrated by the student by:</p> <ul style="list-style-type: none"> • Asking Andrew if he agrees with his interpretation of the current legislation and regulatory requirements as per the changes made to the Payroll Policy and Procedure. 		
<p>8. Used appropriate conversation and protocols suitable for a discussion with a manager and external client.</p> <p>This can be demonstrated by the student by:</p> <ul style="list-style-type: none"> • Starting the conversation with a professional greeting • Actively listen to both Andrew (manager) and Larry (external client). • Employing a formal and respectful language tone. • Avoiding jargon that may be unclear to Larry. • Encouraging open communication and participation from all parties • Closing the discussion with a summary of key points, expressing appreciation for Andrew and Larry's time. 		

TASK 4 Client Email



From: Andrew
To: Kathinya
Email subject: Client Email

Hi Kathinya,

I am sure Larry from Larry's Landscapes Pty Ltd will be pleased with the updated Payroll Policy and Procedure. We will need to advise Larry of the impacts the revised policy will have on business operations to make him aware of changes that will need to be made within the business so the policy can be followed correctly. We also need to advise him of the legislated changes to the superannuation guarantee percentage that will occur over the next five years for his long-term planning and compliance considerations.

Please draft an email to Larry outlining the impacts the changes to the policy will have on Larry's Landscapes Pty Ltd and forward it to me for final review prior to sending.

Warm regards,

Andrew | Manager
andrew@ace.finance



Instructions to Students

Use the space provided to draft an email to Larry from Larry's Landscapes Pty Ltd about the updated Payroll Policy and Procedure. You need to identify and explain three (3) changes resulting from the updated Payroll Policy and Procedure and how they relate to business operations, including any resources that Larry may need. You must also outline legislated changes to the superannuation guarantee percentage over the next five (5) years and reference your source/s.

Approximate word count: 200-250 words.

Your email must use a professional layout and be grammatically correct.

ASSESSOR INSTRUCTIONS

Students are to draft an email to Larry from Larry's Landscapes Pty Ltd from Ace Finance to discuss the changes made to the Payroll Policy and Procedure. A professional layout must be used, and the email must be grammatically correct. Students must discuss, in one to two sentences per response, **at least three (3) impacts** that the changes to the policy will have on business operations and any resources Larry may need to address these.

Students **must** outline changes to the superannuation guarantee percentage over the next five (5) years and must reference their source/s.

A benchmark answer is provided below.

Good afternoon Larry,

We have completed our review of your Payroll Policy and Procedure dated 1 July 2011 (version 1) and updated it according to current legislative and regulatory requirements. The updates to the policy will

have significant impacts on business operations that you need to be made aware of. These are outlined below in point form for your ease of reference:

- Cashflow – based on regulatory requirements, the policy has been updated to remit PAYG Withholding Tax to the ATO on a quarterly basis rather than an annual basis. Additionally, superannuation is to be remitted quarterly at the same time. The payment of these on a quarterly basis will cause strain on your cash flow at the end of each quarter, so proper and effective budgeting needs to be implemented, especially during slower times such as the winter months.
- Lodgement and Reporting – lodgement and reporting of PAYG withholding and superannuation needs to be processed online, so staff training and procedures need to be implemented accordingly.
- Staffing – additional staff may be required to keep up with compliance and reporting requirements based on the policy amendments. You may wish to upskill existing staff or engage the services of a BAS Agent to assist with the quarterly reporting requirements.
- Disposal of sensitive information – payroll records that are over 7 years old need to be de-identified and shredded for disposal. The purchase of a small office shredder and allocated administrative staff hours over the course of a couple of weeks would be sufficient to complete this task.
- Storage of payroll records – a new lockable cabinet needs to be purchased to store all payroll records and sensitive information. Access to the cabinet will be restricted to only those staff members who need to access the information to perform their roles.
- Staff training – implement a training plan for all relevant staff to advise them of the new policy and procedures.

You also need to consider that changes to the superannuation guarantee percentage will affect the business over the coming years as the regulated superannuation guarantee percentage rate increases. The scheduled increases are:

1 July 2024: 11.5%

1 July 2025: 12%

(Source: <https://www.ato.gov.au/rates/key-superannuation-rates-and-thresholds/?page=22>)

After this time, the percentage will remain at 12%. The policy will need to be updated every year to reflect this change and ensure business operations remain compliant. Please consider these increases when planning and budgeting for current and future staffing needs.

Please let me know if you would like to meet to discuss any of these matters.

Regards,
(Student name)
Bookkeeper – Ace Finance

Assessment checklist

Students must have completed all activities within this assessment before submitting. This includes:

Task 1		
1	Short answer questions – Assessment 3 Workbook	<input type="checkbox"/>
Task 2		
1	Updated Payroll Policy and Procedure Template	<input type="checkbox"/>
Task 3		
1	Role-play video recording	<input type="checkbox"/>
Task 4		
1	Email to Larry's Landscapes Pty Ltd – Assessment 3 Workbook	<input type="checkbox"/>

Congratulations you have reached the end of Assessment 3!

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