## SKILLS FRAMEWORK FOR SEA TRANSPORT

**TECHNICAL SKILLS AND COMPETENCIES (TSC) REFERENCE DOCUMENT**

<table>
<thead>
<tr>
<th>TSC Category</th>
<th>Business Finance</th>
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<tbody>
<tr>
<td>TSC</td>
<td>Budgeting</td>
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### TSC Description

Prepare organisational budgets to support short- and long-term business plans through forecasting, allocation and financial policy setting

<table>
<thead>
<tr>
<th>TSC Proficiency Description</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Level 4</th>
<th>Level 5</th>
<th>Level 6</th>
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</thead>
<tbody>
<tr>
<td>TSC Description</td>
<td>STP-BFN-3001-1.1</td>
<td>STP-BFN-4001-1.1</td>
<td>STP-BFN-5001-1.1</td>
<td>STP-BFN-6001-1.1</td>
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<tr>
<td>Prepare business unit’s operational budgets</td>
<td>Manage budgeting and forecasting for annual financial and business planning within the business unit</td>
<td>Develop long-term financial plans and budget requirements</td>
<td>Endorse organisational financial and treasury management policies, systems, budgets and plans</td>
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### Knowledge

- Objectives, parameters and types of budgets
- Key principles of accounting and financial systems
- Types of data sources and data required to prepare a budget
- Accounting principles and practices related to budget preparation
- Key principles of budgetary control, budget plans and budgetary control techniques
- Requirements of Singapore’s taxation policies
- Functional objectives and key requirements
- Organisational financial data
- Financial analytical techniques and methodology
- Stakeholders to consult on budget calculations
- Assumptions and parameters of budgets
- Factors in internal and external environments that impact budgets
- Methods of analysing budget history and trends for business unit
- Methods to forecast revenue, expenses and balance sheet for business unit
- Considerations of conducting scenario analysis
- Forecasting techniques
- Types of budget controls and their purposes
- Means to monitor financial operations of business unit against budget outcomes
- Verifiable financial evidences of organisation
- Importance of verifiable financial evidences in budget planning and forecasting
- Types of financial milestones and performance indicators
- Methods of identifying factors that may impact financial plans or budgets
- Assumptions and parameters of financial forecasts
- Means of communication of budget plans
- Stakeholders to discuss and negotiate cost allocation and targets with
- Significant issues pertaining to budgets
- Financial analysis and relationship between budgets and forecasts
- Types of risk management, control policies and strategies
- Organisational financial policies pertaining to financial, credit and treasury management
- Best practices with regards to finance, credit and treasury management policies
- Global business environment within the industry and beyond
- Relevant legislation to comply with
- Critical success factors for effective financial management

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<tr>
<th>Abilities</th>
<th>Processes in communicating budget plans and performance to relevant stakeholders for endorsement</th>
<th>Recommend parameters and assumptions for budget forecasting in accordance with organisational needs and market conditions</th>
<th>Determine short- and long-term financial needs to assess current financial situations</th>
<th>Set direction for organisational budget planning in consultation with stakeholders</th>
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<tbody>
<tr>
<td>• Analyse business function strategies, functional objectives and operational plans</td>
<td>• Carry out forecasting and budgeting for the financial year</td>
<td>• Prepare financial forecasts to facilitate financial and business planning</td>
<td>• Formulate financial plans aligned to overall organisational strategies</td>
<td>• Align budget plans with organisation’s strategic plans</td>
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<tr>
<td>• Analyse business function strategies, functional objectives and operational plans</td>
<td>• Calculate the business unit’s cash flow requirements</td>
<td>• Implement budget plans to manage resource allocation to business activities</td>
<td>• Allocate budget resources in accordance with organisational financial plans</td>
<td>• Review organisational financial and treasury management policies, systems, budgets and plans</td>
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<tr>
<td>• Analyse business function strategies, functional objectives and operational plans</td>
<td>• Determine the business unit’s financing needs for the financial year</td>
<td>• Manage actual budget to enable financial operations to be measured against forecasted business plans</td>
<td>• Review financial forecasts to anticipate changes in business and operational circumstances</td>
<td>• Evaluate effectiveness in increasing business value</td>
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<tr>
<td>• Analyse business function strategies, functional objectives and operational plans</td>
<td>• Compare budget data with estimations to highlight discrepancies</td>
<td>• Monitor budget outcomes to ensure proper utilisation and accounting of resources against their intended purposes</td>
<td>• Review draft budgets in accordance with organisational guidelines</td>
<td>• Evaluate implications of financial and treasury management policies, systems, budgets and plans</td>
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<tr>
<td>• Analyse business function strategies, functional objectives and operational plans</td>
<td>• Report budget calculations and discrepancies to organisation management to facilitate decisions on budget allocation</td>
<td>• Present financial forecasts, budgets and budget outcomes to immediate supervisors for review and approval</td>
<td>• Monitor and evaluate actual expense figures against budget to identify and address variances</td>
<td>• Advise senior management on refinements to financial and treasury management policies, systems, budgets and plans</td>
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<tr>
<td>• Analyse business function strategies, functional objectives and operational plans</td>
<td>• Ensure adherence to financial controls in accordance with relevant organisational corporate governance and financial policies, legislation and regulations</td>
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<td>• Report findings, recommendations and options to organisation management for review in accordance with organisational policies</td>
<td>• Evaluate financial and treasury management policies, systems, budgets and plans for endorsement purposes</td>
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