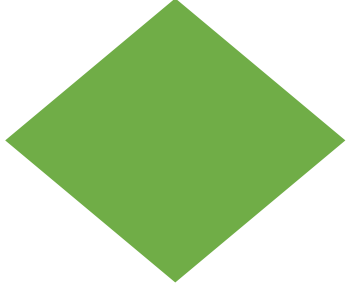




CapPlus
CapitalPlus Exchange



PLANNING & BUDGETING WORKSHOP FOR MICRO- CREDIT INSTITUTIONS

PRESENTED BY

BENJAMIN OSEI MIREKU



Dobro, Nsawam Road
www.trustbooksg.com



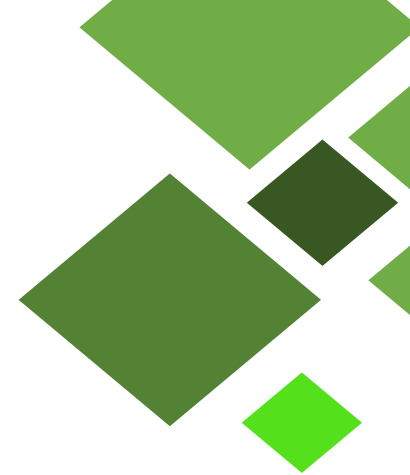
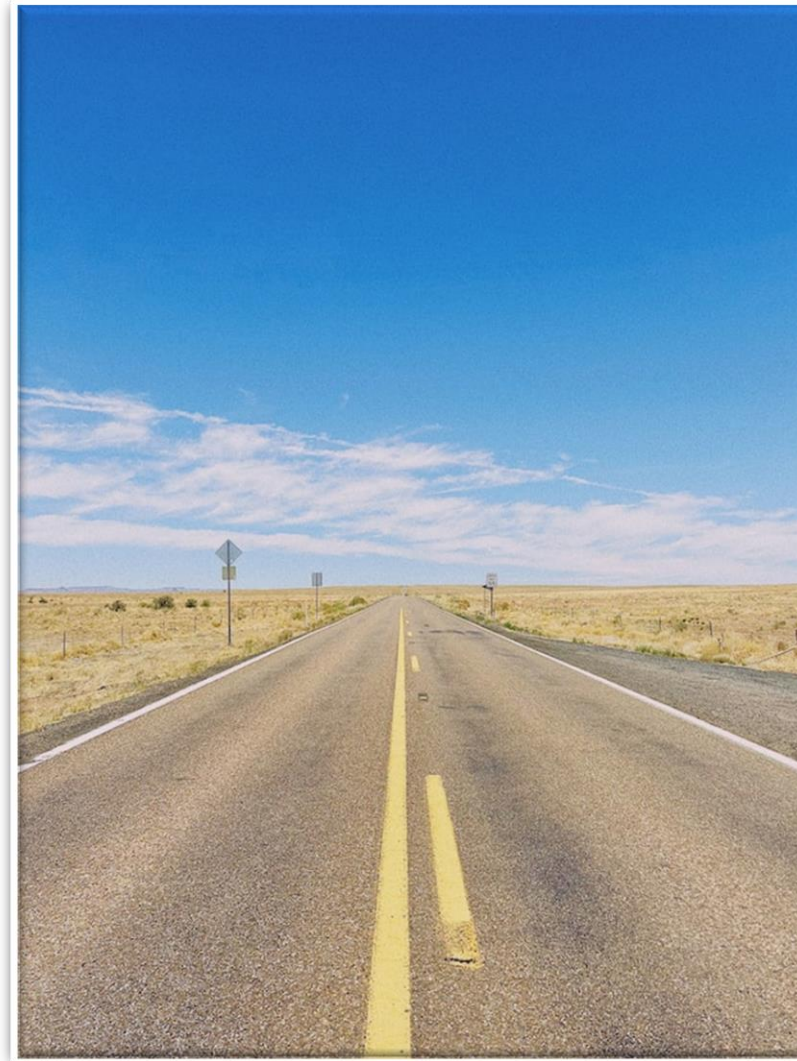
+233 2711 40468
@trustbooksconsult



TrustBooks Consult
@trustbooksg

TrustBooks
CONSULT
.....delivering on the promise

WHERE DO WE SEE OUR BUSINESS IN THE NEXT 5 YEARS?



