

Specification of Competency Standards of the Watch & Clock Industry

Unit of Competency

Functional Area: Operational Management

Title	Implement Financial Management
Code	104887L4
Range	This unit of competency (UoC) is applicable in timepiece companies. It covers the abilities to compile profit and loss statements of the shop, implement financial management, control expenditure and formulate budget; to submit and assess information/data relating to cost, expenditure and profits, so as to enhance the economic performance of the shop.
Level	4
Credit	9 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> Understand financial management knowledge <ul style="list-style-type: none"> Understand accounting knowledge for limited liability company Understand the organization's internal audit theory and procedures Understand the concept of financial management in the watch and clock industry, including knowledge of foreign exchange Understand the application of information technology Know about the application of Profit and Loss statement (P&L), including: <ul style="list-style-type: none"> Top line Bottom line Gross profit Net profit Profit margin Costs of goods sold Operating expenses Percentage of different items of expense Implement industry-related financial management <ul style="list-style-type: none"> Control expenditure <ul style="list-style-type: none"> Staff expense Wear and tear Daily expenses of the shop/organization Analyze financial data and prepare budget, e.g.: <ul style="list-style-type: none"> Set budget for the shop/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 <ul style="list-style-type: none"> Weekly estimates on business turnover Submit weekly business turnover report Submit report on the accumulated business turnover for the current month Compare the business turnover with that of last month/last season/last year Compare the actual business turnover with the estimated business turnover Execute the organization's internal audit Apply information technology in financial management Exhibit professionalism <ul style="list-style-type: none"> Ensure that the financial information/data provided is accurate and correct Prevent any abuse of power or corruption by the manipulation of financial management
Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ul style="list-style-type: none"> Make use of profit and loss statement; and Analyze the turnover of a timepiece shop and make the budget.
Remark	