



Course: **Cash Management: A Practical Approach to Cash Flow Management**

Contact Hours: **18 Hours**

Pre-requisite: **None**

Course Objectives

Effective cash management is vital to business sustainability and growth. This course will provide participants with a practical framework to develop and operate an efficient cash management system within their organisations. By the end of the course, participants will:

- Understand the difference between cash flow and profits and their impact on business operations.
- Develop and use cash flow forecasts to guide business decisions.
- Analyse and interpret cash flow statements to improve liquidity.
- Manage working capital efficiently to free up cash within the business.
- Identify appropriate sources of finance and optimise returns on surplus funds.
- Apply capital budgeting techniques to assess investment opportunities.

Through case studies, mock scenarios, and discussions, participants will develop actionable skills to support IR functions within their organisations.

Target Audience

This course is designed for entrepreneurs, finance officers, small business owners, managers, administrative staff, and individuals seeking to strengthen their understanding of how cash flows through a business. It will enable participants to learn how to optimise free cash flow, manage the cost of capital, and invest surplus funds to enhance company value.

Learning Outcomes

Upon successful completion of this course, participants will be able to:

1. Explain the principles and challenges of effective cash management in a business context.
2. Prepare and interpret cash budgets and cash flow forecasts.
3. Analyse cash flow statements to inform financial decision-making.
4. Implement strategies to manage working capital, including receivables, payables, and inventory.
5. Evaluate financing options to support business cash flow needs.
6. Apply discounted cash flow and other capital budgeting techniques for investment planning.
7. Develop actionable plans to optimise liquidity while supporting business growth.

Assessment Methods

- Short quizzes to reinforce key concepts.
- Practical case study analysis on cash flow management.
- Preparation of a basic cash flow forecast for a sample business scenario.
- Group discussions on working capital challenges in real business environments.

Topics Covered

Session 1 – Introduction and Overview

- Introduction to cash management
- Cash flow vs. profits: key distinctions
- Understanding the cash management challenge in business

Session 2 – Cash Flow Forecasting

- Preparing cash budgets
- Estimating cash inflows and outflows
- Practical forecasting exercise

Session 3 – Analysing the Cash Flow Statement

- Components of the cash flow statement: Operating, Investing, and Financing cash flows
- Using cash flow statements for business decision-making
- Identifying signs of liquidity issues

Session 4 – Working Capital Management

- Strategies for managing inventory efficiently
- Techniques for receivables management and credit policies
- Managing payables to optimise cash flow

Session 5 – Financing for Cash Management

- Sources of short-term and long-term finance
- Evaluating the cost of financing options
- Optimising returns on surplus cash

Session 6 – Capital Budgeting and Investment Planning

- Capital expenditure planning and its impact on cash flow
- Understanding the cost of capital
- Applying discounted cash flow (DCF) and other techniques to assess investment projects

Learning Approach

The course will blend theory with practice, using real-life examples and case studies to ensure participants can immediately apply concepts to their workplace. Emphasis will be placed on using tools and checklists to simplify the monitoring and management of cash flow in small to medium enterprises.