When did you have that vision?



Do you have your approach to achieving the vision on paper?



Dobro, Nsawam Road

www.trustbooksg.com



+233 2711 40468

@trustbooksconsult



TrustBooks Consult

@trustbooksg

when was the
last time you
checked if you
were on track
with your vision?



How did you check it?



What have you do to achieve that vision?



WHAT IS A BUDGET ?



When people talk about budgeting, have you ever heard any of the following comments:

"This is not my job, It is finance job";

"It is a numbering game. Budget a certain percentage growth over this year and my job is done";

"It is pointless to do budgeting since business scenarios change all the time. The moment the budget gets finalised, the scenario gets changed again";

"Budgeting period is resource fighting time, raise your voice to get bigger share";

"Spend it or you are not going to get it next year".....

A budget is a key management tool for planning, monitoring and controlling the finances of a micro-creditor. It estimates the income and expenditures for a set period of time for your project or organisation



IMPORTANCE OF BUDGETING

- **Facts**
- **Limit expenditures**
- **Creates Financial Roadmap**
- **Plan for growth**



Dobro, Nsawam Road
www.trustbooksg.com



+233 2711 40468
[@trustbooksconsult](https://www.facebook.com/trustbooksconsult)



TrustBooks Consult
[@trustbooksg](https://twitter.com/trustbooksg)

PROBELMS IN BUDGETING

- Budgets can be seen as pressure devices imposed by management, thus resulting in bad labour relations and inaccurate record-keeping.
- Departmental conflict arises due to: disputes over resource allocation and departments blaming each other if targets are not attained.
- It is difficult to reconcile personal/individual and corporate goals.
- Waste may arise as managers adopt the view, "we had better spend it or we will lose it". This is often coupled with "empire building" in order to enhance the prestige of a department.
- Responsibility versus controlling, i.e. some costs are under the influence of more than one person, e.g. power costs.
- Managers may overestimate costs so that they will not be blamed in the future should they overspend.



Dobro, Nsawam Road



www.trustbooksg.com



+233 2711 40468

@trustbooksconsult



TrustBooks Consult

@trustbooksg

BUDGET PREPARATION - KEY SUCCESS FACTORS

- 1. Align Budget with Business Plan**
- 2. Set the right tone from the top**
- 3. Communicate effectively**
- 4. Build up accountability**



Dobro, Nsawam Road
www.trustbooksgh.com



+233 2711 40468
[@trustbooksconsult](https://www.facebook.com/trustbooksconsult)



TrustBooks Consult
[@trustbooksgh](https://twitter.com/trustbooksgh)



HOW TO PREPARE A BUDGET



STEPS

1. FORMULATE A PROFIT PLAN
 - Know the period of your plan
 - Set up your profit goal
2. Set-Up Expense Plan
3. Forecast your income
4. Source and use of funds
5. Prepare a cash budget



BUDGET CONTROL



WHAT IS IT?

Budgetary control is a system of controlling cost which includes preparation of Budgets coordinating the departments and establishing responsibilities comparing performance with budgeted and acting upon results to achieve the maximum profitable.

The process of budgetary control includes:

- 1.Preparation of various budgets.
- 2.Continuous comparison of actual performance with budgetary performance.
- 3.Revision of budgets in the light of changed circumstances.



PURPOSE OF BUDGETARY CONTROL

- 1.They help the manager's co-ordinate resources;
- 2.They help define the standards needed in all control systems;
- 3.They provide clear and unambiguous guidelines about the organization's resources and expectations, and
- 4.They facilitate performance evaluations of managers and units.

BUDGET CONTROL TECHNIQUE

1. Variance Analysis
2. Responsibility Accounting
3. Adjustment of funds
4. Zero based budgeting



Dobro, Nsawam Road
www.trustbooksgh.com



+233 2711 40468
[@trustbooksconsult](https://www.facebook.com/trustbooksconsult)



TrustBooks Consult
[@trustbooksgh](https://twitter.com/trustbooksgh)

BUDGET VARIANCE ANALYSIS

Budget variance analysis is concerned with the difference between budgeted and actual values for a given period of time. By analyzing the variances for line items, projects and target you can monitor and improve performance, as well as catch potential problems early.

