

Derek Hendrikz Consulting Presents:

Budget Management

Duration:	3-days
Max. Participants:	20
Facilitators:	1
NQF Level:	5
Total Credits:	5
SETQAA Accreditation:	Services SETA – Decision Number 2072

About the workshop:

The Budget Management programme is designed to give participants the necessary knowledge and skills in order to understand and implement basic budgeting techniques within the workplace. These skills include the understanding of both operating and financial budgets. A practical methodology will be used where participants will demonstrate the budgeting techniques taught during the work session.

The workshop outcome:

On completion of this workshop the participant should be able to understand and apply various budgeting techniques within his / her workplace.

SETQAA Accreditation:

For accreditation purposes the learner will have to prove competence in the following unit standard:

Unit Standards:	Unit Standard Number:	Credits:
Prepare and manage a budget.	252038	5

Participants will be assessed on the following specific outcomes:

1. Explaining financial analysis
2. Identify and select types of budgets for a unit.
3. Prepare for creating a budget for a unit.
4. Create an annual budget for a unit.
5. Manage a budget for a period.

Training methodology:

The methodology is based on interactive learning (learning by doing). Furthermore learners will use examples from their own environments, thus ensuring that the learning is anchored at their workplace. Most of the interactive learning will take the form of simulated exercises and case studies where participants will demonstrate the skills taught. We will strive to effect actual change back at the workplace through effective and practical outcomes based training.

Programme:

Time:	Day 1:	Day 2:	Day 3:
08:00-10:00	Understanding Budgets	Operating Budgets	Balanced Scorecard & Budgeting
10:00-10:30	<i>Convenience Break</i>		
10:30-12:30	Forecasting Techniques	Financial Budgets	Creating the Annual Budget
12:30-13:30	<i>Lunch</i>		
13:30-15:00	Rolling Forecast	Capital Budgeting	Managing the Budget
15:00-15:15	<i>Convenience Break</i>		
15:15-16:00	Day Review	Day Review	Workshop Review & Evaluation

Who Should Attend?

- Senior and middle managers.
- Supervisors.
- Business owners.
- Employees working with budgets.
- Any person interested in knowledge and skills in the area of budget management.

Day 1:

Understanding Budgets:

- Purpose of budgeting.
- The budgeting process.
- Key aspects of budgeting.
- The Du Pont model for budgeting.
- Zero-based budgeting vs. activity-based budgeting.
- Operating budgets vs. financial budgets.
- Principles of budgeting.

Forecasting Techniques:

- Cost estimation & regression analysis.
- Making sense of forecasting.
- Cost behaviour and the half-life principle.
- Forecasting in difficult circumstances.

Rolling Forecasting:

- Simulating profit accounts.
- Rolling budgets and cash forecasts.
- Timescales.
- Interaction between budgets and forecasts.
- Building a low cost culture.

Day 2:

Operating Budgets:

- The Cost Budget.
- The Income Budget.
- The Profit Budget.

Financial Budgets:

- The Capital Budget.
- The Cash Budget.
- The Pro-forma Income Statement.
- The Pro-forma Balance Sheet.

Capital Budgeting:

- The purpose of capital budgeting.
- Discounted cash flow techniques.
- The accept-reject approach.
- The ranking approach.

Day 3:

Balanced Scorecard & Budgeting:

- The balanced Scorecard Perspectives.
- Organizational strategy & budgets.
- Integrating strategy with budgets.
- Performance management.

Creating the Annual Budget:

- Collecting and recording data.
- The verification of data.
- The draft budget.
- Sensitivity analysis.

Managing the Budget:

- Comparing current reality against projections.
- Variance analysis.
- Implementing corrective measures.
- Making recommendations.

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