



أكاديمية الزمالة العربية البريطانية
Arab British Academy Fellowship
A.B.A.F





Finance and Budgeting for Non-Finance Professionals



Why Attend

To succeed at any employment level and position, knowledge of basic financial principles is critical. The course transforms financial and accounting concepts into decision making tools you can use successfully every day. You will learn to apply the fundamentals of finance to improve budget management, increase potential profits, and assess the financial performance of business activities. You will also understand the terminology used by accounting and finance staff and will feel more confident when being involved with them or using them. This course will help you do a better job and prepare you for senior management positions where financial awareness and budgeting skills are crucial.

Course Methodology

The course uses a mix of interactive techniques, such as brief presentations by the consultant, case studies and group exercises to apply knowledge acquired throughout the course.

Course Objectives

By the end of the course, participants will be able to:

- Define the four key financial statements: balance sheet, income statement, cash flow and changes in owner equity as well as key financial terms such as profit, margins and leverage used in organizations
- Interpret the financial health and condition of a company, division or responsibility center and use financial information for management and evaluation



- Prepare a company's operating budget and relate it to the organization's strategic objectives
- Apply capital budgeting techniques to enhance decision making

Target Audience

Managers, supervisors and staff from any function including finance who need to improve their understanding and usage of financial information.

Target Competencies

- Understanding financial statements
- Financial analysis
- Preparing operating budgets

- Making capital budget decisions
- Financial decision making



Course Outline

- The key financial statements
- Understanding the accounting cycle
- The five main accounts in financial statements
- Income statement: tool for performance measurement
- Accrual basis versus cash basis
- Balance sheet: tool for financial position
- The balanced status
- Statement of owners' equity
- Statement of cash flows: cash is king
- Working capital management
- Wrapping-up: the cycle of financial statements
- External and internal auditors' responsibilities

- [Analysis of financial statements](#)

- Why are ratios useful



- Horizontal and trend analysis
- Vertical analysis: common size statements
- Common size financial statements
- Building blocks analysis and reading through the numbers:
- Liquidity ratios: ability to settle short-term dues
- Solvency ratios: ability to settle long-term dues
- Activity ratios: ability to manage assets efficiently
- Profitability ratios
- Limitations of financial ratio analysis
- Operating budget process and techniques
- What is an operating budget
- Steps to budget development
- Master budget components
- Sales forecasting
- Approaches to budgeting
- Incremental budgeting
- Zero-based budgeting
- Budgetary control and correction

- **Capital budgeting: the investing decisions**

- Examples of exercises involving capital budgeting exercise
- Time value of money: a prerequisite for investing decisions
- Required rate of return for investments
- Examples of cash outflows for capital projects
- Examples of cash inflows for projects
- Net present value calculation
- Internal rate of return



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