

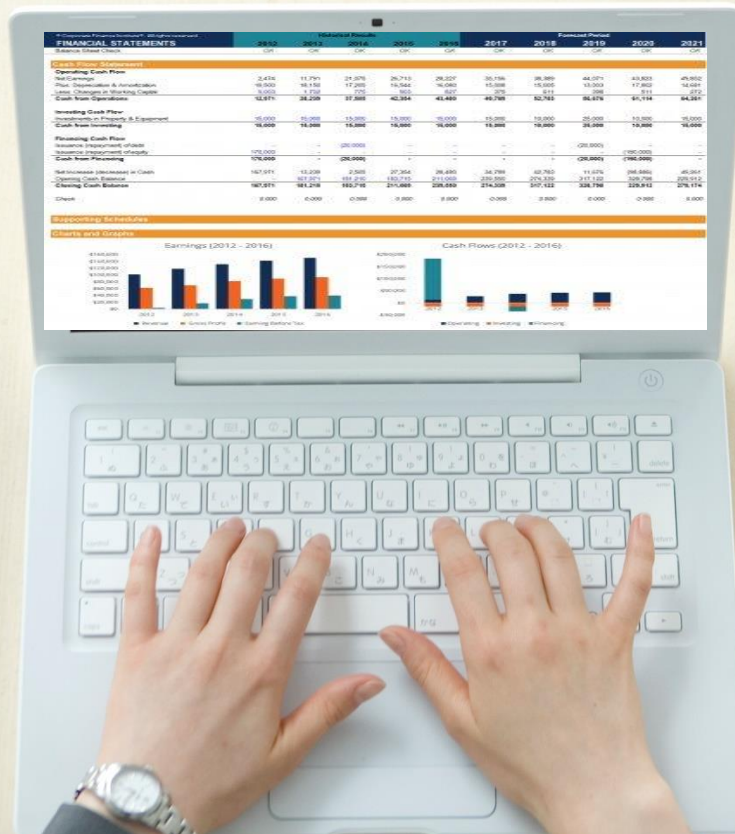


# Budgeting and forecasting



Corporate finance and investments

21-22 June, 2020  
Dubai, UAE



KPMG Business Academy



### Key learning benefits:



Streamline budget model building by applying best practice functions, tools and techniques



Understand the budget planning process, preparation, review and control.



Understand how to build budgets for the "real world", allowing for flexibility and future change.



### Course overview

This course covers issues including using budgets to measure staff performance, linking budgets to the strategic planning process, and a comparison of budgeting techniques.

We will explore the difference between budgets and forecasts, and you will learn how to create your own budget, rolling forecasts, variance reports and budget scenarios in Excel.

This course is designed to be practically engaging. Participants will be expected to create their own budgeting models using the tools and techniques covered during the course.



### Meet your course leader



Our trainer is a Sydney-based consultant specialising in financial modelling and analysis.

She is the author of "Using Excel for Business and Financial Modelling", Third Edition, published by Wiley Finance 2019 and "Financial Modelling in Excel for Dummies", 2017.

With over fourteen years' experience as a financial analyst, she helps her clients create meaningful financial models in the form of business cases, pricing models and management reports. She has hands-on experience in a number of industry sectors, including telecoms, information systems, manufacturing and financial services

She has regular engagements around Australia and globally as a speaker, course facilitator, financial modelling consultant and analyst. She holds a Master of Business Administration (MBA) from Macquarie Graduate School of Management (MGSM), and has taught management accounting subjects at Sydney University.



### Who should attend

- Financial controllers
- Business development managers
- Business planning managers
- Finance managers (in various functions)
- Business unit / operational managers
- Management accountants
- Business analysts
- Financial analysts
- Portfolio management
- Capital planning
- Treasury



## Day one:

### Budgets and strategic planning

How budgeting fits into your organisation's strategic planning process

- Linking budgets to business objectives
- Budgeting to achieve organisational objectives
- How to successfully turn measurement into management
- Budgeting vs forecasting

### Using budgets as performance management

What gets measured gets done!

