

## **Budget forecasts and Cash Flow Management**

### **General Objectives:**

This Course aims to equip participants with the knowledge and skills that will enable them to prepare and manage budgets, forecasts and cash flows more effectively. During the course they will gain practice with tools and methods used in identifying, planning and budgeting in order to measure, monitor and achieve the intended results.

### **Specific Objectives:**

At the end of this Course participants will know how to:

- Identify the key factors of the company or unit's financial performance;
- Develop a realistic budget and get it approved;
- Communicate status points and deviations to key stakeholders;
- Apply tools and methods to improve financial performance;
- Better support your business decisions with available indicators;
- Prepare and analyze investment projects more effectively.

### **Recipients**

This course is intended for all professionals involved and with responsibilities in the preparation and management of budgets, forecasts and cash flows, namely, administrators, managers or department heads, administrative and financial directors, etc.

### **Duration:**

24 Hours

### **Content Program**

#### **Module I - Budgets and Forecasts - How to develop a realistic budget in line with the strategic plan**

- Preparation and presentation of annual plans;
- Getting management approval;
- Forecasts - what they are and how to prepare and manage them;
- Adjustments when the context changes;

- Variance analysis, variances and reporting.
- Corrective actions to get back on track.

### **Module II - Sources of Finance and Cash Flow**

- The importance of financing and cash-flow;
- Customers, consumers, investors, lenders, investments, bank loans, etc.;
- How to raise new financing - the different methods;
- Managing cash flow (when credit and cash is "tight");
- Short term versus long term - being careful today to prepare for the future.

### **Module III - Consumers, Customers and Key Activities**

- The creation of value;
- Customer segmentation - understanding their real needs and identifying profitable segments;
- Understanding which products or services are profitable and which are not;
- Customer loyalty management as a guarantee of future revenue;
- What do we want? Grow or make more profit?
- Cost and pricing decisions.

### **Module IV - Development and Creation of New Products**

- The importance of new products and their effective launch;
- Product life cycle;
- Growth and profit matrix for managing a portfolio of products / services / activities;
- Buy or build/develop?
- R&D costs;
- The growth and profit forecasts.

### **Module V - Investment decisions and capital requirements**

- Benefits of the proposed investment and impact on cash flows;
- The total costs of the proposed investment;
- The asset depreciation rates and how to calculate them;
- The payback period;
- Internal rate of return;
- Risk Analysis.

### **Module VI - "Insource" vs outsourcing**

- Why Outsource?
- Core activities vs. non-core s;

- When to do;
- How to do.

### **Module VII - Improvement Programs**

- Creating an improvement plan;
- Defining goals, objectives, activities and communication mechanisms;
- Allocating resources and responsibility;
- The importance of achieving quick wins.

### **Module VIII - Dealing with Services and Financial Aspects**

- The relationships between the Finance Department and other Departments and functions;
- Understanding basic notions of finance;
- Financial Statements and Cash Flow;
- The key financial ratios that drive the business;
- Intangible benefits - can they be measured?
- Effectively manage the mutual relationship between finance and the rest of the organization.