aractech
Global Learning for Operational Leaders



ACCOUNTING AND FINANCE | AF-055

Capital Budgeting and Investment Appraisal

Contact

+31 85 7444446
info@aractech.com
https://aractech.com

Address

Waarderweg 50, 2031 BP Haarlem - Netherlands.

aractech
Global Learning for Operational Leaders

Course content

Why Attend

Capital investment decisions commit large amounts of money for many years and are difficult to reverse. Choosing the wrong project, underestimating costs or ignoring risk can damage financial performance long after the decision makers have moved on.

This Capital Budgeting and Investment Appraisal training course equips participants with the tools to evaluate investment proposals rigorously and consistently. Participants learn how to prepare relevant cash flows, estimate the cost of capital, apply discounted cash flow techniques and interpret the results of net present value, internal rate of return, payback and profitability index measures.

Course Methodology

• Learning is highly applied. Each technique is introduced with a short explanation and then practised in spreadsheet exercises using realistic investment cases from manufacturing, energy, infrastructure and services. Participants work in teams to evaluate competing proposals and defend their recommendations in a simulated investment committee.

Course Objectives

• Explain the capital budgeting process and its role in strategic resource allocation

• Identify relevant cash flows, including working capital, tax and terminal values

• Estimate an appropriate discount rate using cost of capital principles

• Apply net present value, internal rate of return, payback and profitability index methods

• Analyse investment risk using sensitivity, scenario, break-even and simulation techniques

• Prioritise projects under capital rationing and compare mutually exclusive options

Target Audience

• Finance managers, analysts and financial controllers

• Corporate finance and investment professionals

• Project and engineering managers preparing capital proposals

Global Learning for Operational Leaders

Course content

- Strategy and business development managers

aractech
Global Learning for Operational Leaders

Course outline

Detailed course outline

Day-by-day outline for Capital Budgeting and Investment Appraisal.

Day 1 - The Capital Investment Process

• 09:00-09:30 | Strategic Role of Capital Budgeting: Linking investment to long-term objectives

• 09:30-10:00 | Types of Investment: Replacement, expansion, compliance, strategic and innovation projects

• 10:00-10:30 | The Investment Lifecycle: Idea generation, screening, appraisal, approval and review

• 10:30-11:00 | Time Value of Money: Compounding, discounting and annuities

• 11:00-11:30 | Coffee break

• 11:30-12:00 | Common Decision Biases: Optimism, sunk costs and anchoring

• 12:00-13:00 | Building a Sound Business Case: Structure and required evidence

• 13:00-14:00 | Case Study: Reviewing a capital proposal that failed to deliver

Day 2 - Cash Flows and the Cost of Capital

• 09:00-09:34 | Relevant Cash Flows: Incremental, opportunity and allocated costs

• 09:34-10:08 | Working Capital, Tax and Inflation: Adjusting cash flow forecasts correctly

• 10:08-10:42 | Terminal Values and Project Life: Estimating long-term value

• 10:42-11:00 | Cost of Equity and Cost of Debt: Principles and estimation approaches

• 11:00-11:30 | Coffee break

• 11:30-11:46 | Cost of Equity and Cost of Debt: Principles and estimation approaches (continued)

• 11:46-12:20 | Weighted Average Cost of Capital: Calculation and appropriate use

• 12:20-12:53 | Project-Specific Discount Rates: Adjusting for risk and financing

• 12:53-14:00 | Practical Exercise: Building the cash flow forecast for an expansion project

aractech
Global Learning for Operational Leaders

Course outline

Detailed course outline

Day-by-day outline for Capital Budgeting and Investment Appraisal.

Day 3 - Appraisal Techniques

• 09:00-09:34 | Net Present Value: Calculation, interpretation and decision rules

• 09:34-10:08 | Internal Rate of Return: Strengths, limitations and multiple-rate problems

• 10:08-10:42 | Payback and Discounted Payback: Uses in liquidity-constrained settings

• 10:42-11:00 | Profitability Index and Equivalent Annual Cost: Comparing projects of different sizes and lives

• 11:00-11:30 | Coffee break

• 11:30-11:46 | Profitability Index and Equivalent Annual Cost: Comparing projects of different sizes and lives (continued)

• 11:46-12:20 | Lease Versus Buy Decisions: Comparing financing alternatives

• 12:20-12:53 | Capital Rationing: Ranking and selecting projects under budget limits

• 12:53-14:00 | Workshop: Evaluating and ranking a portfolio of competing proposals

Day 4 - Risk and Strategic Considerations

• 09:00-09:30 | Sensitivity and Break-Even Analysis: Identifying critical assumptions

• 09:30-10:00 | Scenario Analysis: Best, expected and worst case outcomes

• 10:00-11:00 | Monte Carlo Simulation: Concepts and practical spreadsheet application

• 11:00-11:30 | Coffee break

• 11:30-12:00 | Real Options Thinking: Valuing flexibility to expand, delay or abandon

• 12:00-12:30 | Non-Financial Factors: Safety, sustainability, reputation and strategic fit

• 12:30-13:00 | Multi-Criteria Decision Analysis: Combining financial and qualitative factors

• 13:00-14:00 | Practical Exercise: Risk analysis of a major equipment investment

aractech
Global Learning for Operational Leaders

Course outline

Detailed course outline

Day-by-day outline for Capital Budgeting and Investment Appraisal.

