



Australian Government

FNSACC513 Manage budgets and forecasts

Release: 1

FNSACC513 Manage budgets and forecasts

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 3.0.

Application

This unit describes the skills and knowledge required to prepare, document, and manage budgets and forecasts. It encompasses forecasting estimates and monitoring budgeted outcomes.

It applies to individuals who use specialised knowledge and analytical skills to prepare and manage strategic organisational information.

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

Unit Sector

Accounting

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Prepare budget	1.1 Establish budget objectives and confirm their consistency with organisational policies and procedures 1.2 Define cash, expenditure and revenue items and ensure items are relevant to budget 1.3 Identify and include milestones and performance indicators in budgets to monitor financial performance and break down annual budgets into seasonal periods according to operating trends
2. Forecast estimates	2.1 Identify required data for forecasts and anticipate changes in circumstances 2.2 Establish assumptions and parameters and review for

ELEMENT	PERFORMANCE CRITERIA
	accuracy, relevance, and compliance with organisational policies and procedures 2.3 Provide realistic estimates of future cash flow, costs and revenues in line with ethical and organisational requirements, and support with verifiable evidence and source documentation 2.4 Identify financial risks and propose protection strategies according to organisational policies and procedures
3. Document budget	3.1 Present data in a clear format appropriate to budget reporting 3.2 Complete reports for specified periods and projects within agreed timeframes 3.3 Identify feasibility of forecasts by comparing projections with market growth and development 3.4 Distribute budget report to required personnel
4. Monitor budget outcomes	4.1 Analyse budget variances according to organisational procedures, and make recommendations to address variances to client or designated person 4.2 Review budget processes and implement process changes as required

Foundation Skills

This section describes those language, literacy and numeracy and employment skills that are essential to performance.

Skill	Description
Reading	Researches, consolidates and evaluates a range of information and financial data, identifying key aspects needed for work requirements and analysing trends
Writing	- Prepares specific and logically structured written and graphical information for a range of audiences and purposes - Uses clear and concise language, incorporating correct spelling, grammar, terminology, and conventions, to convey accurate information
Oral communication	- Presents financial information to a range of personnel using language and concepts appropriate to audience and purpose - Uses active listening and questioning to elicit and convey information in verbal exchanges

Skill	Description
Numeracy	Performs mathematical calculations and uses a range of mathematical problem-solving techniques to analyse, estimate, and forecast financial data
Navigate the world of work	Takes responsibility for complying with organisational policies and procedures, and ethical requirements
Interact with others	Uses collaborative and inclusive techniques to build rapport and establish and maintain positive relationships with a range of stakeholders
Get the work done	- Organises work according to organisational procedures, using some analytical processes, and taking responsibility for sequencing and scheduling tasks to achieve efficient outcomes - Identifies and responds to budgeting problems by systematically analysing information, generating and evaluating options, and selecting the most appropriate option for client - Uses digital technologies to access, extract and share information to achieve required outcomes

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSACC513 Manage budgets and forecasts (Release 1)	FNSACC503 Manage budgets and forecasts (Release 1)	Changes to performance criteria in Elements 1–3. Expanded performance evidence and knowledge evidence.	Equivalent unit.

Links

Companion volumes are available from VETNet. -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSACC513 Manage budgets and forecasts

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Performance Evidence

Evidence of the ability to:

- prepare, document and present budgets and forecasting estimates that comply with:
 - industry-standard accounting principles and practices
 - organisational policies and procedures
 - legal and ethical requirements
- monitor budget outcomes periodically, analyse budget variances and their possible causes, and make required changes in response.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

The candidate must be able to demonstrate the following knowledge to effectively complete the tasks outlined in the elements and performance criteria of this unit, and to manage tasks and reasonably foreseeable contingencies in the context of the work role.

- Key purpose and objective of budgets and forecasts, including relevance of milestones and key performance indicators
- Principal ethical requirements associated with budgetary forecasting and projections within the context of the strength of assumptions and forecast reliabilities
- Types and sources of data and information required for budgeting and forecasting
- Budget forecasting techniques
- Key features of organisational policies and procedures relating to budgeting and forecasting
- Key principles of accrual accounting and double-entry bookkeeping, including:
 - how implementation affects budgeting and the monitoring of budget outcomes
- Key principles and practices of:

- corporate governance
- statistical analysis and measures of variance
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Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the accounting field of work and include access to:

- office equipment, technology, software and consumables required to manage budgets and forecasts, including:
 - access to the internet
 - digital technologies to access, extract and share required information.

Assessors of this unit must satisfy the assessor requirements in applicable vocational education and training legislation, frameworks and/or standards.

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