

A Suggested Model of the Impact Measurement of the Cash Budget under the Events' Approach in the Risks and Returns

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The research is aimed at preparing the cash budget in accordance with the events' approach; the disaggregate value of each item helps predict the exact financial needs as well as surplus funds obtained in the best way and the best way to invest cash to increase returns and reduce risk. The research has reached many conclusions, including the cash budget in accordance with the event approach which will support increased returns and reduce risk. The research found many recommendations: the foremost was that economic entities should prepare a cash budget according to the events' approach to increase returns and reduce risk.

Key words: *Events' approach, cash budget, returns, risk.*

Introduction

Witnessing the current environment of strong competition between economic entities, it requires the careful planning of resources in general and financial resources, in particular; through the proper preparation of the cash budget and the requirements of the current environment, this means that the preparation of the cash budget, according to the approach of the traditional value, is not consistent with the requirements of the environment. Therefore, it requires it to be prepared in accordance with the modern approach i.e. the events' approach, or the behavioural approach, through which to obtain accurate financial information, the timeliness for the needs of their excess funds and to be managed and invested rationally to increase return and reduce risk.

Importance of the Cash Budget

The cash budget aims to provide sufficient cash to cover short-term obligations and long-term commitments that deserve payment during the budget period and are used to determine the timing and amount of short-term borrowing to maintain liquidity of the project; it is also used to determine the timing of the availability of excess cash in order to manage the economic entities from a plan to invest efficiently. Also the cash budget is aimed at determining the value of cash receipts and cash payments during the budget period and the difference between them; this allows the administration to invest surplus funds before its time requirement; here we must note that we only care about the movement of cash and it must exclude any non-cash expenses. The cash receipts' value depends on future sales to total sales on account and collection policies espoused by the establishment, as well as stop payments to creditors. The uniform accounting system requires that each economic entity, balancing cash receipts and payments, shows surplus or deficit which helps to study the funding situation for economic entities. Cash budgeting relies on estimates from the rest of the current budget and the schedule of investments as well as receipts expected to collect revenue from previous years, payments that are expected to pay the expenses of the previous years (Hansen&mowen,2007: 325).

Objectives of the Cash Budget

- 1.The planning returns' cash payments for a certain period is sufficiently disaggregate to ensure continuity of operations and liabilities & cash management to positively verify targets or goals.
2. Reconciliation between cash receipts and payments for the provision of the necessary cash to get the flow of material, labour, equipment and current expenses in addition to the payment of any obligations.
3. The cash budget is the final product of cash planning which aims mainly to achieve efficient management of cash resources to provide the required time needed to exploit the surplus; this needed time increase is to explore alternatives to finance the deficit when choosing the best work in studying alternatives to the exploitation of surplus.

Uses of the Cash Budget

- 1.The cash budget is an essential tool for the financial manager because it helps to show a surplus which will give him an opportunity to find the best sources for his cash deficit.
- 2.A tool to demonstrate the ability of the entities to distribute dividends to the owners and dates of distribution which does not constitute a burden on the liquidity of the entities.

3.The cash budget helps the finance director to determine the periods he/she can pay their borrowed funds' entities or any other obligations to show periods where there is excess liquidity.

4.Assist the finance manager in the optimal use of the monetary entities which have the largest profits.

Despite foregoing the benefits of using a cash budget, it can be said that there are limits to the use of the budget as there are aspects that may lead to the weakening and failure to effectively use them. This requires taking into account the following (kaplen&young,2012:395):

1.Precision in the estimates: The cash budget is on a discretionary basis; the effective use depends largely on the health of the estimates based on facts and data that can be obtained. It is imperative that accurate estimates by the financial director, of periodic and ongoing comparison of actual results with substantive estimates of deviations, are made.

2.Appropriate time period: the success of the cash budget in achieving its goals over the appropriate time period covered. On the other hand, the preparation of the budget for a long period may cause many obstacles.

3.The availability of the spirit of cooperation between different administrative levels: the implementation of the cash budget cannot happen automatically without the active participation of all levels of the management unit. Also to feel responsibility for the extent to which the objectives are built.

