



PLANNING BUDGETING & COST CONTROL

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| Ref. | | | |
| Date | December 14 - 18, 2008 | December 21 - 25, 2008 | December 28 - 31, 2008 |
| Venue | Doha, Qatar | Manama, Bahrain | Muscat, Oman |
| Price | US\$ 2,250 | US\$ 2,250 | US\$ 2,250 |

Course Introduction

Proper communication of finance and accounting concepts is often a problem for non-financial managers, mostly due to a lack of confidence when dealing with often confusing terms. Organizations will invest heavily in financial reporting hardware and software without empowering its people with the skills required to operate effectively.

The purpose of this five-day practical training course is for participants, often specialists without much financial background, to understand and be able to apply in their management role, key finance and accounting principles, thereby contributing to their organization's overall success. The workshop is not designed to train participants as accountants. Without concentrating on confusing academic detail, the workshop will focus on understanding the basic principles, concepts and techniques, so that participants will become clear about the key universal concepts and what they mean – no matter what type of organization they work for.

Through a combination of interactive presentations, group case studies and discussion sessions, participants will emerge from this course with an improved understanding of a number of key areas. These include the planning and budgeting process, review of financial statement, and financial management practices such as break-even analysis and discounted cash flow. This will enhance the participants' ability to communicate with their accountants with regards to the key concepts that form part of accrual accounting.

The workshop will also offer the more financially experienced participants the opportunity to learn about certain more advanced financial management techniques.

After attending this course, you will learn how to:

- Confidently make decisions about finance, accounts and budgets
- Weigh up the advantages and disadvantages of different financing techniques
- Analyze your investment options to fully maximize your rate of return
- Maximize future growth potential with effective strategy formulation and "best practice" business planning

Key Learning Outcomes and Behavioural Objectives

- Demystify accounting terms and concepts, including "accrual accounting"
- Build your financial skills and contribute to a more effective financial management reporting system



- Interpret and critically analyse financial results more effectively and efficiently
- Select and use appropriate financial decision-making methods such as break-even
- Be part of improved management of your organization's working capital
- Improve asset allocation through better capital investment planning
- Apply best practice business planning, budgeting and control techniques

In Addition Delegates will learn:

- Work through a practical exercise in constructing an income statement and a balance sheet to get a clear understanding of how these statements are composed
- Overview of the information contained in an annual report
- Defining the accounting process to interpret how the elements of financial statements are constructed
- Outline how the income statement and the balance sheet interconnect and their respective roles in an annual report
- Learn how to interpret a cash flow statement to determine the reasons for a company's positive or negative cash flow
- Understanding the financial analysis of annual financial statements to assess the financial condition of an organisation

Course Agenda

Financial Fundamentals

- Setting Strategic Objectives
- Communicating Strategic Goals
- Long Range and Short Range Planning
- Measuring and Monitoring Performance
- Meeting Investor Expectations
- Identifying Constraints and Opportunities
- Controlling Costs
- Cash Management and Timing Differences
- The Budgetary Process

Major Principles of the Accounting Process

- The accounting cycle – from source documents to financial statements
- What is the significance of the chart of accounts?
- The difference between statutory and management accounts
- What are the major accounting guidelines and standards?
- Simplifying The Major Accounting Terms You Should Know
- What are the key accounting concepts?
- What are assets and how are they valued?
- What are liabilities and how are they valued?
- What comprises equity and how it is disclosed?

- What are the different types of revenue and expenditure items?
- What are provisions, accruals and prepayments?
- How do you depreciate and amortize assets?
- What is "accrual accounting" profit and how does it differ from cash flow?
- Exercise: Profit Versus Cash Flow

Easy Ways to Understand Financial Statements

- Overview of the financial statements and how they interrelate
- The Balance Sheet – the financial "snapshot" of the business
- The Profit and Loss Statement – the historical record of trading
- What are the more important items you should look for?
- What the financial statements will not disclose
- Exercise: Format and Content of Financial Statements

Measuring Financial Performance

- How to measure performance using percentage and trend analysis
- The more important ratios you should know for analysing financial statements
- What is the cost of capital and what is its significance?
- What is Economic Value Added (EVA) and why are organisations using it more often?
- Exercise: Calculating and Interpreting Financial Ratios

Working Capital and its importance

- What is working capital and what does it mean for business?
- How much working capital does a business need?
- The importance of cash flow forecasting
- Elements of good working capital management
- Determining Capital Projects Feasibility
- An overview of simple capital budgeting techniques
- An overview of discounted cash flow techniques – Net Present Value (NPV) and Internal Rate Return (IRR)
- Exercise: Cash Flow
- Exercise: Working Capital and Budgeting

Costs, Costing and Cost Allocation

- What are the different types of cost behaviours – direct, indirect, fixed and variable?
- When and how do you apply break-even analysis?
- How are overheads allocated to activities and then to products/services?
- How do changing costs, volume and prices affect profit?
- Exercise: Break-Even Calculation



Budgeting

- Planning and budgeting processes
- An overview of the business planning and control processes
- Integrating short-term budgets into long-term plans
- What are the major components of budgets?
- Budgeting for profit versus cash flow forecasting
- What are the major budget preparation methods?
- How to monitor and review budgets – variance analyses
- Exercise: Budget Variance Analysis

Planning for Profit

- Short term decisions and their impact on profit
- Sunk Costs -planning for the future
- Opportunity Costs
- Make or Buy decisions
- Exercise: Buy or Make
- Joint Product decisions
- Contribution analyses
- Exercise: Joint Costing
- Profit planning
- Cost, revenue, profit centres
- Exercise: Profit planning

Preparation of Individual Action Plans