



Australian Government

Assessment Requirements for SITXFIN004

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
- demonstrate 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 budgets
 - cash flow budgets
 - departmental budgets
 - event budgets
 - project budgets
 - purchasing budgets
 - sales budgets
 - wage budgets
 - whole of organisation budgets
- budget terminology
- specific industry sector and organisation:
 - 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 tourism, travel, hospitality or events business operation or activity for which budgets are prepared. This can be:

- an industry workplace
- a simulated industry environment.

Assessment must ensure access to:

- computers, printers and accounting software packages
- 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>