Concept of Events Approach

The events' approach is considered one of the most important attempts in the expansion of the disclosure. The event approach is fact or process that has an economic or financial impact on the accounting entities (Sorter, 2011:13-17).

The events, approach as the occurrence of the phenomenon or a deal, can be observed. Porwal sees that the event can be seen in certain characteristics of the user and can later refer to the same characteristics to predict the same event (Porwal, 1997: 28). The event is also intended to reality with the impact of the economic entities or cause changes in assets, liabilities and equity (Kieso et al, 2007: 63).

The event may be the external output of the economic entities' impact of something happening in outer space, a result of the relationship of the entities with external parties (such as the purchase of assets or borrowing) or as a result of changes in the markets in which the deal economic entity (such as interest rate change or increase prices products). Also, the economic event may be an internal event applying to events in which the economic entity is



the only party, and for example, engage in productive processes, such as the use of raw materials and services in order to produce goods or services. This applies also to some of the events that represent a risk to the economic entity which was caused by other economic entities such as the loss of the assets of the economic entities as a result of fire (Eldon, 1977:15).

Events' approaches have appeared for the first time after the difference of opinion between members of the American Accounting Association (AAA), which issued a statement on the basic theory of accounting in 1966, where the majority of the members of the committee preferred the value approach of financial reporting for economic entities, while one of its members preferred a sorter events' approach as an alternative to the value approach (Zhang, 2005: 11).

The sorter pro events approach is that the purpose of accounting president should be centred around the provision of information on economic events; this is useful not for models of specific decisions as is the case of the of the value approach, but useful for various models of decisions. It should focus on the role of the accountant in providing sufficient information about the events, leaving the user to adapt the information according to its own decisions' models, according to his/her needs (Sorter, 1969: 13). Hendriksen sees that events, if there is increased knowledge about the user models decisions, are consistent with the events' approach with a greater degree of compatibility with the approach value (Hendriksen, 1977: 16).

The possibilities of accounting information users different and therefore the detail in the financial statements is easier for users of the information used in making their decisions better than just a show for the total number of those lists, and not the possibility of financial reporting users of access to records accounting for economic entities imposed on the economic entities that operates financial reports detailed users. However, he/she called for the use of the approach to postulate confirmation of the mean estimate of accounting events of the financial statements, where he/she stressed that it is necessary to know the changes in the balance sheet for the conclusion of events that took place during the period, which was prepared by the treatment of accounting operations on that list. It focuses on the events' approach to provide a wide data on all events to meet the needs of users, including non-financial data to bring economic entity of great importance for different users (Galina's et al, 2004: 71).

With the development of society in the information age and the changing needs of users to a sudden increase in the information to be used in the forecast, that information is based on events. According to the events' approach, and accounting point of view, the possibility of note exchange rate and the possibility of verification and suitability is assumed (Hendriksen,

1977: 16). Porwal sees that the aim of the events' approach is to maximise the prediction of accounting reports by focusing on the qualities of the most important events of convenience and accuracy for users. Sorter has offered his interpretation of the events' approach, which was adopted to solve the problems of the value approach and the rules during the following two processes (Porwal, 1997: 28).

1. Must be organised items in the financial statements formula which helps to maximise the ability of users in re-aggregated events where data is arranged in a moment of preparation.
2. Any economic event descriptions are easy to predict as similar events in the future process.