The more you break down your budget into individual items, the more useful the analysis will be. If you group items together, it's possible that you'll miss important variances, as the performance of some items could be compensating for others. Spreadsheet software like Excel or Google Sheets can help you do this efficiently and regularly.

PURPOSE OF BUDGET VARIANCE ANALYSIS

Budget variance reports allow you to investigate interesting or worrying differences between the expected and the actual. The finance team needs to provide possible explanations for these variances. In some cases, this may require digging deeper into specific aspects to investigate potential problems or opportunities.

How Do You Calculate Budget Variance?

Budget variances are calculated by subtracting the actual values for each line item from the budgeted value for that line item. This will get you a positive result if the real value is lower than you expected and a negative result if it's higher than expected.

Budget variance = Budget value - Actual value

Some prefer to reverse the polarity by subtracting the budgeted from the actual, giving you a negative result if the value is lower than you expected. While either will work equally well, it's very important to be consistent in their use –that's exactly why we recommend automating this process.

Steps involved in the analysis

1. Gather data
2. Calculate variance
3. Analyze variance
4. Report findings



Dobro, Nsawam Road



www.trustbooksgh.com



+233 2711 40468

@trustbooksconsult



TrustBooks Consult

@trustbooksgh

WHY WORRY ABOUT PRUDENTIAL REPORTING?



It's another quarter end. It's Prudential reporting time.
Don't worry, don't panic. TrustBooks Consult is here for



Find Out More About Us
www.trustbooksgb.com





WHY WORRY ABOUT PRUDENTIAL REPORTING?



It's another quarter end. It's Prudential reporting time.
Don't worry, don't panic. TrustBooks Consult is here for

Find Out More About Us
www.trustbooksgb.com

 Dobro, Nsawam Road
 www.trustbooksgb.com

  +233 2711 40468
  @trustbooksconsult

 TrustBooks Consult
 @trustbooksgb



Services



Services



OUTSOURCE ACCOUNTING & FINANCE

TrustBooks Consult brings clients into the digital age by providing scalable outsourced accounting and finance services that improve a company's workflow and transparency. We understand that business owners want to focus on their passion while having full knowledge of their financial standing and performance.

INTERNAL AUDIT

Our internal audit professionals can work with you to understand your business strategy and its associated business drivers, and how that strategy is delivered through an appropriate operational business plan and process framework. Your stakeholders will benefit from experienced independent professional evaluations and a review of the quality and effectiveness of the control environment within your company.

RECRUITMENTS

Looking to employ An Accountant, Finance Manager, A Financial controller or any Accounting and Finance related role for your organisation, let the professionals in the field do that for you. Our comprehensive recruitment system, rigorous screening process, and full onboarding services guarantee you get the right person in the right role - or the right people in the right positions. We have a broad and deep network of candidates to draw from

PAYROLL

Your business needs payroll. But guess what? You could be doing more with your payroll. And your payroll could be doing more for you. Faster, easier payroll that unlocks insights, improves compliance, and drive towards comprehensive human capital management

BUSINESS CONSULTANCY

Under the consulting banner, TrustBooks Consult works with organizations to improve their performance, primarily through the analysis of existing organizational problems and development of plans for improvement. We also provide organizational change management, assistance, development of coaching skills, technology implementation, strategy development, or operational improvement services

TAXATION

Our Tax division recognizes that taxation constitutes a major business cost. TrustBooks is able to provide advisory, agency and tax compliance services in areas of income and corporation tax, value added tax, custom and excise tax and other direct and indirect taxes. Our tax team has a reputation for creative solutions tailored individually to meet the client needs.

OUTSOURCE ACCOUNTING & FINANCE

TrustBooks Consult brings clients into the digital age by providing scalable outsourced accounting and finance services that improve a company's workflow and transparency. We understand that business owners want to focus on their passion while having full knowledge of their financial standing and performance.

INTERNAL AUDIT

Our internal audit professionals can work with you to understand your business strategy and its associated business drivers, and how that strategy is delivered through an appropriate operational business plan and process framework. Your stakeholders will benefit from experienced independent professional evaluations and a review of the quality and effectiveness of the control environment within your company.

