



Australian Government

FNSACC523 Manage budgets and forecasts

Release: 1

FNSACC523 Manage budgets and forecasts

Modification History

Release	Comments
Release 1	This version first released with the FNS Financial Services Training Package Version 8.0. Supersedes and is equivalent to FNSACC513 Manage budgets and forecasts.

Application

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

The unit 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 determine if 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 according to 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 and distribute budget	3.1 Present data in a clear format appropriate for 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, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

SKILL	DESCRIPTION
Numeracy	Performs mathematical calculations and uses a range of mathematical problem-solving techniques to analyse, estimate, and forecast financial data
Oral communication	Presents financial information to a range of personnel using language and concepts appropriate to audience and purpose
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

SKILL	DESCRIPTION
Technology	• Uses the main features and functions of digital technologies to access, extract and share information to achieve required outcomes

Unit Mapping Information

Supersedes and is equivalent to FNSACC513 Manage budgets and forecasts.

Links

Companion Volume Implementation Guide is found on VETNet -

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

Assessment Requirements for FNSACC523 Manage budgets and forecasts

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Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- prepare and manage at least two different budgets and forecasts for at least two different clients.

In the course of the above, the candidate must:

- document and present each budget and forecasting estimate according to:
 - industry-standard accounting principles and practices
 - organisational policies and procedures
 - legal and ethical requirements
- establish processes to monitor the budget outcome, analyse variances and their possible causes, and make required changes in response.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- purpose and objectives of budgets and forecasts, including relevance of milestones and key performance indicators
- 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
- organisational policies and procedures relating to budgeting and forecasting
- principles of accrual accounting and double-entry bookkeeping
- impact of implementation on budgeting and the monitoring of budget outcomes

- key principles and practices of:
 - corporate governance
 - statistical analysis and measures of variance.

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes 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 requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

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