

# € TRAINING

Financial Analysis with Planning and  
Controlling Budgets



16 - 27 December 2024  
Amsterdam (Netherlands)



# Financial Analysis with Planning and Controlling Budgets

REF: F172 DATE: 16 - 27 December 2024 Venue: Amsterdam (Netherlands) - Fee: 9460 Euro

## Introduction:

This training program brings together important areas of financial management, planning, and control. It provides an understanding of the various aspects of an organization from a calculative aspect to other related practices in the organization. It focuses on the practical application of financial models and analysis, which are used to assess the strategic and operational positions of the organization.

## Program Objectives:

At the end of this program, participants will be able to:

- Improve performance from the use of the tools of financial analysis.
- Link planning and budgeting with costing and performance measurement.
- Understand how reliable are available financial data, and how is uncertainty and risk likely to impact the outcomes of decisions.
- Acquire the ability, when involved in decisions about investment, operations, or financing, to choose the most appropriate tools from the wide variety of financial techniques available to provide a quantitative analysis.
- Link finance and operations for budgeting purposes and strategy execution.
- Build a comprehensive performance measurement system.
- Understand the importance of a well-defined costing and budgeting process and cost behavior more accurately.
- Perform and interpret variance analysis.

## Targeted Audience:

- Project Management.
- Financial Analysts.
- Financial Controllers.
- Accountants.
- Treasurers.
- All management levels among the organization.

## Program Outlines:

### Unit 1:

#### The Challenge of Financial Economic Decision-Making:

- The practice of financial-economic analysis.
- Corporate value and shareholder value.
- A dynamic perspective of business Benchmarking your own strategic position/competitor analysis.
- The agency problem and corporate governance.
- What information and data to use?
- The nature of financial statements.
- The context of financial analysis and decision-making.

### Unit 2:

#### Assessment of Business Performance:

- Ratio analysis and business performance.
- Management's point of view.
- Owners' point of view, Lenders' point of view.
- Ratios as a system - pyramids of ratios.
- Integration of financial performance analysis - the Dupont system.
- Economic value added EVA.
- Predicting financial distress.

### Unit 3:

#### Projection of Financial Requirements:

- Interrelationship of financial projections.
- Operating budgets.
- Standard costing and variance analysis.
- Cash forecasts and cash budgets.

- Sensitivity analysis.
- Dynamics and growth of the business system.
- Operating leverage.
- Financial growth plans, Financial modeling.

#### Unit 4:

##### Analysis of Investment Decisions:

- Applying time-adjusted measures.
- Net present value NPV and internal rate of return IRR.
- Strategic perspective.
- EVA and NPV.
- Refinements of investment analysis.
- Equivalent annual cost EAC.
- Modified internal rate of return MIRR.
- Sensitivity analysis, scenario analysis, simulation, and NPV break-even.
- Dealing with risk and changing circumstances.

#### Unit 5:

##### Valuation and Business Performance:

- Managing for shareholder value.
- Shareholder value creation in perspective.
- Evolution of value-based methodologies.
- Creating value in restructuring and combinations.
- Financial strategy in acquisitions.
- Business valuation.
- Business restructuring and reorganizations.
- Management buyouts MBOs and management buy-ins MBIs.

## Unit 6:

### Strategic and Financial Planning:

- Financial VS Managerial Accounting.
- Exploring the linkages between strategy, budgeting, costing, and performance measurement.
- Understanding what strategic planning is and why it is important.
- Mission; Vision; Strategy; Goals and Objectives.
- The outside environment and the internal context: SWOT and PESTEL analysis.
- What is happening in your company.
- Looking for the drivers of value creation.

## Unit 7:

### The Framework for Budgeting:

- What is a budget - why create a budget?
- The budgeting framework.
- Various types of budgets.
- The budgeting process and the human side of budgeting.
- Sales forecasting and budgeting schedules.
- What is the budgeting process in your company.
- Top-down VS Bottom-up budget.
- Incremental VS Zero-Based.

## Unit 8:

### Cost Analysis for Budgeting:

- What is costing: Defining costs.
- Cost behavior - Fixed and variable.
- Breakeven models - The Equation Method.
- The contribution margin concept.

- Direct and indirect costs.
- Traditional VS Activity Based Costing.
- Product VS period costs.

## Unit 9:

### Budgeting - Controlling The Budget Variances:

- What is the situation in your organization.
- Is budgeting organized by department and/or projects?
- Budget variance analysis.
- Describe the difference between a static budget and a flexible budget.
- Compute flexible-budget variances and sales-volume variances.
- Explain why standard costs are often used in variance analysis.
- Integrate continuous improvement into variance analysis.

## Unit 10:

### Beyond Budgeting: Broadening Performance Measurement Systems:

- Advantages and disadvantages of budgeting.
- How to improve budgeting in your organization.
- What next? Beyond the Budget
- The Balanced Scorecard: linking Strategy to budgeting to Performance Measurement.
- Financial perspective, Customer perspective.
- Internal Business Process perspective, Learning and growth perspective.
- Developing and adapting the scorecard.