



FNSACC413

Make decisions in a legal context

Assessment 3 of 3

Project

Assessor Guide



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 of this unit.

To be assessed as competent, you must complete all tasks in the assessment document and 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.

Submission requirements

To be eligible to be deemed competent in this assessment, you are required to complete and submit this assessment document. Word documents will not be accepted. Please save any Word documents as PDF files before submitting.

Most modern web browsers can open and display a PDF file. However, if you have an older operating system, you may need a PDF reader installed on your device, such as the Acrobat Reader, available from [Adobe](#).

Windows: Word 2013 and newer

Choose File > Export > Create PDF/XPS.

Windows: Word 2010

1. Click the File tab
2. Click Save As. To see the Save As dialogue box in Word 2013 and Word 2016, you have to choose a location and folder
3. In the File Name box, enter a name for the file, if you haven't already
4. In the Save as type list, click PDF (*.pdf).
 - If you want the file to open in the selected format after saving, select the Open file after publishing check box.
 - If the document requires high print quality, click Standard [publishing online and printing].
 - If the file size is more important than print quality, click Minimum size [publishing online].
5. Click Options to set the page to be printed, to choose whether markup should be printed, and to select output options. Click OK when finished.
6. Click Save.

macOS: Office for Mac

To save your file as a PDF in Office for Mac, follow these easy steps:

1. Click the File
2. Click Save As
3. Click File Format towards the bottom of the window
4. Select PDF from the list of available file formats
5. Give your file a name if it doesn't already have one, then click Export

For more detailed instructions, refer to [Microsoft Support](#).

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 will be hyperlinked in each task as "File Attached" and will automatically download once clicked. You can also download them from the learning platform under the

Module's Assessment 3 tab.

For this assessment, you will play the role of junior bookkeeper at Ace Finance, the newly appointed accounting firm for Larry's Landscapes Pty Ltd which is a small pool construction and landscaping company that has been in operation for 15 years and has engaged the services of Ace Finance to update their Payroll Policy.

TASK 1 Short Answer Questions



Email subject: Updated Payroll Policy

Attachment: [Larry's Landscapes Payroll Policy and Procedure](#)

Attachment: [Updated Payroll Policy and Procedure Template](#)

Hi there,

Larry's Landscapes has engaged our services to update their payroll policy and procedure as it was developed effective 1 July 2011 and has never been updated.

I have attached a copy of Larry's Landscapes Payroll Policy and Procedure dated 1 July 2011 [version 1] to this email for your reference. Please review the policy for compliance and outline any non-compliance issues, specifically in relation to superannuation, privacy, record keeping and taxation. In relation to superannuation, Larry would like to understand when the policy became non-compliant and any legislative or regulatory changes that will need to be implemented in the future in order for the policy to remain compliant. Please note, that although Larry's Landscapes does not have an annual turnover of more than \$3 million, he has opted-in to the Privacy Act to ensure best practices are carried out in how his customers and employees information is collected, used and stored to ensure there is no threat of unauthorised access, theft, misuse etc.

Warm regards,

Andrew | Manager

andrew@ace.finance



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Instructions to students

Access Larry's Landscapes Payroll Policy and Procedure and review it for compliance, specifically in relation to superannuation, privacy, record keeping and taxation. You will need to conduct your own research and review legislative and regulatory sources of information to identify changes to compliance requirements to determine if the policy is compliant and answer the following questions.

Question 1

Review legislative and regulatory sources of information in relation to **record keeping and describe** what is non-compliant in the payroll policy and procedure.

In your response, you *must* include compliance requirements and reference legislations and/or regulatory bodies that relate to Larry's Landscaping Pty Ltd. (70-120 words)

ASSESSOR INSTRUCTIONS

Students must review legislative and regulatory sources of information in relation to **record keeping** and describe what is non-compliant in the payroll policy and procedure.

Students must reference legislation and/or regulatory bodies and include compliance requirements. Students must address all of the non-compliances as per the benchmark answer below.

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 is 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: FairWork Act 2009]
- The Corporations Act requires a business to keep records securely for 7 years [Reference: The Corporations Act 2001]

:

Question 2 (Answer both parts)

- a) Review legislative and regulatory sources of information in relation to **superannuation** and describe what is non-compliant in the Payroll Policy and Procedure. Outline changes to superannuation regulations in relation to the superannuation guarantee contribution percentage that have occurred since the implementation of the policy on 1 July 2011, referencing your source.

