

# Corporate Financial Planning, Budgeting & Control

## INTRODUCTION

- This Corporate Financial Planning, Budgeting & Control training seminar is designed to enable delegates to make corporate financial decisions in an increasingly volatile international marketplace with the view to increase profitability, maintain liquidity and reduce financial risk is a challenge for all organizations regardless of their sizes.
- This training seminar is designed to enable delegates to understand the critical aspect of corporate decision making and enhance their knowledge from the development of a strategic corporate financial plan, the raising of finance, the preparation and management of budgets to support the plan, the management of financial risk and ultimately the measurement and evaluation of performance.
- Corporate planning, budgeting and control are essential in modern organizations. Effective planning, budgeting and control lead companies to their Mission, Vision and Goals.

This training seminar will highlight:

- The Concept of Agency Theory
- Risk Management
- Managing and Controlling Cash Flow
- Time-adjusted Valuation Methods
- Financial Projections
- SWOT Analysis

## OBJECTIVES

The objectives of this training course are to provide delegates with the necessary tools and techniques to enable them to:

- Evaluate the various methods of finance and make successful capital investment decisions
- Develop effective corporate financial plans aimed at maximising return and minimising risk
- Prepare, manage and control budgets to support the corporate financial plans
- Identify and manage financial risk effectively
- Measure and manage performance effectively
- Create opportunities for your personal development and increased financial awareness

## TRAINING METHODOLOGY

- This Corporate Financial Planning, Budgeting & Control training seminar is based on a practical case study requiring delegates to develop and manage a strategic corporate financial plan. As a result, it is highly participative with extensive use of practical examples, case studies, exercises and discussion sessions to ensure the development of transferable skills as well as knowledge and understanding. It will enable delegates to make and justify finance decisions, prepare and manage budgets, minimise risk and evaluate performance.

## ORGANISATIONAL IMPACT

By attending this training programme:

- Delegates will develop a set of transferable skills which will improve their powers of financial planning helping the company to increase profit, improve cash flow whilst minimizing costs and risk
- The new skills will help them to make more informed and hence better management decisions
- Delegates will not only be able to analyse various business problems but will also be able to evaluate various courses of action and make sound recommendations for action using leading software
- They will become more aware of the importance of effective planning, budgeting and forecasting making the capital budgeting process more cost effective
- The use of practical case studies and illustrations of real companies will help delegates understand how to apply different planning, forecasting and analysis techniques in a work situation
- The knowledge gained can be shared amongst other departments of the company to improve the financial culture of the entire organization

## PERSONAL IMPACT

As a delegate, you will:

- Develop an understanding of today's major issues in international corporate finance and budgeting
- Develop your professional skills, powers of analysis, evaluation and decision-making
- Be able to make more informed and hence better planning, budgeting and forecasting decisions using various models and software
- Make improved finance and capital budgeting decisions, which will increase your importance to your organization
- Be better placed to liaise effectively with other departments on matters of finance and budgeting
- Be able to identify areas in which they may be able to contribute to improvements in the financial performance of your company which will help improve your career development

## WHO SHOULD ATTEND?

This training programme is suitable for:

- Non-financial and Financial Personnel
- Financial Decision-makers
- Professionals acting upon the financial decisions of others
- Analysts
- Managers involved in planning and decision-making
- Financial Planner
- Individual with very basic financial knowledge.
- Individual with ambitions to work in finance related fields.
- Junior Managers involved in risk managements
- Managers and those with financial responsibilities

## Course Outline

### Corporate Financial Planning

- Strategic Planning
- The Objective of the Firm – Meeting Shareholder & Stakeholder Objectives
- Agency Theory – The Relationship between Shareholders & Management
- Creative Accounting and the Case of Enron
- Financial Management & Financial Planning – The Scope, Role & Responsibilities of Financial Management
- Preparing a Financial Plan – The Master Budget
- Forecasting Future Cash-flows and Financial Modelling

### Financing the Plan

- Sources of Finance – Long Term & Short Term
- Evaluation of the Types of Finance - Equity vs. Debt Finance
- Hybrid Finance & Financial Engineering
- The Dividend Decision
- The Cost of Capital and Weighted Average Cost of Capital (WACC)
- Capital Asset Pricing Model (CAPM)
- Accounting Rate of Return (ARR)
- Net Present Value (NPV), Internal Rate of Return (IRR) Capital Rationing & Payback

### Preparing & Managing Budgets to Support the Financial Plans

- Definition of Budgets, the Budgetary Process and Budgetary Control
- Types of Budgets-Fixed, Flexible, Incremental and Zero Based
- The Purpose / Benefits & Problems / Limitations of Budgets
- Setting / Implementing Effective Budgets - Eliminating the Problems
- Responsibility Accounting and Absorption Costing

## Managing and Controlling Cash Flow to Support the Financial Plan

- Cash vs. Profit & The Cash Conversion Cycle
- Calculating and Managing the Cash flow Cycle
- Cash Flow Ratios
- Working Capital
- The Cost of Maintaining Working Capital
- Maintaining the Optimum Level of Working Capital
- Working Investment Ratios
- Preparing a Monthly Cash Flow Forecast

## Managing Financial Risk

- Risk Management & Types of Risk
- Identifying Risk – SWOT Analysis
- The Major Quantitative & Qualitative Risks Facing Companies
- Establishing a Risk Management Strategy
- Financial Risk Management & Hedging Techniques
- Managing Exchange Rate & Interest Rate Risk
- Derivatives-Forwards, Futures, Options & Swaps
- Risk Management Glossary of Terms