The difference between the value approach and the events' approach is reflected in the traditional financial statements which are the same, as is the income statement in accordance with the value approach of an indicator of the result of the economic work of the entities for a specific time period; they have been prepared according to the total year which is based on the compilation, summary and interview process, while the longer the list, according to the events' approach, it is a tool for the transfer of information about events that occurred during the period. Sorter proposes the following rule for the construction of the income statement according to the events' approach: each event must be described as easy to predict the same event at the next session after taking into account external changes (Sorter, 1969: 16). While the longer statement of the financial position is in accordance with the value approach of an indicator of the financial situation in the economic entity at a certain moment in time, this list is a tool according to the events' approach and is a direct transfer of information on all events relating to economic unity since it was founded. Sorter proposes the following rule to build a list of financial positions in accordance with the events' approach : the balance sheet should allow maximising the possibility of re-building events that will be collected with each other, meaning that the base includes a demand and provides the possibility of aggregates "disaggregation" analysis, since the economic entity is found to be longer; this is so it looks to the statement of financial position after the compilation of the events that occurred in the past, and can generate information about the disaggregate events that are of interest. (Sorter, 1969: 16). While a longer list of resources and uses, according to the value approach, express changes in working capital, the events' approach represents the best display of the events of finance and investment. The events' approach focuses on the event itself (entities of economic activity) and not on its impact on working capital.

There is a complaint about the value approach and the events' approach, which uses a lot of paper, and there is a rise in paper costs, as well as the labour costs required in all publishing paper stages, the problems of storage and spatial sources of paper, and the nature of the assets paper being perishable and tearing. Therefore financial reporting based on the paper to provide adequate information for decisions failed, and dropped its importance for investors and analysts (Jensen & Xiao, 2001: 210). Accordingly, the financial reporting based on the

paper system will be changed in the end in response to the availability of advanced information technology and the changing expectations of users (Chan et al, 2007: 53).

The events' approach is important in the decision-making in the economic entities so that the principle of disclosure is more convenient. After the development of communications' technology has become easier, application of the events' approach is on the form of a database containing all the events in the 31/12 of each year, or during the year. The balance sheet and a statement of owners' equity are all related to events from 1/1 to 31/12 each year as well as the beginning balances for the same year. The other statements (the income statement and statement of cash flows) are all related to events from 1/1 to 31/12 of each year.

The events' approach uses the database and communications technology, including some of the benefits, to reduce costs and save time and effort; disaggregate information for some users and access to information of all users are easier and faster. We will review the importance of the latest approach and its role in the preparation of the cash budget.

In view of the multiplicity and diversity of stakeholders in the accounting reports of the approach of expanding the disclosure as a practical and logical solution to the problem of inability to identify the needs of users of accounting information reports, this approach means simply (expanding disclosure) to meet the greatest needs to address the problem of heterogeneity of the needs of users of accounting reports. Here was the trend towards further expansion of disclosure, and where each class can choose the appropriate information.

The Concept of Risk and Return

Through research in accounting and finance literature, it is noted that there are several definitions dealt term yield as reflect these definitions vision and perspectives of various researchers around the return explained glossary of accounting and financial terms that there is no precise definition of profit; however, the accountants uses this word, the difference between revenue and the value of the cost that belong to this or that revenue spent with a view get this revenue. Income received on an investment plus any change in market price, is usually expressed as a percent of the beginning market price of the investment. Also, return on wealth generated by a given level of risk when investing for a certain period and efficiently and return varies according to the level of risk whenever the level of risk, the greater the rate of return to be achieved (Geoff, 2007:3).

Types of Return (Jordan & Miller, 2009: 381):

1. Rate of Return on Investment: Return on investment is one measure of profitability indicators and operating performance of the business, and calculates a rate of return on the investment value of profits before interest and taxes on the total funding invested in property assets, including property and the borrower financing.

2. Capital Return: Is realised as a result of the high of return market value of the assets invested in the end of the period than they were when you purchased the assets at the beginning of the period.

3. Expected Return: Is the return that an investor can predict based on the information about the stocks to be owned by the investment and which are based on the market situation and handles the elements affecting the return stock and then estimates the return according to the data. (Jordan & Miller, 2009:381).

4. Required Return: required return is defined as the lowest rate of return on the investment required by investors to compensate financial risk and delayed consumption in the future. The importance of the return on investment includes the following (Jordan & Miller, 2009:365):

1. Scientific easy application and allows a good method to evaluate investment and know the extent feasible.
2. Encourages investors to examine the relationship between revenue or income and expenses for the investment.
3. Encourages optimal use of costs by careful study and selection of appropriate alternatives with lower costs.