RECRUITMENTS

Looking to employ An Accountant, Finance Manager, A Financial controller or any Accounting and Finance related role for your organisation, let the professionals in the field do that for you. Our comprehensive recruitment system, rigorous screening process, and full onboarding services guarantee you get the right person in the right role - or the right people in the right positions. We have a broad and deep network of candidates to draw from

PAYROLL

Your business needs payroll. But guess what? You could be doing more with your payroll. And your payroll could be doing more for you. Faster, easier payroll that unlocks insights, improves compliance, and drive towards comprehensive human capital management

BUSINESS CONSULTANCY

Under the consulting banner, TrustBooks Consult works with organizations to improve their performance, primarily through the analysis of existing organizational problems and development of plans for improvement. We also provide organizational change management, assistance, development of coaching skills, technology implementation, strategy development, or operational improvement services

TAXATION

Our Tax division recognizes that taxation constitutes a major business cost. TrustBooks is able to provide advisory, agency and tax compliance services in areas of income and corporation tax, value added tax, custom and excise tax and other direct and indirect taxes. Our tax team has a reputation for creative solutions tailored individually to meet the client needs.

How do we charge for services?

Your financial objectives are always our top priority, which is why our billing is based on the value of the services we provide and not necessarily the time allotted to do so. Our commitment to partner with you to achieve your financial success will require an initial consultation. Rest assured that we will take the time to assess your needs and let you get to know us before proceeding

How do we invoice?

All professional services are billed at the agreed-upon interval or at the completion of the project.

If I hire you as my accountant, will you prepare my monthly regulator reports (OASIS, Prudential report, etc?)

Yes. We will prepare all financial reports, including regulator reports

If I am using a software (Zigloi, tally, QuickBooks, Musoni, Peachtree, Sage ERP, etc) why do I need your services?

The software packages are only tools for entering information. We can help you interpret this information to help you become more profitable manage your finances, enhance your internal control and to do the proper tax planning throughout the year to minimize your taxes.

How will you know precisely what services we render and for how much?

We use engagement letters to define our work, our mutual responsibilities to each other, and the fees before we commence our work. The letter is designed to prevent any misunderstandings and describes in detail all services, fees, and other terms and conditions. It functions as a contract to set our expectations for a successful relationship.

How else can you help me other than monthly accounting and tax preparation?

Thinking of buying a business? We can help by preparing cash flow projections, debt service analysis, and reviewing the financial records of the business. Financial analysis - compare your business to others in your industry. Identify key indicators and financial ratios. Recommend and implement accounting systems. GRA tax audit representation

I already have a full time accountant. Why do I still need your Outsourced Accounting Service?

Having an accountant does not end there. You need a CFO/ Financial Controller to

- *** Oversee the Operations of the Accountant,
- *** Help you understand the Numbers in your Business,
- *** Budget Control Analysis
- *** Manage your Finances and Taxes

How do we charge for services?

Your financial objectives are always our top priority, which is why our billing is based on the value of the services we provide and not necessarily the time allotted to do so. Our commitment to partner with you to achieve your financial success will require an initial consultation. Rest assured that we will take the time to assess your needs and let you get to know us before proceeding

How do we invoice?

All professional services are billed at the agreed-upon interval or at the completion of the project.

If I hire you as my accountant, will you prepare my monthly regulator reports (OASIS, Prudential report, etc?)

Yes. We will prepare all financial reports, including regulator reports

If I am using a software (Zigloi, tally, QuickBooks, Musoni, Peachtree, Sage ERP, etc) why do I need your services?

The software packages are only tools for entering information. We can help you interpret this information to help you become more profitable manage your finances, enhance your internal control and to do the proper tax planning throughout the year to minimize your taxes.

How will you know precisely what services we render and for how much?

We use engagement letters to define our work, our mutual responsibilities to each other, and the fees before we commence our work. The letter is designed to prevent any misunderstandings and describes in detail all services, fees, and other terms and conditions. It functions as a contract to set our expectations for a successful relationship.

How else can you help me other than monthly accounting and tax preparation?

Thinking of buying a business? We can help by preparing cash flow projections, debt service analysis, and reviewing the financial records of the business. Financial analysis - compare your business to others in your industry. Identify key indicators and financial ratios. Recommend and implement accounting systems. GRA tax audit representation

I already have a full time accountant. Why do I still need your Outsourced Accounting Service?

Having an accountant does not end there. You need a CFO/ Financial Controller to

- *** Oversee the Operations of the Accountant,
- *** Help you understand the Numbers in your Business,
- *** Budget Control Analysis
- *** Manage your Finances and Taxes