



Australian Government

Assessment Requirements for SITXFIN010

Prepare and monitor budgets

Release: 1

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Modification History

Not applicable.

Performance Evidence

Evidence of the ability to complete tasks outlined in elements and performance criteria of this unit in the context of the job role, and:

- prepare a budget for a business that meets the specific business' needs
- include the following when preparing the above budget:
 - consultation on components
 - analysis of factors that impact on the budget
 - completion of draft and final versions of budget within designated timelines
- monitor and review the above budget against performance over its life cycle.

Knowledge Evidence

Demonstrated knowledge required to complete the tasks outlined in elements and performance criteria of this unit:

- types of budgets:
 - cash
 - cash flow
 - departmental
 - project
 - purchasing
 - sales
 - wage
 - whole of organisation
- budget terminology
- role and nature of budgets
- budget formats, budget performance and financial reports
- financial reporting procedures and cycles
- features and functions of accounting software programs used to prepare and monitor budgets
- internal and external factors that impact on budget development:
 - growth or decline in economic conditions
 - human resource requirements
 - new legislation or regulation

- organisational and management restructures
- organisational objectives
- scope of the project
- shift in market trends
- significant price movement for certain commodities or items
- supplier availability and cost
- budget preparation and monitoring practices and techniques:
 - sources and contents of data required for budget preparation:
 - competitor research
 - customer or supplier research
 - declared commitments in areas of operation
 - financial information from suppliers
 - financial proposals from key stakeholders
 - income and expenditure for previous time periods
 - departmental, event or project budgets
 - grant funding guidelines or limitations
 - management policies and procedures
 - organisational budget preparation guidelines
 - performance information from previous periods
 - techniques for making budget estimates
 - common reasons for deviations and budget deviation management.

Assessment Conditions

Skills must be demonstrated in an operational business environment. This can be:

- an industry workplace; or
- a simulated industry environment set up for the purposes of assessment.

Assessment must ensure access to:

- computers, printers and accounting software
- financial and operational data and reports used to prepare budgets
- others with whom the individual can discuss and negotiate draft and final budget components. These can be:
 - those in an industry workplace who are assisted by the individual during the assessment process; or
 - individuals who participate in role plays or simulated activities, set up for the purpose of assessment, in a simulated industry environment operated within a training organisation.

Assessors must satisfy the Standards for Registered Training Organisations' requirements for assessors.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=68c40a93-e51d-4e0f-bc06-899dff092694>