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| Xxxx | Apply knowledge of business financial skills required to operate as a contractor in Aotearoa New Zealand |

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| **Kaupae** | Level | 3 |
| **Whiwhinga** | Credit | 5 |
| **Whāinga** | Purpose | This skill standard is for people wanting to learn financial literacy and competency to enable work as self-employed contractors in Aotearoa New Zealand.  It will provide learners with the fundamental business financial skills required to be a self-employed contractor. |

**Hua o te ako me Paearu aromatawai |** Learning outcomes and assessment criteria

| **Hua o te ako |** Learning outcomes | **Paearu aromatawai** | Assessment criteria |
| --- | --- |
| 1. Select a business structure to operate as a self-employed contractor. | 1. Identify the key differences between sole traders, companies and partnerships. |
| 1. Select a preferred structure and describe reasons for its suitability |
| 1. Demonstrate knowledge of taxation and obligations as they apply to a self-employed contractor. | 1. Identify online resources to assist with meeting tax obligations. |
| 1. Describe GST, ACC, income tax and withholding tax. |
| 1. Use business documentation and systems required for a self-employed contractor. | 1. Prepare a timesheet. |
| 1. Describe the importance of record keeping for making petty cash and expense claims. |
| 1. Identify software to assist with accounting. |
| 1. Complete a quotation, prepare an invoice, and communicate this to a client. |
| 1. Interpret contracts and agreements as they apply to a role. | 1. Describe the implications of the key sections of a contract and contractual rights. |

**Pārongo aromatawai me te taumata paearu** | Assessment information and grade criteria

Assessment specifications:

Assessment should use real or realistic documentation where appropriate. Simulated examples are permitted.

**Ngā momo whiwhinga** | Grades available

Achieved

**Ihirangi waitohu** | Indicative content

* Business structures: sole trader, company, partnership
* Professional and promotional business practices – phone messages, online presence, marketing
* Inland Revenue/Taxation
  + Provisional tax, income tax, GST, withholding tax, ACC, filing returns and other payments e.g. schedular payments.
  + Inland Revenue forms and help
  + Kiwisaver
  + Independent Earner Tax Credits (IETC), Working for Families tax credit
  + Financial management Invoices and quotations
  + Record keeping, business expenses
  + Insurance - Public Liability, Health (if applicable), Income Protection
  + Budgeting for tax and contingency/quiet times
* Staying up to date - Govt laws/Acts of Parliament, business practice as identified by the industry, NZ agencies, forums
* Contracts
  + Financial implications of contracting

Negotiating contract conditions and remuneration

**Rauemi |** Resources

* IRD website - [Self-employed (ird.govt.nz)](https://www.ird.govt.nz/roles/self-employed)
* Self-employed or running a business | New Zealand Government (www.govt.nz)
* Going contracting information - [Going contracting — business.govt.nz](https://www.business.govt.nz/going-contracting/)
* Examples of documentation relevant to industry e.g. timesheets, petty cash forms, invoices, non-disclosure agreements, release forms
* Examples of contracts – [Employment Agreement Builder](https://eab.business.govt.nz/employmentagreementbuilder/startscreen/) (business.govt.nz)
* Accounting software – [Hnry](https://hnry.co.nz/tax-resources/the-nz-self-employed-tax-calculator), [Xero](https://www.xero.com/nz/try-now/accounting/xero-accounting-software/?gclid=d2cfe3afc1a619cd5aaf877d3a6c8c35&gclsrc=3p.ds&&lp=xero_brand&msclkid=d2cfe3afc1a619cd5aaf877d3a6c8c35&utm_source=bing&utm_medium=cpc&utm_campaign=NZ%20-%20B%20-%20LF%20-%20SMB%20-%20Xero%20Brand%20-%20Xero%20Exact%20-%20Exact%20-%20BNEW%20-%20WSU&utm_term=xero&utm_content=Xero) etc.

**Pārongo Whakaū Kounga |** Quality assurance information

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| **Ngā rōpū whakatau-paerewa** | Standard Setting Body | <type here> |
| **Whakaritenga Rārangi Paetae Aromatawai** | DASS classification | Field > Subfield > Domain |
| **Ko te tohutoro ki ngā Whakaritenga i te Whakamanatanga me te Whakaōritenga** | CMR | <nnnn> |

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| **Hātepe** | Process | **Putanga** | Version | **Rā whakaputa** | Review Date | **Rā whakamutunga mō te aromatawai** | Last date for assessment |
| **Rēhitatanga |** Registration | <type here> | [dd mm yyyy] | [dd mm yyyy] |
| **Arotakenga** | Review | <type here> | [dd mm yyyy] | [dd mm yyyy] |
| **Kōrero whakakapinga** | Replacement information | <type here> | | |
| **Rā arotake |** Planned review date | [dd mm yyyy] | | |

Please contact <SSB> at <email address> to suggest changes to the content of this skill standard.