

Unit 21: Manage a Budget

Unit reference number: D/602/1841

QCF level: 3

Credit value: 11

Guided learning hours: 85

Assessment requirements

Please see annexe D for assessment requirement document.

Assessment methodology

This unit is assessed in the workplace. Learners can enter the types of evidence they are presenting for assessment and the submission date against each assessment criterion. Alternatively, centre documentation should be used to record this information.

Learning outcomes and assessment criteria

Learning outcomes		Assessment criteria		Evidence type	Portfolio reference	Date
1	Be able to prepare a budget	1.1	evaluate available information to prepare a realistic budget for own area of responsibility			
		1.2	consult with other relevant people in the organisation to prepare a realistic budget for own area of responsibility			
		1.3	submit a proposed budget to the relevant people in the organisation for approval			
		1.4	negotiate a proposed budget with the relevant people in the organisation			

Learning outcomes		Assessment criteria			Evidence type	Portfolio reference	Date
2	Be able to monitor financial performance against a budget	2.1	use an agreed budget to monitor and control performance for own area of responsibility				
		2.2	identify the causes of significant variances between what was budgeted and actual income and expenditure				
		2.3	take corrective action with the agreement of relevant people in the organisation				
		2.4	gather information from the implementation of the budget to assist in the preparation of future budgets				
		2.5	provide ongoing information on financial performance against the budget to relevant people in the organisation				
		2.6	advise relevant people in the organisation if there is evidence of potentially fraudulent activity in relation to the budget				
3	Be able to revise a budget	3.1	propose revisions to a budget in response to variances or significant or unforeseen developments				
		3.2	agree revisions to a budget with relevant people in the organisation				

Learning outcomes		Assessment criteria		Evidence type	Portfolio reference	Date
4	Understand the context for budgetary control in own organisation	4.1	explain the purposes of budgetary systems in an organisation			
		4.2	describe the area of responsibility to which own budget applies			
		4.3	summarise the factors, processes and trends that affect the setting of budgets in own area of responsibility			
		4.4	explain the vision, objectives and operational plans for own area of responsibility			
		4.5	summarise own organisation's guidelines and procedures for: <ul style="list-style-type: none"> • limits of own authority in relation to budgets • budgeting periods • preparation of budgets • approval of budgets • monitoring of budgets • reporting on financial performance against budgets • degree to which budgets can be varied without approval • revising budgets • procedures to follow when there are suspicions of fraud 			

Learning outcomes		Assessment criteria		Evidence type	Portfolio reference	Date
5	Understand how to prepare budgets	5.1	identify sources of available information to prepare a budget			
		5.2	explain how to evaluate available information to prepare a budget			
		5.3	clarify the importance of consulting with others when preparing a budget			
		5.4	summarise the key factors that need to be covered when discussing, negotiating and confirming a budget with the people who control finance in an organisation			
6	Understand how to monitor financial performance against a budget	6.1	explain how to use a budget to monitor and control performance for an area of responsibility			
		6.2	describe the main causes of variances that may happen			
		6.3	explain how to identify the causes of variances			
		6.4	summarise the types of corrective action that can be taken to address budget variances			
		6.5	explain the importance of using the implementation of a budget to identify information and lessons for future budget preparation			

Learner name: _____
Learner signature: _____
Assessor signature: _____
Internal verifier signature: _____
(if sampled)

Date: _____
Date: _____
Date: _____
Date: _____