The researcher believes that the risk of non-payment obligations due as a result of non-timeliness and poor planning through the cash budget in accordance with the value approach that gives the aggregate value at the end of the period; this requires good planning through the preparation of cash budget according to the events' approach that give disaggregate indicators and values of dates as an event, to which the payment obligations are in good time.

The Concept of Risk

The risk associated with the concept of doubt or uncertainty as some of combining the concept of risk or uncertainty while others combine the two concepts on the basis of the degree of knowledge of the outcome of the decision of the risk classification on three levels make certainty, uncertainty, and risk status (Gitman, 2015:238) :

1. Certainty: A condition in which the decision-making leads to the result that the decision-maker knows the result that it will end its decision and has a full knowledge of the future.

2. Uncertainty: is the situation where the decision-making to a group of possible outcomes lead, but the likelihood of each of them is known as the estimate of possibilities, in this case is irrelevant and described this situation executed to know the future, as well as uncertainty which arises from a lack of information and thus resorts to put speculative estimates of the returns.
3. Risk: is a case in which the decision leads to one of the possible results of the group and that the decision-maker knows the likelihood of each of these results, in this case a partial knowledge of the future.

Reflection of the Cash Budget under the Events' Approach to Improve Return and Reduce Risk

Include the cash budget under the events' approach with disaggregate cash receipts and cash payments in accordance with the disaggregate event and dates in timeliness, whatever their origin; this leads to accurately predict a shortfall in funds or a surplus, and thus requires a search for better sources to attend to funds that have little interest to increase return; when there is a surplus of funds, it requires a search for better alternatives to invest these funds to increase return and reduce risk as much as possible.

The event approach is the most important attempt towards a wider disclosure under this portal; the accountants do not attempt to design financial statements, so they went for a group or a specific range when prepared for publication, but the user can choose the information needed by him/herself. He/she can collect numbers as to how he/she sees his/her decision, useful in that sense to the various alternatives and multiple methods and views information in lists which have a different impact on accounting users of that information and, therefore, requires disclosure of all those alternatives and methods. This is as long as it will increase the effectiveness of accounting reports for an important sector of the financial community. Production and formulation of accounting information are made in financial statements but is subject to a number of scientific principles of accounting, and the company always chooses methods which consider their validity and relevance for disclosure of the facts concerning the financial position and the results of its work. Accounting changes are the transformation of alternative accounting to substitute another accounting. The cash budget support in the preparation of the financial statements prepared by the economic entities, and these statements must be prepared in accordance with the events' approach; this means that the numbers in the cash budget disaggregate help predict good financial needs, which helps to obtain funds on the most favourable terms and less useful, as well as the forecasting of surplus funds in timeliness to be invested in the best possible way and then increases return and reduces risk. The budget is the availability of accounting events; the principle of accounting disclosure is clearer and this makes the decisions easier for users to make the right decision and compared the resolution correctly and fast, and this is reflected in the higher

expected return or being less risky, which can be avoided in the future. It will be introduced in the following episode the practical application and will indicate the role of events in budgeting, achieving returns and limit risk receiving affecting the economic entity. So the group events database as mentioned above, leads to lower costs of paper, ink and other costs which were accrued in past times before the application of information and communication technology.

Methodology

Concept of the Cash Budget

The main objective of the cash budget is planning and controlling cash by showing cash receipts and cash payments, and maintaining a balance between them, in order to avoid idle cash (an investor) or a cash deficit overall; the cash budget consists of four sections (Drury,2000:209):

- Cash receipts, including cash balance at the beginning and cash receipts from customers and other receipts.
- Cash payments, and consists of all cash payments made for various companies.
- Investment which results from excess cash receipts and cash payments during the budget period.
- Funding: this section provides a detailed explanation of borrowing and payment over a budget, which results in a deficit cash out.

