



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





# Forecasting and Analyzing Cash Flow



## Why Attend

Cash flow is critical for the success and sustainability of a business. In this course, you will learn cash flow and working capital management to maximize the use of cash. You will also learn how to prepare cash flow statements under direct and indirect methods in addition to accurate cash flow forecasting and analysis techniques.

## Course Methodology

This course uses hands-on applications of cash flow analysis in Excel, in addition to demonstrating theoretical core topics. The course also features real-life case studies and presentations by participants.

## Course Objectives

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

- Interpret the relationships between cash flow statements, income statements and balance sheets
- Recognize the importance and elements of an organization's cash flow
- Prepare cash flow statements using direct and indirect methods
- Describe the impact of working capital management on cash flow
- Analyze liquidity and the cash flow position of organizations including free cash flow
- Review cash flow key presentation topics
- Apply cash flow forecasting techniques
- Apply ratio analysis related to cash flow

## Target Audience

Financial controllers, working capital managers, financial analysts, business development managers, financial managers, management accountants, business analysts, and treasury professionals..



## Target Competencies

- Accounting for cash
- Constructing the cash flow statement
- Analyzing historic cash flow statements
- Performing and interpreting cash flow ratios
  
- Understanding the priority of cash flows
- Identifying cash flow problems
- Explaining the impact of working capital on cash flow
- Preparing cash budgets



- Relationships between financial statements
  
- Income statements
- Balance sheets
- Cash flow statements
- Why cash flow differs from profits
  
- Presentation of cash flow
  
- Presentation fundamentals
- Cash and cash equivalents
- Operating cash flow
- Investing cash flow
- Financing cash flow
- Methods in calculating operating cash flow
- Direct versus indirect methods
- Reporting non cash transactions
  
- Cash flow and working capital management
  
- Trade-off between liquidity and profitability
- Conservative working capital management
- Aggressive working capital management
- Sources of cash



- Cost of funds
- Use of short term and long term debt
- Working capital optimization
- Cash conversion cycle
- Accounts receivable factoring, pledging and assignment
- Suppliers early payment discount
  
- [Insights about the cash flow statement](#)
  
- Liquidity and financial flexibility
- Restricted cash and cash equivalent
- Gross versus net cash flow reporting
- Healthy cash flow
  
- [Presentation issues](#)
  
- Interest income and dividends from debt and equity investments
- Interest expense and taxes paid
- Receivables and bad debts
  
- [Forecasting cash flow](#)
  
- Why to forecast cash flow
- Cash management
- Who is involved
- Investing and financing decisions
- Free cash flow
  
- [Cash flow ratios](#)
  
- External financing index ratio
- Cash sources component percentages ratio
- Financing policies ratio
- Operating cash index ratio
- Operating cash inflow ratio
- Operating cash outflow ratio
- Long-term debt payment ratio
- Productivity of assets ratio
- Cash flow adequacy ratio
- Reinvestment ratio
- Dividends payout



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