In your response, you must reference legislation and/or regulatory bodies that relate to Larry's Landscaping Pty Ltd. (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. Students must also outline changes to superannuation regulation in relation to the superannuation guarantee contribution percentage since 1 July 2011 and reference their source.

Students must reference legislation and/or regulatory bodies.

Students must address all of the non-compliances as per the benchmark answer below.

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

- The superannuation rate of 9% outlined in the policy is outdated [Reference: Australian Taxation Office (ATO)]
 - The current rate of superannuation according to the Superannuation Guarantee Act is 10% [as of February 2022]. This rate is scheduled to increase to 10.5% on 1 July 2022 and then to 11% on 1 July 2023. [Reference: The Superannuation Guarantee (Administration) Act 1992]
 - All superannuation payments are paid into the employers' fund and employees are not given a choice of superannuation funds [Reference: Australian Taxation Office (ATO), FairWork Act 2009, Australian Securities and Investment Commission (ASIC)]
 - Payment of superannuation is to be processed through Single Touch payroll or the superannuation small business clearing house [Reference: Australian Taxation Office (ATO)]
 - 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/>]

- 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, and, in the spaces provided, take screenshots of your findings.

ASSESSOR GUIDE

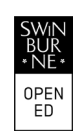
Students must access www.ato.gov.au and www.legislation.gov.au and submit screen shots of the changes to the superannuation guarantee contribution percentage rates as per the below.

www.ato.gov.au

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	6
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

www.legislation.gov.au

Charge percentage (unless reduced under section 22 or 23)		
Item	Column 1 Year	Column 2 Charge per cent
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

Review legislative and regulatory sources of information in relation to **privacy** and describe what is non-compliant in the Payroll Policy and Procedure.

In your response, you must reference legislation and/or regulatory bodies that relate to Larry's Landscaping Pty Ltd. (80-120 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 **privacy** and describe what is non-compliant. Students must reference legislation and/or regulatory bodies. Students must 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 which 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-complaint with the Australian Privacy Principles Reference: The Privacy Act (1988),The Australian Privacy Principles]

Question 4

Review legislative and regulatory sources of information in relation to **taxation** and describe what is non-compliant in the Payroll Policy and Procedure.

In your response, you must reference legislation and/or regulatory bodies that relate to Larry's Landscaping Pty Ltd. (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. Students must reference legislation and/or regulatory bodies. Students must 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. Students should reference the Australian Taxation Office [ATO] for the following responses:
- 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 business must comply
- PAYG Withholding is to be reported through the Business Activity Statement or Instalment Activity Statement

TASK 2 Updated Payroll Policy and Procedure



Email subject: Updated Payroll Policy and procedure

Hi there,

Thanks for reviewing Larry's Landscapes Pty Ltd Payroll Policy and Procedure and researching why it is non-compliant according to current legislation and regulations.

I now need you to update the policy document to ensure that it is compliant with current legislative and regulatory requirements. I have attached the Updated Payroll Policy and Procedure Template for you to use. Please have this task completed in the next two days for discussion and review as Larry needs to act on this matter urgently.

Warm regards,

Andrew | Manager
andrew@ace.finance



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Instructions to students

For this task you are required to update the policy and procedure document according to your non-compliant answers in task 1. Your updated Policy and Procedure must be compliant with current legislation and regulations, specifically in relation to superannuation, record keeping, privacy and taxation.

Access the Updated Payroll Policy and Procedure Template to complete this task. Make changes to the Policy to make it compliant and upload a pdf of your updated policy with your submission. **All changes you make must be made in bold blue text.**

Save the updated policy and procedure document with the following naming convention: *FNSACC413_Project_Updated Payroll Policy and Procedure_yourname_yymmdd*.

ASSESSOR INSTRUCTIONS

Students are to access the Updated Payroll Policy and Procedure Template and make changes to the Policy to ensure it is compliant with current legislation and regulations, specifically in relation to superannuation, privacy, record keeping and taxation. The changes they make must be in bold blue text. A sample answer has been provided.