- The impact of budgets on organisational performance
- Integrating forecasting and budgeting as essential tools for measuring performance
- Translating the organisation's values into measures and targets

### Financial statements

Consolidating the detailed budget into financial statements

- Linking financial statements to drivers
- Measures such as NPAT, EBIT and EBITDA
- Budgeting cashflow
- Capital expenditure and depreciation budgeting

### Reporting

Using budget reporting for management and decision making

- Using reporting to promote accountability
- Variance analysis
- Budgeting and forecasting as a planning and management tool
- Assessment and selection of appropriate systems

### Budgeting techniques

Discussion and overview of different budgeting systems and methods

- Historical-based versus zero-based budgeting
- Top down vs bottom up
- Activity based budgeting
- Flexible budgets
- Rolling forecasts
- Differences between a static, flexible and rolling budget
- Budgeting for capital expenditure vs. operational expenditure
- Contingency planning

### Limitations of budgets

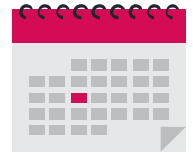
What's wrong with how we do budgets?

- Critique of the traditional budget process
- Estimations and rigidity
- Staff perceptions and changing environments
- Dysfunctional budgeting behaviour

### Budgeting "soft" skills

Non-financial skills required for the budget manager

- Achieving buy-in from stakeholders
- Involving non-financial management of the organisation
- Techniques in getting your budget approved
- Managing conflicting priorities and demands
- Setting timelines



## Day two

### Developing the budget model

Turn your budget theory into a practical and dynamic financial model

- Types of budget model (short and long-term models)
- Fixed vs. variable costs
- Drivers in budget modelling; e.g. industry forecasts, growth rates, market share
- Key factors and considerations for a reliable forecasting
- Modelling for “stepped” costs
- Using goal-seek to perform break even analysis

Practical exercise: create a model in Excel which will calculate volume-dependent “step” costs. Calculate break-even point using goal-seek.

### Historical data analysis in excel

Learn advanced ways of analysing historical data in Excel

- Overview of data analysis tools in modern Excel
- Using data to identify trends and forecast future performance
- Development of time series models
- Determination of model and forecast scope and time-horizons

### Determination of business trends, cycles and seasonality

Utilisation of trends, cycles of the current market situation in the forecasting process

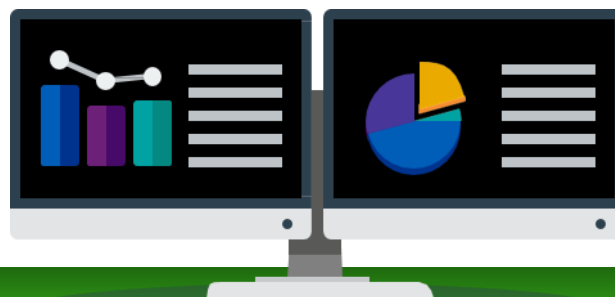
- Understanding the inter-relationship among trends, cycles and seasonality
- Recognising patterns in financial data
- Using Regression Analysis as a predictor and estimator
- Identifying and calculating business trends, business cycles and seasonality in historical data
- Using the seasonality factor in interpreting the forecast variances

Practical exercise: Forecast a sales cycle in Excel based on historical data by calculating the seasonality index and adjusting the forecast accordingly.

### Scenarios, sensitivities and stress-testing

How sensitive is your business to changes in budget drivers?

- The difference between scenarios and sensitivities
- Multi-currency budgeting
- Stress-testing and validating your budget model integrity
- Performing a “what-if” and sensitivity analysis
- Optimise results and achieve maximum efficiency within constraints
- Creating and displaying budget scenarios



# Budgeting and forecasting

**21-22 June 2020**  
**8:30am-4:30pm**  
**Dubai, UAE**

Early bird (before 21 May 2020)*	Participant fee*
USD 1,695	USD 1,895

*\* Please note that the fee quoted is exclusive of VAT and the fees for the course shall be increased by the quantum of VAT, as applicable under the law.*

All registrations are subject to our terms and conditions which are available at <http://kpmgbusinessacademy.kpmguae.com/TermsandConditions.aspx>. By submitting your registration you agree to be bound by the terms and conditions in full.

## Three ways to register:



## Certificate

Participants who attend all sessions will be awarded a KPMG certificate of attendance.

## Payment

To reserve a seat at our courses, please complete a registration form and pay the full fees before the due date. All registrations are subject to acceptance by KPMG and will be confirmed in writing.

## Cancellation

If after having registered and paid for a place you are unable to attend the course, a substitute delegate is welcome to attend in your place. Fees canceled seven days or less before the course begins are payable in full.

KPMG reserves the right to cancel this course, change its date or alter the venue, speakers or topics.

## Customized training solutions

To create a more tailored learning experience, you may want to run this course in-house. Please contact Saravanan Selvan to discuss further:

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