



Budgeting, Forecasting & Planning Process Course

18 – 29 January 2027
Lisbon (Portugal)





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Introduction

A comprehensive budgeting, forecasting, and planning process course is critical for the successful financial management of any organization.

This budgeting and forecasting process course is designed to provide attendees with a robust understanding of these processes, integrating key concepts and techniques.

Through this budgeting and forecasting process course, participants will learn the essential components of financial planning, the intricacies of forecasting, and the meticulous nature of budgeting.

Targeted Groups

- Financial accounting team members.
- Cost and management accounting staff.
- Finance professionals.
- Planning managers.
- Commercial managers.
- Capital investment and project team members.

Course Objectives

At the end of this budgeting and forecasting certification course, participants will be able to:

- Develop strategic thinking, use the strategic management process to develop missions and objectives, and conduct strategic analysis and decision-making.
- Understand the relationship between financial planning, budgeting and forecasting, and integration of the strategic management process with the budgeting cycle.
- Understand cost behavior, the use of alternative costing systems, and cost/volume/profit CVP analysis
- Develop and prepare an operating budget and how it may be funded using alternative sources of finance.
- Use various Excel models to forecast sales pricing, optimal product mix, and long- and short-term sales levels.
- Build financial growth planning models and traditional and activity-based budget models, and improve budget accuracy.
- Use budgetary control techniques: development of product standards, flexed budgets, and variance analysis and use of the results of variance analysis to improve operational performance.
- Determine a company's cost of capital and use the technique of discounted cash flow DCF for capital budgeting and evaluation of capital project investment and risk analysis using the techniques of sensitivity, simulation, and scenario analysis.
- Use Excel tools to develop strategic financial models, forecasts, and budgets.
- Understand the relationship between the strategy, the forecast, and the budget.
- Make improved budgeting decisions to increase their effectiveness within the organization.

Targeted Competencies

- Planning and budgeting process.
- Forecasting cash flow.
- Calculating the cost of capital.
- Practicing financial modeling.
- Budgeting.
- Understanding scenario analysis.
- Data analyzing.
- Using advanced Excel.
- Balanced scorecard.

Course Content

Unit 1: Planning for Success

- What are planning strategies?
- Work with the planning cycle.
- Mission.
- Strategic analysis.
- Strategic choice.
- Strategic implementation.
- Corporate objectives.
- Corporate value and shareholder value.
- The agency problem and corporate governance.
- Planning requirements and working capital.
- Plan outline.
- Financial planning for growth.
- Financial modeling.
- Development of the key performance indicators KPIs.
- The balanced scorecard.

Unit 2: The Forecasting Process

- Determine the purpose and objective of the forecast.
- Analyzing data.
- Statistical analytical tools.
- Quantitative analysis and forecasting.
- Forecasting techniques.
- Univariate analysis models: time series, moving averages, exponential smoothing, trend progression.
- Causal analysis models - regression analysis.

Unit 3: Projecting Revenues - The Sales Budget

- Projecting sales.
- Long-term trend sales forecast.
- Short-term trend sales forecast.
- The basis of revenue assumptions.
- Sales pricing.
- Full cost pricing.
- Marginal cost pricing.
- Using Excel to project the optimum product mix.

Unit 4: The Nature and Behaviour of Costs

- Cost behavior.
- What is the cost?
- What is the activity?
- Cost classification.
- Fixed costs and stepped fixed costs.
- Variable costs and semi-variable costs.
- Notional costs.
- Cost allocation.
- Product costs and period costs.
- Product costing for inventory valuations and profit ascertainment.
- Absorption costing.
- Cost/volume/profit CVP and 'what-if' analysis.

Unit 5: The Budgeting Process

- Why do we budget? - the purposes of budgeting
- Planning and control.
- Budgeting for sales and costs.
- Stages in the budget process.
- Budget preparation process.
- Accounting for headcount and labor costs in the budget model.
- Accounting for depreciation in the budget model.
- Putting the budget together.

Unit 6: Budgetary Control

- Standard Costing.
- The purpose of standard costing.
- Flexed budgets.
- Variance analysis.
- The reasons for variances.
- Planning and operating variances.

Unit 7: Projecting Expenses - Activity-Based Costing ABC And Activity-Based Budgeting ABB

- The activities that cause costs.
- Processes and activities.
- Under-costing and over-costing the product cost cross-subsidization.
- Activity-based costing ABC.
- Refinement of the costing system.
- ABC and cost management.
- Design of ABC systems.
- The cost hierarchy and cost drivers.
- Advantages and disadvantages of ABC systems.
- The ABB process is from traditional budgeting to activity-based budgeting ABB.
- Motivation and the behavioral aspect of budgeting.

Unit 8: The Time Value of Money

- The impact time has on the value of money.
- Future values and compound interest.
- Present values.
- Discounted cash flow DCF.

Unit 9: Evaluating Capital Project Proposals

- Various types of capital projects.
- Capital project evaluation.
- Capital investment project appraisal.
- Accounting rate of return ARR.
- Payback method.
- Net present value NPV.
- Internal rate of return IRR.
- Discounted payback method.
- Choosing the proper investment appraisal method.
- Equivalent annual cost EAC method.
- Modified internal rate of return MIRR.
- Capital budgeting methods.
- Capital rationing.
- Profitability index PI.

Unit 10: Putting the Pieces Together - The Budget

- Long- and short-term funding.
- Sources of finance.
- Capital cost models.
- Cost of equity.
- Cost of debt.
- Weighted average cost of capital WACC.
- Risk and the cost of capital.
- Capital asset pricing model CAPM and the beta factor.
- Optimal capital structure.
- Capital structure models.

Unit 11: Budget Re-Projection - Evaluating Risk And Uncertainty

- Risk and uncertainty decision rules.
- Worst and best-case scenarios.
- The value of perfect information VOPI.
- Analyzing risk: expected values; standard deviation.
- Sensitivity analysis.
- Simulation model.
- Scenario analysis.
- NPV break-even.