



Australian Government

SITXFIN004 Prepare and monitor budgets

Release: 1

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Modification History

Not applicable.

Application

This unit describes the performance outcomes, skills and knowledge required to analyse financial and other business information to prepare and monitor budgets. It requires the ability to draft and negotiate budgets, identify deviations, and manage the delivery of successful budgetary performance.

The unit applies to all tourism, travel, hospitality and event sectors. The budget may be for an entire organisation, for a department or for a particular project or activity.

It applies to senior personnel who operate independently or with limited guidance from others and who are responsible for making a range of financial management decisions.

No occupational licensing, certification or specific legislative requirements apply to this unit at the time of publication.

Pre-requisite Unit

Nil

Competency Field

Finance

Unit Sector

Cross-Sector

Elements and Performance Criteria

ELEMENTS

Elements describe the essential outcomes.

1. Prepare budget information.

PERFORMANCE CRITERIA

Performance criteria describe the performance needed to demonstrate achievement of the element.

- 1.1. Determine and confirm scope and nature of required budgets.
- 1.2. Identify, access and interpret data and data sources required for budget preparation.
- 1.3. Analyse internal and external factors for potential impact on budget.
- 1.4. Provide opportunities for colleagues to contribute to budget planning process.

2. Prepare budget.
 - 2.1. Draft budget based on analysis of all available information.
 - 2.2. Estimate income and expenditure and support with valid, reliable and relevant information.
 - 2.3. Reflect organisational objectives within draft budget.
 - 2.4. Assess and present options and recommendations in a clear format.
 - 2.5. Circulate draft budget to colleagues and managers for input.
3. Finalise budget.
 - 3.1. Negotiate budget according to organisational policy and procedures.
 - 3.2. Agree on and incorporate modifications.
 - 3.3. Complete final budget in a clear format within designated timelines.
 - 3.4. Inform colleagues of final budget decisions and application within relevant work area, including reporting and financial management responsibilities.
4. Monitor and review budget.
 - 4.1. Regularly review budget to assess actual performance against estimated performance and prepare accurate financial reports.
 - 4.2. Incorporate all financial commitments into budget and budget reports.
 - 4.3. Investigate and take appropriate action on significant deviations.
 - 4.4. Analyse changes in internal and external environment and make necessary adjustments.
 - 4.5. Collect and record relevant information to assist in future budget preparation.

Foundation Skills

Foundation skills essential to performance in this unit, but not explicit in the performance criteria are listed here, along with a brief context statement.

SKILLS	DESCRIPTION
Oral communication skills to:	<ul style="list-style-type: none"> • liaise and negotiate with colleagues on potential complex and conflicting budget requirements.
Numeracy skills to:	<ul style="list-style-type: none"> • draft budgets that meet organisational objectives • interpret and analyse financial information from forecasts and previous performance data • develop financial estimates and scenarios using complex calculations.
Problem-solving skills to:	<ul style="list-style-type: none"> • analyse internal and external factors for potential impact on budget

- identify budgetary challenges and develop different options for their resolution
 - identify budget deviations and deficiencies and develop options for meeting budgetary requirements.
- Teamwork skills to:
- invite and coordinate the input of others in the organisation, and provide direction on budget management.
- Planning and organising skills to:
- access and sort all information required for budget preparation
 - coordinate a timely, efficient and consultative budget development process.
- Technology skills to:
- use accounting software packages.

Unit Mapping Information

SITXFIN501 Prepare and monitor budgets

Links

Companion Volume implementation guides are found in VETNet - <https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=68c40a93-e51d-4e0f-bc06-899dff092694>