Day 5 - Governance and Post-Investment Review

- 09:00-09:34 | Capital Governance Frameworks: Authority levels, gates and committees
- 09:34-10:08 | Challenging Business Cases: Key questions for reviewers
- 10:08-10:42 | Monitoring Approved Projects: Cost, schedule and benefit tracking
- 10:42-11:00 | Post-Investment Reviews: Comparing outcomes with original assumptions
- 11:00-11:30 | Coffee break
- 11:30-11:46 | Post-Investment Reviews: Comparing outcomes with original assumptions (continued)
- 11:46-12:20 | Improving Future Decisions: Feeding lessons into appraisal guidelines
- 12:20-12:53 | Communicating Investment Recommendations: Clear, balanced presentations
- 12:53-14:00 | Simulation: Investment committee presentation and decision

aractech
Global Learning for Operational Leaders

Seminar dates

Available seminar dates

Live dates and pricing for Capital Budgeting and Investment Appraisal generated from the course details page.

Date	Location	Format	Fee
21 - 25 December 2026	London	Classroom	**€2,915**
7 - 11 December 2026	Barcelona	Classroom	**€2,275**
14 - 18 December 2026	Frankfurt	Classroom	**€2,175**
11 - 15 January 2027	London	Classroom	**€2,915**
18 - 22 January 2027	Barcelona	Classroom	**€2,275**
25 - 29 January 2027	Frankfurt	Classroom	**€2,175**
4 - 8 January 2027	Rome	Classroom	**€2,830**
15 - 19 February 2027	London	Classroom	**€2,915**
22 - 26 February 2027	Barcelona	Classroom	**€2,275**
1 - 5 February 2027	Frankfurt	Classroom	**€2,175**

aractech
Global Learning for Operational Leaders

Seminar dates

Available seminar dates

Live dates and pricing for Capital Budgeting and Investment Appraisal generated from the course details page.

Date	Location	Format	Fee
8 - 12 February 2027	Vienna	Classroom	**€3,425**
22 - 26 March 2027	London	Classroom	**€2,915**
1 - 5 March 2027	Barcelona	Classroom	**€2,275**
8 - 12 March 2027	Frankfurt	Classroom	**€2,175**
15 - 19 March 2027	Amsterdam	Classroom	**€3,215**
5 - 9 April 2027	London	Classroom	**€2,915**
12 - 16 April 2027	Barcelona	Classroom	**€2,275**
19 - 23 April 2027	Frankfurt	Classroom	**€2,175**
26 - 30 April 2027	Cape Town	Classroom	**€1,825**
10 - 14 May 2027	London	Classroom	**€2,915**

aractech
Global Learning for Operational Leaders

Seminar dates

Available seminar dates

Live dates and pricing for Capital Budgeting and Investment Appraisal generated from the course details page.

Date	Location	Format	Fee
17 - 21 May 2027	Barcelona	Classroom	**€2,275**
24 - 28 May 2027	Frankfurt	Classroom	**€2,175**
3 - 7 May 2027	Dubai	Classroom	**€2,845**
21 - 25 June 2027	London	Classroom	**€2,915**
7 - 11 June 2027	Barcelona	Classroom	**€2,275**
14 - 18 June 2027	Frankfurt	Classroom	**€2,175**
26 - 30 July 2027	London	Classroom	**€2,915**
5 - 9 July 2027	Barcelona	Classroom	**€2,275**
12 - 16 July 2027	Frankfurt	Classroom	**€2,175**
19 - 23 July 2027	Istanbul	Classroom	**€2,825**

aractech
Global Learning for Operational Leaders

Seminar dates

Available seminar dates

Live dates and pricing for Capital Budgeting and Investment Appraisal generated from the course details page.

Date	Location	Format	Fee
2 - 6 August 2027	London	Classroom	**€2,915**
9 - 13 August 2027	Barcelona	Classroom	**€2,275**
16 - 20 August 2027	Frankfurt	Classroom	**€2,175**
23 - 27 August 2027	Kuala lumpur	Classroom	**€2,425**
20 - 24 September 2027	London	Classroom	**€2,915**
6 - 10 September 2027	Barcelona	Classroom	**€2,275**
13 - 17 September 2027	Frankfurt	Classroom	**€2,175**
18 - 22 October 2027	London	Classroom	**€2,915**
25 - 29 October 2027	Barcelona	Classroom	**€2,275**
4 - 8 October 2027	Frankfurt	Classroom	**€2,175**

aractech
Global Learning for Operational Leaders

Seminar dates

Available seminar dates

Live dates and pricing for Capital Budgeting and Investment Appraisal generated from the course details page.

