

THE COMPLETE COURSE ON BUDGETING **MAC018**

COURSE DESCRIPTION

A good plan should begin with a good forecast, which in turn, may lead to a good budget. A strategy is the long-term plan of what the company is going to do to achieve its policy. The budget is the short-term plan of how strategies may be achieved. It is a quantification of the activities the company must develop to achieve its short-term plans. This leading-edge course explains the planning and budgeting process from beginning to end, budget development, how alternative decisions affect the 'bottom line' in terms of both profit and cash flow, comparison of variances in actual performance against the plan and what these budget variances are saying and how they should be used to control financial performance, and the use of Excel as the toolbox of choice for financial model development, used within this course to develop forecasts, and long- and short-term plans.

COURSE GOAL

To enhance the participants' knowledge, skills, and attitudes necessary to understand the budgeting process and how to be linked with the strategic plan and how to be used to control the daily activities.

COURSE OBJECTIVES

By the end of this course, participant will be able to:

- Think strategically and understand the connections between strategic planning and budgeting
- Link budgeting to costing and forecasting
- Explore forecasting techniques
- Explore the budgeting process
- Explain the meaning of different costs for different purposes
- Use contribution margin analysis
- Apply different techniques for capital budgeting
- Master projects' performance measurement and management

WHO SHOULD ATTEND

- Professionals who require a more in-depth understanding of integrated planning & budgeting techniques
- Accountants responsible for budget preparation & management reporting
- Financial Planners and Cost Analysts

COURSE DURATION

5 Working Days

COURSE OUTLINES

1. Strategic Planning

- Why strategy comes before the budget
- The strategic planning process
 - Where are we now?
 - Where do we want to be?
- Strategic planning tools
- Developing a strategic plan
- Linking the budget with the strategy

2. Forecasting Process

- What is forecasting?
- Strategic role of forecasting
- The forecasting process
- Forecasting demand
- Sales forecasting using various methods in Excel
- Qualitative and Quantitative forecasting methods

3. Budgeting Process

- What is a budget
- Budgeting and the Management Process
- Budgeting framework
- Budget preparation
- Building the master budget

4. Using the Budget as a Management Tool

- Linking strategic planning, forecasting budgeting and reporting
- Budget cost, volume, profit (CVP) and break-even analysis
- Performance based budgeting
- Activity Based budget
- Zero based budgeting
- Sensitivity & What-If analysis
- Budgetary control
- Variance analysis, investigation, and reporting

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5. Capital Budgeting (CAPEX)

- Capital budgeting principles
- Raising finance
- Weighted average cost of capital (WACC)
- Methods of evaluating capital investment projects
 - Commercial profitability
 - Social and national profitability
- Comparing different projects and their returns Capital Rationing
- Risk Budgeting

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