



FINANCIAL PLANNING And Forecasting

Course Introduction:

Executives are faced with ever-increasing challenges. Flatter corporate structures, global competition, overcapacity, downsizing, and changing business environments have placed enormous demands on managers, calling for greater management skills. Today's executives wear multiple hats and need multiple skills. Even highly innovative and creative managers with excellent people skills must report and understand financial terms and concepts.

This course will provide the participants with a basic understanding of how to prepare a financial plan or budgeted financial statements. It will cover best practices in budgeting and the problems associated with budgeting and how to solve them. It will also enhance your ability to prepare, interpret and use financial information in your managerial decision-making. It has been designed to transform the non-financial and finance manager into a more effective team member who can propose, analyse and evaluate financial; planning and forecasting decisions. It does so by providing a fundamental understanding of the content, concepts, software models and terminology of financial planning and forecasting. These are reinforced with multiple questions and answers, discussions, group break out sessions; excel template presentations, videos and exercises.

The Program is designed to help the participants:

- Understand the principles of financial planning and forecasting and the practical
- problems and how to overcome them.
- Understand how economic outcomes of business decisions are planned for and reflected
- in your organization's financial reports.
- Communicate more effectively with the financial executives in your organization.
- Improve your financial vocabulary so that you are better able to understand and interpret
- financial information.
- Increase your comprehension of current analytical financial planning and forecasting
- practices and techniques.
- Learn to use financial forecasting information in managerial decision-making.
- Discuss current financial problems.
- Understand the impact of operating decisions on financial performance.

Course Objectives:

- Develop an appreciation for the need of Corporate Governance and Risk Management strategies within the organisation which participants will then take back to their workplace
- Enable participants to contribute to the effective development and implementation of Corporate Governance Models within their organisation
- Develop essential skills to identify and measure financial risk
- Develop the skills necessary to manage financial risk effectively

- Improve the decision making skills
- Increase awareness and understanding of current international issues

Who Should Attend?

The course is for non-financial and financial mid to upper level managers in every functional area and all industry sectors both in the public and private sectors. Managers from areas such as marketing, sales, and services finance, manufacturing, or engineering, who use financial data for decision-making. It is for other participants in a position to influence the design of their organizations' planning, control, costing, and performance measurement systems. Managers in a position to influence the financial planning process of a company, emerging business, and/or business unit within a large organization.

Course Outline:

The fundamentals of Financial Planning and Forecasting

- What is a financial plan?
- Why is planning an important concept in managing a business?
- What is the difference between planning and forecasting?
- Who is responsible for the financial planning function in the business?
- Planning for costs and revenues
- Why do business costs need controlling?
- Uncontrollable costs – do they exist?
- Who has the responsibility for cost management in the business?
- Overview of the financial statements and how they interrelate
- The Balance Sheet – the financial "snapshot" of the business
- The Profit and Loss Statement. How can we project it out for 5 years?
- What are the more important items you should look for?
- What the financial statements will not disclose - how can we get behind the figures?

Exercise: An example of a financial plan

Forecasting and controlling revenues: sales and service income

- How are sales revenues to be estimated – top down or bottom up?
- Are there different approaches between manufacturing and service businesses?
- Does market and field research have a part to play in this process?
- Working Capital and its importance
- What is working capital and what does it mean for business?
- How much working capital does a business need in the future?
- The importance of cash flow forecasting

Exercise: Cash flow

Forecasting materials usage in manufacturing and non-manufacturing businesses

- Classifying materials used in manufacturing
- Valuing materials and controlling stocks of materials
- Managing Non-manufacturing material costs – indirect costs
- Budgeting for materials and purchases – direct costs

Forecasting and budgeting direct and indirect labour costs

- Planning labour costs both direct and indirect
- Recording direct and indirect labour costs
- Budgeting for direct and indirect labour costs

Forecasting and Budgeting direct & indirect expenses

- Forecasting direct & indirect expenses
- Types of expenses
- Budgeting for direct and indirect expenses

Discussion & Individual exercises

Flexible budgets: concepts, development and application

- What is flexible budgeting?
- Use of sensitivity analysis
- Importance of flexible budgeting in practice

Group & individual exercises

Budgeting and forecasting capital expenditures

- Difference between capital and revenue expenditure
- Organization of capital expenditure budget approval systems
- Need for capital project monitoring

Discussion & review

Budgeting and controlling cash flows

- Turning budgeted sales revenues, costs and capital expenditure plans into a cash budget forecast

Completion procedures and applications of the overall profit plan or master budget

- The financial planning and forecasting process as a control system within the business
- The behavioural aspects of accounting control systems
- Responsibility budgeting, accounting & control ideas

- Zero based budgeting concept (ZBB)
- Activity based management (ABM) and Activity based costing (ABC) defined

Group exercises

Course review

Course critique

Course close

Course Certificate:

International Center for Training & Development (ICTD) will award an internationally recognized certificate(s) for each delegate on completion of training.

Course Methodology:

A variety of methodologies will be used during the course that includes:

- (30%) Based on Case Studies
- (30%) Techniques
- (30%) Role Play
- (10%) Concepts
- Pre-test and Post-test
- Variety of Learning Methods
- Lectures
- Case Studies and Self Questionnaires
- Group Work
- Discussion
- Presentation



Course Fees:

To be advised as per the course location. This rate includes participant's manual, and-Outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

Course Timings:

Daily Course Timings:

08:00 - 08:20	Morning Coffee / Tea
08:20 - 10:00	First Session
10:00 - 10:20	Coffee / Tea / Snacks
10:20 - 12:20	Second Session
12:20 - 13:30	Lunch Break & Prayer Break
13:30 - 15:00	Last Session