Date	Location	Format	Fee
11 - 15 October 2027	Munich	Classroom	**€2,425**
22 - 26 November 2027	London	Classroom	**€2,915**
1 - 5 November 2027	Barcelona	Classroom	**€2,275**
8 - 12 November 2027	Frankfurt	Classroom	**€2,175**
15 - 19 November 2027	Paris	Classroom	**€2,810**
6 - 10 December 2027	London	Classroom	**€2,915**
13 - 17 December 2027	Barcelona	Classroom	**€2,275**
20 - 24 December 2027	Frankfurt	Classroom	**€2,175**
27 - 31 December 2027	Rome	Classroom	**€2,830**
21 - 25 December 2026	Online / Live	Online / Live	**€1,625**

aractech
Global Learning for Operational Leaders



Seminar dates

Available seminar dates

Live dates and pricing for Capital Budgeting and Investment Appraisal generated from the course details page.

Date	Location	Format	Fee
7 - 11 December 2026	Online / Live	Online / Live	**€1,625**
14 - 18 December 2026	Online / Live	Online / Live	**€1,625**
11 - 15 January 2027	Online / Live	Online / Live	**€1,625**
18 - 22 January 2027	Online / Live	Online / Live	**€1,625**
25 - 29 January 2027	Online / Live	Online / Live	**€1,625**
4 - 8 January 2027	Online / Live	Online / Live	**€1,625**
15 - 19 February 2027	Online / Live	Online / Live	**€1,625**
22 - 26 February 2027	Online / Live	Online / Live	**€1,625**
1 - 5 February 2027	Online / Live	Online / Live	**€1,625**
8 - 12 February 2027	Online / Live	Online / Live	**€1,625**

aractech
Global Learning for Operational Leaders

Seminar dates

Available seminar dates

Live dates and pricing for Capital Budgeting and Investment Appraisal generated from the course details page.

Date	Location	Format	Fee
22 - 26 March 2027	Online / Live	Online / Live	**€1,625**
1 - 5 March 2027	Online / Live	Online / Live	**€1,625**
8 - 12 March 2027	Online / Live	Online / Live	**€1,625**
15 - 19 March 2027	Online / Live	Online / Live	**€1,625**
5 - 9 April 2027	Online / Live	Online / Live	**€1,625**
12 - 16 April 2027	Online / Live	Online / Live	**€1,625**
19 - 23 April 2027	Online / Live	Online / Live	**€1,625**
26 - 30 April 2027	Online / Live	Online / Live	**€1,625**
10 - 14 May 2027	Online / Live	Online / Live	**€1,625**
17 - 21 May 2027	Online / Live	Online / Live	**€1,625**

aractech
Global Learning for Operational Leaders

Seminar dates

Available seminar dates

Live dates and pricing for Capital Budgeting and Investment Appraisal generated from the course details page.

Date	Location	Format	Fee
24 - 28 May 2027	Online / Live	Online / Live	**€1,625**
3 - 7 May 2027	Online / Live	Online / Live	**€1,625**
21 - 25 June 2027	Online / Live	Online / Live	**€1,625**
7 - 11 June 2027	Online / Live	Online / Live	**€1,625**
14 - 18 June 2027	Online / Live	Online / Live	**€1,625**
26 - 30 July 2027	Online / Live	Online / Live	**€1,625**
5 - 9 July 2027	Online / Live	Online / Live	**€1,625**
12 - 16 July 2027	Online / Live	Online / Live	**€1,625**
19 - 23 July 2027	Online / Live	Online / Live	**€1,625**
2 - 6 August 2027	Online / Live	Online / Live	**€1,625**

aractech
Global Learning for Operational Leaders

Seminar dates

Available seminar dates

Live dates and pricing for Capital Budgeting and Investment Appraisal generated from the course details page.

Date	Location	Format	Fee
9 - 13 August 2027	Online / Live	Online / Live	**€1,625**
16 - 20 August 2027	Online / Live	Online / Live	**€1,625**
23 - 27 August 2027	Online / Live	Online / Live	**€1,625**
20 - 24 September 2027	Online / Live	Online / Live	**€1,625**
6 - 10 September 2027	Online / Live	Online / Live	**€1,625**
13 - 17 September 2027	Online / Live	Online / Live	**€1,625**
18 - 22 October 2027	Online / Live	Online / Live	**€1,625**
25 - 29 October 2027	Online / Live	Online / Live	**€1,625**
4 - 8 October 2027	Online / Live	Online / Live	**€1,625**
11 - 15 October 2027	Online / Live	Online / Live	**€1,625**

aractech
Global Learning for Operational Leaders



Seminar dates

Available seminar dates

Live dates and pricing for Capital Budgeting and Investment Appraisal generated from the course details page.

Date	Location	Format	Fee
22 - 26 November 2027	Online / Live	Online / Live	**€1,625**
1 - 5 November 2027	Online / Live	Online / Live	**€1,625**
8 - 12 November 2027	Online / Live	Online / Live	**€1,625**
15 - 19 November 2027	Online / Live	Online / Live	**€1,625**
6 - 10 December 2027	Online / Live	Online / Live	**€1,625**
13 - 17 December 2027	Online / Live	Online / Live	**€1,625**
20 - 24 December 2027	Online / Live	Online / Live	**€1,625**
27 - 31 December 2027	Online / Live	Online / Live	**€1,625**