Larry's
Landscaping

PAYROLL POLICY AND PROCEDURE

ASSESSOR GUIDE

VERSION 2

Student Name:

Payroll Policy and Procedure

Effective (current date)

Policy

Purpose and scope

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.
This policy and procedure provide a framework for the application and management of effective payroll practices.

Terminology

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

Procedure

1. Collection of Staff details:

1.1 Upon hire of a new staff member, the following information is to be collected for compliance purposes.

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

2. Processing Payroll payments

- 2.1 All staff members will be paid weekly on Thursday
- 2.2 Staff leave used during the period is to be applied
- 2.3 Enter all payroll timesheets into the accounting system
- 2.4 Payroll is to be authorised by Larry before processing payments
- 2.5 Staff will receive net payments via **electronic funds transfer**
- 2.6 **Issue payslips to all employees by email**

3. Withholding Tax

- 3.1 Payment is to be made to the Australian Taxation office on a quarterly basis, as per ATO requirements.
- 3.2 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**
- 3.3 PAYG Withholding is to be reported through the Business Activity Statement
- 3.4 Payment of withholding tax is paid directly to the Australian Taxation office by electronic funds transfer
- 3.5 The reporting and lodgement of PAYG is to be processed through the business portal

4. Superannuation

- 4.1 The current rate of superannuation is paid at **10%**
- 4.2 Payment of the superannuation is paid **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**
- 4.3 The superannuation will be paid directly to the **employees' choice of superannuation fund**
- 4.4 Payment of the superannuation is made by **electronic funds transfer or BPay, depending on the superannuation fund**
- 4.5 Superannuation payments are to be processed through the superannuation small business clearing house

5. Record keeping retention and disposal

- 5.1 Filed payroll payment records are to be stored in the yearly folder that they relate to and **kept in the lockable cabinet** in the shared office space.
- 5.2 **Access to payroll records, which contains personal and sensitive information is restricted to authorised personnel**
- 5.3 **In line with ASIC requirements, records are to be kept securely for a period of seven (7) years)**
- 5.4 **Records are to be de-identified and destroyed by shredding the documents of after the 7-year retention period**

TASK 3 Role Play



Email subject: Meeting to discuss the Policy

Hi there,

Now that you have updated the Payroll Policy and Procedure for Larry's Landscapes, I would like to discuss the changes with Larry and yourself and why they have been made. Please bring with you a copy of both the original Policy and Procedure and the updated version for discussion.

As we are both working from home today, I will call you via Zoom at 11am this morning. I have already liaised with Larry who finds this time suitable.

Warm regards,

Andrew | Manager
andrew@ace.finance



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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 and provide guidance around why the changes made were indicated. Your responses to Task 1 Questions 1-4 above will help with outlining the rationale for the amendments made to the policy document for the following areas:

- Record keeping
- Superannuation
- Privacy
- Taxation

The purpose of the meeting is to draw on Andrew's experience and seek his guidance on the changes you have made to the Payroll Policy and Procedure to confirm your interpretation of the compliance requirements. You then need to discuss the non-compliant aspects of version 1 of the Payroll Policy and Procedure and the changes that have been made in line with current legislation and regulations, confirming this interpretation with Andrew and advising Larry so he is aware of why the Payroll Policy and Procedure has been updated, including the establishment of timeframes for lodgement and reporting.

Before conducting the role play, provide a copy of the Payroll Policy and Procedure (both version 1 and version 2) and the completed Task 1 (Questions 1-4) to your workplace supervisor/manager playing the role of Andrew, so he can familiarise himself with the original policy document, the amendments made by you and the rationale behind the amendments (as detailed in Task 1 Questions 1-4). Allow sufficient time for your workplace supervisor/manager (Participant 2) and Participant 3 to read through the information provided.

The role play must be a video recording including two (2) other participants, must be 5-10 minutes in duration and must address all the elements on the observation checklist provided below.

Participants

Participant 1: You will play the role of junior bookkeeper at Ace Finance. You will need to introduce yourself to the client.

