

Specification of Competency Standards
for the Jewellery Industry
Unit of Competency

Functional Area - Operational Management

Title	Implement financial management
Code	108854L4
Range	This unit of competency is applicable to finance management responsible for operational management or related work in the jewellery industry. Practitioners should be capable of effectively implementing the financial management plan according to the organization's policy or instructions to control the expenditure and formulate the budget. They should also be able to submit and assess information/data related to costs, expenditure and profits, so as to enhance the economic performance of the outlet/organization.
Level	4
Credit	9
Competency	<p>Performance Requirements</p> <p>1. Understand the financial management</p> <ul style="list-style-type: none"> • Know about the accounting principles of limited liability companies • Understand the organization's internal audit theory and procedure • Understand the concept of financial management in the jewellery industry, such as: <ul style="list-style-type: none"> ○ Information on the prices of jewellery materials, gemstone products and parts, their market demand, etc. ○ Calculation method of value assessment and recovery of gold ○ International calculation method of the weight of gold ○ International gold price and foreign exchange knowledge ○ Risk management concepts, including: <ul style="list-style-type: none"> ▪ System and non-system risks ▪ Relationship between risk and expected risk • Understand the tax policy related to jewellery retailing business set by the government • Master the application of information technology in budgeting and financial management <p>2. Implement industry-related financial management</p> <ul style="list-style-type: none"> • Implement industry-related financial management according to the policy or instructions of the organization to compile comprehensive financial statements, including: <ul style="list-style-type: none"> ○ Comprehensive balance sheets ○ Comprehensive profit and loss statements ○ Gross profit ○ Net profit ○ Marginal profit ○ Cost of goods ○ Daily operating expenses ○ Percentages of expenditure ○ Comprehensive cash flow statements • Control expenditure, such as: <ul style="list-style-type: none"> ○ Staff salary expense ○ Material/Production/Inventory loss ○ Outlet/Points of Sale/Exhibitions and daily expenses of the organization • Prepare financial data and budget, such as: <ul style="list-style-type: none"> ○ Set budget for the outlet/points of sale/exhibitions/organization ○ Set budget according to the business turnover and expenditure of the previous year ○ Set annual business turnover and estimate expenditure ○ Compile business turnover reports

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	<ul style="list-style-type: none">▪ Current business turnover▪ Estimated future business turnover▪ Comparison of the business turnover with the previous ones▪ Comparison of the actual business turnover with the estimated one▪ Conduct regular reviews based on the actual situations to update the business targets and estimated expenditure○ Apply information technology in financial management <p>3. Professionalism</p> <ul style="list-style-type: none">• Ensure that the financial information/data provided is accurate• Prevent any abuse or corrupt practices through financial management and budgeting
Assessment Criteria	<p>The integrated outcome requirement of this unit of competency is:</p> <ul style="list-style-type: none">• Able to master the organization's accounting, financial budget and internal audit to effectively execute the organization's financial management plan according to its policy or instructions, so as to enhance the economic performance of the outlet/organization.
Remark	