

**Specification of Competency Standards for the Retail Industry  
Units of Competency for ‘Strategic and ESG Management’**

1. Title	Manage budget and financial plan
2. Code	111225L4
3. Range	This unit of competency (UoC) is applicable to budget and financial plan management staff in the retail industry. Practitioners have the ability to manage the financial plan, compile the budget and control the expenditure, so as to make the organisation’s financial management more effective.
4. Level	4
5. Credit	6 (for reference only)
6. Competency	<p>Performance Requirements</p> <p>6.1 understand the knowledge of financial budget and management</p> <ul style="list-style-type: none"> <li>◆ Understand the accounting principles for limited company</li> <li>◆ Understand the organisation’s internal audit theory and procedures</li> <li>◆ Understand the concept of financial plan management, including the knowledge of foreign exchange</li> <li>◆ Master the concept of crisis management</li> <li>◆ Understand the latest government policy on retail tax</li> <li>◆ Master the application of information technology in budget and financial management</li> </ul> <p>6.2 Manage budget and financial plan</p> <ul style="list-style-type: none"> <li>◆ Prepare a budget plan according to the organisation’s indicators, e.g.: <ul style="list-style-type: none"> <li>• Income and expenditure budget</li> <li>• Manpower budget</li> </ul> </li> <li>◆ Prepare a comprehensive financial plan according to organisation’s indicators, e.g.: <ul style="list-style-type: none"> <li>• Comprehensive balance sheets</li> <li>• Comprehensive profit and loss statements</li> <li>• Comprehensive cash flow statements</li> </ul> </li> <li>◆ Manage and control expenditure, e.g.: <ul style="list-style-type: none"> <li>• Salary expense</li> <li>• Wear and tear</li> <li>• Daily expenses of the retail stores / sales locations</li> </ul> </li> <li>◆ Expected risk and return (e.g. foreign exchange risk)</li> <li>◆ Analyse financial data and prepare budget, such as: <ul style="list-style-type: none"> <li>• Budget of retail stores / sales locations <ul style="list-style-type: none"> <li>○ With reference to previous business turnover and expenditure</li> <li>○ Set annual business turnover and estimate expenditure</li> </ul> </li> <li>• Compile business turnover reports, including: <ul style="list-style-type: none"> <li>○ Current business turnover</li> <li>○ Estimates on business turnover</li> <li>○ Comparison with previous business turnover</li> <li>○ Comparison between the estimated and actual business turnover</li> <li>○ Review regularly according to actual situation, update business goals and expenditure budget</li> </ul> </li> </ul> </li> <li>◆ Apply information technology in budget and financial management</li> </ul> <p>6.3 Exhibit professionalism</p> <ul style="list-style-type: none"> <li>◆ Manage the budget and financial plan according to organisational instructions</li> <li>◆ Understand the market development and external economic conditions</li> <li>◆ Prevent any abuse of power or malpractice by making use of the budget and financial plan</li> </ul>
7. Assessment Criteria	<p>The integrated outcome requirement of this UoC is the ability to:</p> <ul style="list-style-type: none"> <li>◆ Manage the budget and control the expenditure, evaluate factors related to costs, profits, etc. and manage the organisation’s financial management plan according to its policy, so as to make the management of its retail stores / sales locations more cost-effective.</li> </ul>
8. Remark	This UoC is adopted from 105023L4.