Participant 2: A workplace supervisor/manager will play the role of Andrew, manager at Ace Finance. He will start the meeting by greeting you and Participant 2 and asking you to present the non-compliances identified in the Payroll Policy and Procedure and explain the changes made. Participant 2 will listen to the presentation and ask clarifying questions only when something is not clear in the presentation. Participant 2 is encouraged to correct any potential inaccurate information. For example: “What did you say? How long do companies have to keep financial records?” If all information presented is accurate and correct, Participant 2 will thank for the effort, thank Larry for attending the meeting and close the session.

Participant 3: A peer, colleague or fellow students will play the role of Larry from Larry’s Landscapes Pty Ltd. Participant 3 is encouraged to ask questions if something is not clear or wants to elaborate on a topic. Participant 3 may ask questions about consequences of non-compliance for future reference.

Recording instructions

Your role play must be recorded with all participants captured in a virtual room using a system such as Zoom, Skype or Microsoft Teams. The recording must be saved as a video file with the following naming convention: *FNSACC413_Project_Role Play_yourname_yymmdd.*

Consent to participate in the recording must be captured for all participants 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 to their name and job title to inform consent.

“This session/presentation is being recorded for assessment purposes for my course with Swinburne Open Education. This session will be recorded and submitted through my course online learning platform to my Assessor for grading. All participants 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. Include this recording as part of your assessment submission.

Before conducting the role play, consult the following Observation Checklist, completed by the assessor, to be familiar with assessment criteria.

ASSESSOR INSTRUCTIONS

Students must submit a video recording of the role play/meeting between themselves and at least two (2) participants. The student assumes the role of the junior bookkeeper at Ace Finance and a workplace supervisor/manager assumes the role of Andrew, their manager from Ace Finance. A peer, colleague or fellow student assumes the role of Larry, the owner of Larry’s Landscapes Pty Ltd. The meeting must be between five (5) and ten (10) minutes duration and must address all elements of the Observation Checklist below.

Observation Checklist

[completed by the assessor]

During the meeting, the student:	Yes	No
1. Followed accepted communication practices by introducing yourself. Instructions to the assessor: Student must introduce themselves to the client. For example: “Nice to meet you finally, Larry, my name is XY and we were exchanging emails during the policy update.”	<input type="checkbox"/>	<input type="checkbox"/>
2. Used active listening skills. Instructions to the assessor:	<input type="checkbox"/>	<input type="checkbox"/>

<p>Student must be able to listen to the participants' questions, respond to queries and provide clarification if needed.</p>		
<p>3. Used questioning techniques to clarify thinking.</p> <p>Instructions to the assessor: If student doesn't understand a question, they must ask participant to repeat question. For example: "Excuse me, could you repeat this question?" or "What do you mean by this?"</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>4. Sought advice and guidance to evaluate and moderate the decisions made related to the update of the payroll policy.</p> <p>Instructions to the assessor: Student must ask for Participant 2's advice on the updates. If Participant 2 is not providing constructive feedback, student must ask targeted questions. For example: "Do you agree with the statement regarding record keeping?" or "What do you think about the information regarding superannuation?"</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>5. Addressed non-compliance in version 1 of the Payroll Policy and Procedure.</p> <p>Instructions to the assessor: Student must present the updated policy topic systematically, making sure that all non-compliances are covered and explained.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>6. Discussed timeframes for lodgment and reporting to align with statutory deadlines.</p> <p>Instructions to the assessor: Student must include timeframes for lodgement and reporting in the presentation, providing an explanation for each. See sample answers in the Task 2's updated policy.</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>7. Confirmed interpretation of the compliance requirements of the Payroll Policy and Procedure with Andrew.</p> <p>Instructions to the assessor: Student must seek confirmation from Andrew when presenting updated information. For example: "Is this correct, Andrew?"</p>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8. Used appropriate conversation and protocols suitable for a discussion with a manager and external client.</p> <p>Instructions to the assessor: Student must use a professional language, free of slang and with appropriate use of finance terminology.</p>	<input type="checkbox"/>	<input type="checkbox"/>

TASK 4 Client Email



Email subject: Client Email

Hi there,

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] year and reference your source/s. The word count for the explanation of each change should be approximately 60-80 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 cashflow at the end of each quarter so proper and effective budgeting needs to be implemented, especially during any 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 role.
- 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 2022: 10.5%

1 July 2023: 11%

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



Congratulations you have reached the end of Assessment 3!

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