

# Public Sector Accounting and Budgeting

## INTRODUCTION

- This leading edge Public Sector Accounting and Budgeting training seminar is designed to provide a comprehensive briefing on the fundamental principles and key functions in the continuously developing sphere of public sector finance. Non-financial public sector employees and managers are regularly required to both provide input to the budget process and respond to information presented in departmental financial reports.
- This training course will provide a useful practical introduction for the non-financial manager as well as an invaluable refresher and update for finance professional working in the public sector. This training also incorporates a vital update on International Public Sector Accounting Standards Board (IPSASB) standards as well as recent developments in the field of New Public Management, specifically focusing on the reasons for and approaches to New Public Financial Management.

This training seminar will highlight:

- The context for public sector financial decision-making
- The distinctive characteristics of public sector financial statements
- Analysing and interpreting public sector financial reports
- The objectives and methodology of public sector budgeting
- Capital investment appraisal and outsourcing decisions
- Public Private Partnerships (PPP) and Private Finance Initiatives (PFI)
- Public sector management reforms

## OBJECTIVES

- This Public Sector Accounting and Budgeting training course has been designed to provide you with up to date knowledge and practical skills in the preparation and interpretation of public sector financial statements and budgets.

By the end of this training seminar you will have learned to:

- Understand the role of financial accounting in public sector management
- Prepare accounts in accordance with IPSASB framework
- Analyse and interpret public sector financial reports
- Use forecasting techniques to plan for income and expenses
- Understand and actively participate in the budget process

## **TRAINING METHODOLOGY**

- This training seminar will be structured as a highly participative workshop with formal presentations, case studies and interactive worked examples. Relevant examples and case studies are provided to illustrate the application of each of the topics covered and opportunities are provided to learn and apply the key financial accounting and budgeting principles using practical examples and exercises.

## **ORGANISATIONAL IMPACT**

- The organisation will benefit from the development and practical application of skills in financial accounting and budgeting in compliance with the requirements of the IPSASB framework. This will deliver benefits in raised awareness of key financial principles and improved decision-making. The organisation will specifically benefit from:
  - Up to date knowledge of the requirements under the IPSASB framework
  - Raised level of awareness of key public sector finance issues
  - Development of up to date accounting and budgeting techniques
  - Practical skills in capital investment appraisal methods
  - Awareness of developments in New Public Management

## **PERSONAL IMPACT**

- Participants will benefit from updated knowledge and applied practical skills in financial accounting and budgeting in the context of public sector organisations. These skills will allow delegates to make a greater contribution to the budgeting and financial decision-making processes in their organisation, at the same time enhancing their own career development potential. Specific benefits from this training seminar will include:
  - Briefing on the principles of financial accounting and budgeting
  - Knowledge of the key current IPSASB accounting standards
  - Development of advanced skills in financial analysis and interpretation
  - Application of practical skills in forecasting income and costs
  - Up to date knowledge of public sector budgeting principles and methods
  - Raised awareness of recent developments in public sector management

## WHO SHOULD ATTEND?

- This training seminar would be relevant to all of those involved in the preparation, presentation and interpretation of corporate financial statements from both the private and public sector where compliance with the IASB and IFRS framework is required; both in commercial businesses, government and not-for-profit organizations.

This training course is suitable to a wide range of professionals but will greatly benefit:

- Public Sector Purchasing and Procurement Managers
- Departmental Budget Holders
- Financial Accounting Team Members
- Finance Managers
- Planning Managers
- Public Sector Budget Accountants
- Assistants to Ministry and Departmental Officials

## Course Outline

### Fundamentals of Public Sector Finance

- Basic Principles of Macroeconomic and Fiscal Policy
- Types of Public Sector Financial Decision-making
- Purpose of Public Sector Accounting and Budgeting
- The Dimensions of New Public Management (NPM)

### Financial Accounting Basics

- Basic Concepts in Financial Accounting
- Cash vs. Accruals Accounting
- Qualitative Characteristics of Financial Statements

### Financial Reporting in the Public Sector

- The IPSASB Compared to the IASB Framework
- Distinctive Characteristics of Public Sector Financial Accounts
- The Five Elements of Financial Statements
- Reporting Standards Relevant to Public Sector Financial Reports
- Assets and Liabilities: Principles for Recognition and Measurement
- Nature and Classification of Public Sector Income and Expenses
- Principles of Public Sector Financial Management

## Financial Analysis of Public Sector Accounts

- Understanding and Analysing Cost Behaviour
- The Cost-Volume-Profit Relationship
- Why analyse financial statements?
- The Financial Analyst's Toolkit
- Interpreting Financial Ratio Analysis of Public Sector Reports
- Managing and Improving Spending Deficits

## Public Sector Budgeting

- Setting Goals and Outcome Requirements
- Financial and Non-financial Performance Measures
- Objectives of Public Sector Budgets
- Outcome Focused Budgeting in the Public Sector
- Budget Layers
- Techniques for Forecasting Income and Costs
- Human Aspects and Dysfunctional Budgeting
- Principles of Capital Budgeting

## Capital Investment Decision-making

- Characteristics and Decision-making Process
- Investment Appraisal Techniques
- Principles of Discounted Cashflow Analysis
- Understanding Net Present Value (NPV)
- Outsourcing Services: Objectives and Decision Criteria
- PPI and PFI: Objectives and Decision Criteria

## Public Sector Financial Management Reforms

- Understanding Public Sector Management Reforms
- The Need and Purpose of Financial Reforms
- Key Issues for the Future of the Public Sector