

Modern Budgeting for Profit Planning and Control

Chapter 1:

The What and Why of Budgeting

Learning Objectives

After studying this chapter, you will be able to:

- Recognize the different types of budgets
- Identify characteristics and advantages of budgeting

Chapter 2:

Strategic Planning and Budgeting

Learning Objectives

After studying this chapter, you will be able to:

- Recognize how strategic planning and budgeting are linked together
- Identify certain budget measurements
- Distinguish between short-term and long-term plans

Chapter 3:

Profit Planning: Targeting and Reaching Achievable Goals

Learning Objectives

After studying this chapter, you will be able to:

- Identify objectives of profit planning
- Recognize metrics in the profit plan

Chapter 4:

Administering the Budget: Reports, Analyses, and Evaluations

Learning Objectives

After studying this chapter, you will be able to:

- Recognize the major types of budget reports
- Identify the components of the budget sheet

Chapter 5:

Cost Behavior: Emphasis On Flexible Budgets and Contribution Margin

Learning Objectives

After studying this chapter, you will be able to:

- Identify examples of variable costs, fixed costs, and mixed costs
- Recognize two methods of developing a flexible budget formula: the high-low method and regression analysis
- Calculate fixed costs and overhead costs

Chapter 6:

Responsibility Accounting and Reporting To Management

Learning Objectives

After studying this chapter, you will be able to:

- Distinguish among three types of responsibility centers.
- Identify weaknesses of many cost systems

Chapter 7:

Master Budget: Genesis of Forecasting and Profit Planning

Learning Objectives

After studying this chapter, you will be able to:

- Identify examples of financial budgets
- Recognize components of overhead

Chapter 8:

Using Variance Analysis to Evaluate Performance

Learning Objectives

After studying this chapter, you will be able to:

- Recognize the purpose and causes of variance analysis
- Recognize where certain variances arise
- Identify the value of performance reports

Chapter 9:

Budgeting Sales and Sales Forecasts

Learning Objectives

After studying this chapter, you will be able to:

- Identify the importance of a reasonable sales budget
- Differentiate between sales planning and sale forecast

Chapter 10:

Budgeting Manufacturing Costs

Learning Objectives

After studying this chapter, you will be able to:

- Recognize fixed vs. semi-variable vs variable costs
- Understand the applicability of static budgets

- Recognize how the flexible budget formula help develop the factory overhead budget

Chapter 11:

Budgeting for Sales, Advertising, and Distribution Expenses

Learning Objectives

After studying this chapter, you will be able to:

- Recognize the procedures for developing advertising budgets and some characteristics of the advertising budget
- Identify some methods of calculating advertising budgets

Chapter 12:

Budgeting General and Administrative Expenses and R&D Costs

Learning Objectives

After studying this chapter, you will be able to:

- Recognize items included in the budget process for general and administrative expenses
- Identify the factors that need to be considered in R&D planning

Chapter

13:

Cash Flow Forecasting and Budgeting

Learning Objectives

After studying this chapter, you will be able to:

- Recognize the importance, attributes and components in a cash budgeting system
- Identify advantages of using “what-if” scenarios when budgeting

Chapter

14:

Budgeting for Capital Expenditures

Learning Objectives

After studying this chapter, you will be able to:

- Identify factors in considering capital expenditures
- Recognize components of the capital expenditures budget

Chapter

15:

Zero-Base Budgeting: Priority Budgeting for Best Resource Allocation

Learning Objectives

After studying this chapter, you will be able to:

- Recognize the steps involved in zero-base budgeting and how often it should be conducted
- Recognize what is involved in a decision package

Chapter

16:

Budgeting for Service Businesses

Learning Objectives

After studying this chapter, you will be able to:

- Recognize the special features associated with planning and budgeting for service businesses.

Chapter

17:

Budgeting for Nonprofit Organizations

Learning Objectives

After studying this chapter, you will be able to:

- Identify the unique features and characteristics of governmental and nonprofit organizations (NPOs)