

Effective Budgeting and Cost Control

Course code: F06



SPARK TRAINING

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— Workshop Overview

Planning and budgeting are must-have skills for all professionals, regardless of their function or managerial level. This course covers the concept of budgeting as a planning tool, a financial device, and a control mechanism. In addition, it provides the necessary application tools required to make long-term and short-term planning decisions.

Why Attend

This course focuses on exercises, case studies, and individual and group presentations.

Who Should Attend

All managers, supervisors and analysts who prepare or use management budgets.

— Learning Objectives

- Defend the importance of linking an organization's budget with its strategic plan
- Demonstrate how the budget relates to the balance sheet, income statement, and cash flow statement
- Prepare the key elements of an operating and capital budget and evaluate the different budgeting approaches used
- Apply cost control tools, analyze management variance reports, and take proper corrective action
- Calculate different capital budgeting evaluation techniques as included in a capital expenditure proposal
- Utilize cost-volume-profit analysis in making budgeting decisions

Course Outline

DAY
1

Planning and the Functions of Management

- The critical functions of management
- Budget as a planning tool
- Control: The missing link
- Roadmap to strategy
- Aligning the budget with the organization's strategy
- Planning pitfalls

DAY
2

The Key Financial Statements

- The accounting system
- The income statement
- The balance sheet
- Retained earnings
- The cash flow statement

DAY
3

Budgeting: Process and Approaches

- The advantages of budgeting
- The budget process
- Rolling budgets
- Direct and indirect costs
- The master budget
- Operating and capital budgets

DAY
4

Approaches to budgeting:

- Incremental budgeting
- Zero-based budgeting
- Flexible budgeting
- Kaizen budgeting and continuous improvement
- Activity-based budgeting
- Tools of forecasting
- Characteristics of an adequate budget
- Problems in budgeting

DAY

5

Cost Control

- Budget as a control tool
- The control process
- Characteristics of an effective control system
- Responsibility reporting
- Day 6: Variance analysis:
 - Identifying the components of variance
 - Taking the corrective action
- Day 7: Capital Expenditure Budgeting and Analysis
 - Time value of money
 - The discount rate: Using cost of capital
 - Simple versus compound interest
 - Identifying and analyzing cash flows
 - Net Present Value (NPV)
 - Internal Rate of Return (IRR)
 - Profitability Index (PI)
 - Pay-Back Period (PBP)
 - Accounting Rate of Return (ARR)
 - Approval for Expenditure (AFE)
 - Sensitivity and risk analysis
- Day 8: Cost Volume Profit Analysis (CVP)
 - Defining fixed costs
 - Defining variable costs
 - Breakeven point in units
 - Breakeven point in dollars
 - Computing breakeven point in sales
 - Sensitivity analysis: Changing assumptions

— Upcoming Classroom Dates

DATE	LOCATION	FEE
19 - 23 October 2026	Kuala Lumpur - Malaysia	€1,400
2 - 6 November 2026	Barcelona - Spain	€1,925
21 - 25 December 2026	London - United Kingdom	€2,100
18 - 22 January 2027	London - United Kingdom	€2,100
15 - 19 February 2027	Frankfurt - Germany	€1,625
15 - 19 March 2027	Barcelona - Spain	€1,925
19 - 23 April 2027	Frankfurt - Germany	€1,625
17 - 21 May 2027	Rome - Italy	€2,125

— Certificate and Registration

Participants who attend and complete the full programme receive a SPARK Training Certificate of Completion. For registration, in-house delivery, or availability questions, contact info@sparktraining.eu or +31 85 115 0004.