

Effective Budgeting

About the Workshop

This workshop helps organizations manage the way they spend their income and use available money effectively. It will develop the understanding of participants in the latest tools, techniques and methodologies of the financial planning process, tackling long-term financial plans, budgets, and financial controls standards. It will provide participants with tools and best practices allowing them to find available and practical solutions to their problems without making matters worse.

Learning Objectives

Upon completion of workshop participants will be able to:

- Prepare a budget
- Identify what/who is involved in preparing a budget
- Understand the different types of budgets
- Recognize the approaches to budgeting
- Understand capital budgets
- Familiarize themselves with cost control and management of a budget

Target Audience

This course will appeal to a wide range of audiences and is intended for Business Professionals who intend to earn budgeting skills.

Topics Covered

1. **Budget definition**
2. **Budget Functions**
3. **What is involved in preparing the annual budget**
4. **Who is involved**
5. **General Budget process**
6. **Types of budget**
 - a. Master budget
 - b. Operating and Financial Budgets
 - c. Cash Budget
 - d. Capital Budgets
7. **Approaches to Budgeting**
 - a. Incremental Budgeting
 - b. Zero-Based Budgeting
 - c. Fixed Budgeting and Flexible Budgeting
8. **Capital Expenditure Budgeting**
 - a. Process
 - b. Projects interaction
 - c. Time Value of Money
 - d. Net Present Value (NPV)
 - e. Internal Rate of Return (IRR)
 - f. Payback Period (PBP)
 - g. Discounted Payback Period
 - h. Average Accounting Rate of Return (AAR)
 - i. Profitability Index (PI)
 - j. Key Concepts
 - k. Relation between NPV and Stock Price
9. **Cost Control and Management Budget report**
 - a. Budget as cost control
 - b. Budgeting and costing techniques
 - c. Break-even Analysis

Methodology

- Learning Concepts/Presentations
- Group Activities and Discussions
- Tips and Tools
- Individual and Team Exercises
- Case Studies
- Action Plan to ensure Application of the Learning

Duration: 12 hours