



BUDGET

Preparation Skills

Course Introduction:

Budget Preparation Skills is a comprehensive program that focuses on the essential skills required to understand the processes of costing and budgeting within organizations. The program is designed to address all the relevant issues concerning cost analysis, budget preparation and performance measurement. This seminar is a must for all professionals who need to master their budgeting skills by learning how costs behave so that realistic business plans can be produced.

The seminar enables participants to:

- Identify the key factors required to understand business processes
- Develop proper system of cost analysis for budgeting purposes
- Master the budgeting and financial skills required for better decision-making
- Identify sources of financial and operational data to support the budgeting process
- Learn new best practices to manage organizational performance

Course Objectives:

By the end of the course, participants will be able to:

- Learn costing and budgeting terminology used in business
- Understand the importance of a well-defined costing and budgeting process
- Determine full costs of outputs for the goods and services provided
- Master traditional techniques and recent best practices
- Link finance and operation for budgeting purposes and strategy execution
- Learn how to build a comprehensive performance measurement system

Who Should Attend?

- The staff person who will be responsible for entering data into the budget system or training others how to enter information
- Those who want to gain control of the firm's financial standing and obtain a firm grasp on the numbers side of their job
- Financial professionals, R&D professionals, sales/marketing professionals, general accounting professionals, business unit professionals
- Anyone who wants to understand the basics of budgeting and costing

Course Outline:

BUDGETING AND ITS ROLE WITHIN THE MANAGEMENT PROCESS

- The role of budgeting within management accounting
- Linking costing and budgeting to strategy and performance measurement

- The process of value creation: implications for budgeting
- What is a budget and why costing is fundamental
- Budgets - the financial expression of the operating plan
- Linking financial and operational issues
- Behavioral implications of budgeting
- Case discussion and examples

COSTS ANALYSIS FOR BUDGETARY PURPOSES

- Costing for budgeting: Why?
- Cost terms and purposes
- Fixed and variable costs
- Cost, volume, profit (CVP) relationships
- The key concept of contribution margin
- Direct and indirect cost – the allocation problem
- Traditional methods versus activity based costing (ABC)
- Case discussion and examples

THE FRAMEWORK FOR BUDGETING

- Elements of the budgeting framework
- Key concepts and terminology
- Advantages and disadvantages: critical issues to be discussed
- Overview of the financial statements
- Balance sheet, income statement, and the statement of cash flows
- Introducing cost analysis for decision-making
- The importance of understanding full costs
- Case discussion and examples

FLEXED BUDGETS AND VARIANCE ANALYSIS

- Budgeting for management control purposes
- Explain why standard costs are used in variance analysis
- Describe the difference between a fixed budget and a flexed budget
- Compute flexed budget variances and sales volume variances
- How to interpret variance analysis
- Integrate continuous improvement into variance analysis
- Is budgeting enough?
- Case discussion and examples

BEYOND BUDGETING: BROADENING PERFORMANCE MEASUREMENT SYSTEMS

- Shortcomings of traditional approaches to budgeting and measurement
- Linking financial to operational issues
- Linking strategy to performance measurement
- The balanced scorecard and six sigma
- Financial perspective
- Customer perspective
- Internal business process perspective
- Learning and growth perspective
- Developing and adapting the scorecard
- Case discussion and examples

Course Certificate:

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

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 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 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

