Budgeting and Rolling Forecasts

CertiFi micro-credential

1 course · 5 lessons · about 3 study hours · issued 28 Nov 2026

CF-07

Budgeting and Rolling Forecasts

About 3 study hours · 5 lessons · pass mark 70% · AED 299

Build a budget that the business owns and a rolling forecast that keeps it useful all year. Following an Abu Dhabi building-materials distributor, you will plan the budget calendar, build revenue from drivers, set cost and headcount budgets, link profit to cash and the balance sheet, then replace the static budget review with a monthly rolling forecast and clear variance analysis.

On completion, you will be able to:

- Run a budget process with a clear calendar, owners and assumptions
- Build revenue and cost budgets from business drivers rather than last year plus a percentage
- Link the profit budget to cash flow and the balance sheet
- Analyse budget variances into price, volume and mix and explain them in plain language
- Set up a monthly rolling forecast that looks 12 months ahead

Learning outcomes by lesson

1. What a budget is for, and the budget calendar

- Explain the four jobs a budget does: plan, allocate, coordinate and measure
- Compare top-down, bottom-up and driver-based budgeting
- Set a budget calendar with owners and deadlines
- Write the assumptions book that everyone works from

2. Driver-based revenue and cost budgets

- Identify the drivers behind revenue and costs
- Build a revenue budget from customers, volumes, prices and mix
- Build headcount and overhead budgets
- Avoid "last year plus 5%"

3. From profit budget to cash and balance sheet

- Explain why a profit budget alone is not enough
- Convert the profit budget into a cash budget using working capital days
- Budget capital expenditure and financing
- Check the budget with a balanced three-statement view

4. Variance analysis that explains, not just reports

- Calculate variances and present them consistently
- Split a sales variance into volume, price and mix
- Separate controllable from non-controllable variances
- Write commentary that leads to action

5. Rolling forecasts: keeping the plan alive

- Explain why a static annual budget loses value during the year
- Set up a 12-month rolling forecast updated monthly
- Decide what to forecast in detail and what to keep simple
- Use the forecast for decisions, while keeping the budget for accountability