

Unit of Competency

Functional Area: Finance

Title	Review budgets
Code	105226L4
Range	unit of competency is applicable to practitioners in the import and export industry. It involves the application of the budget management skills to conduct budget review.
Level	4
Credit	4 (for reference only)
Competency	<p>Performance Requirement</p> <ol style="list-style-type: none"> 1. Possess relevant knowledge of budget management <ul style="list-style-type: none"> • Describe the importance of budgeting (i.e., estimating and matching expenses to real or anticipated revenue) • Apply the concept of control (i.e., a process of comparing actual performance against plan to identify deviation, evaluate possible alternatives, and take appropriate corrective actions) to review budgets 2. Conduct budget review process <ul style="list-style-type: none"> • Establish a baseline plan to identify key performance indicators for measuring performance • Measure progress and performance • Compare actual performance and against plan • Measure deviations from plan and determine if actions are necessary • Prepare status report to allow for proactive corrections on a regular basis 3. Review budgets and make adjustments <ul style="list-style-type: none"> • Conduct budget review to evaluate the performance • Identify possible corrective actions and evaluate alternatives • Make changes in the baseline plan or modify budgets if required according to company policies and procedures • Document the budget review process, deviations identified, and related actions taken
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Capable of conducting budget review • Capable of evaluating possible alternatives and taking appropriate corrective actions
Remark	