The cash budget is the most important financial planning tool, but other financial planning tools are used to assess the financial needs of the company as well as about surplus cash investment for the year or for several years in the future; this focuses on the cash budget position for the company from month to month, so that the cash budget is a means of planning and liquidity in the company to provide the necessary levels of cash to secure the continuity of operations. It can be defined as "estimates provided to the cash position is established to ensure the availability of cash when needed and sources to obtain and exploit any cash surplus and its uses in order to maximize the return of established taking into account the degree of risk assumed by the established" (Horngren et al,2012: 435).

Stages of Preparing Cash Budget (kieso et al,2010:317):

A) Estimate cash receipts, notably:

- Receipts (sales) in cash.
- Receipts (sales) of the previous months.
- The benefits of bank deposits.

- The rent collector.
- Income stocks and bonds.

B) Estimate Cash Payments Mainly:

- Payments of cash purchases.
- Payments of purchases from previous months.
- Payment of premium machines and devices.
- Premium benefits and bank loans.
- Wages and salaries.
- Rent paid.
- Accrued taxes.

C) Less payments from receipts to operating cash surplus or deficit.

D) Cash is added to the stage of the previous month (beginning balance) to access (cash balance end).

E) Less minimum of cash that must be maintained to cover the risks of a lack of receipts or payments in excess of the regular forecasts, sometimes imposed by the creditor bank or vendors, we come to the final cash position.

Cash budgeting is an estimation of future receipts and payments of cash. It is helpful to analyse the flow of cash. It is also helpful to plan and control the expenses payment. With this, we can find the future need of cash.

In the cash budget, first of all, we estimate all our incomes like cash from sales, cash from interest, dividends and other receipts. After this, we estimate all our expenses. If our cash receipts are less than total cash payment, we may take decision to get cash through a loan. The researcher finds that the cash budget tool is a popular financial need to feed the end of the period as well as surplus funds to invest in timeliness.

Results

This research seeks to show the practical aspect of the role of the accounting events' approach in preparation of the cash budget and its reflection on return and risk has been selected (X) as the default research application.

Today, we will focus on one cash budget example because we think that examples might be simplified to improve reading and basic understanding of any topic of accounting.

From the following forecasts of revenues and expenditure, prepare a cash budget for the months Jan. to April 2017 (the amounts are in millions of dinars).

Months	Sales (Credit)	Purchase (Credit)	Wages	Manufacturing expenses	Administrative expenses	Selling expenses
2010	30000	15000	3000	1150	1060	500
Nov.						
Dec.	22000	20000	3200	1225	1040	550
2011	25000	7000	7500	990	2200	600
Jan.						
Feb.	30000	10000	2200	1050	1150	620
March	35000	22500	2000	1100	2220	570
April	40000	25000	2600	1200	1180	710

Additional information in follows:

1. The customers are allowed a credit period of two months.
2. A dividend of \$12,000 in payable April.
3. Capital expenditure which has to be incurred: 15th Jan. \$5,000, we will buy a plant.
4. The creditor is allowing a credit of 2 months.
5. Wages are paid on the 1st of the next months.
6. The other expenses are paid on the 1st of the next months.
7. Balance of cash in hand on 1st Jan. 2011 is \$15,000.
8. The interest of investing 10% and 5% loan.
9. Borrowing will be as follows: \$5,000 and \$2,000 and \$3,000 on 21/2 and 22/2 and 23/2 and paid on 1/3 and 2/3 and 3/3 respectively.
10. Investment will be on 10/1 by \$17,000 and \$2,500 and \$2,500 on 12/3 and 15/3 respectively.

Other additional information:

1. Cash receipts were as follows

Cash realised from debtors disaggregate cash sales

Date	Jan.	Feb.	Mar.	Apr.
1	3000	250	2500	2000
5	2500	1300	3000	1300
7	1500	225	2000	3000
10	3000	725	2500	5700

<i>Date</i>	<i>Jan.</i>	<i>Feb.</i>	<i>Mar.</i>	<i>Apr.</i>
<i>1</i>	6000	725	4250	1000
<i>3</i>	8500	18000	6500	6000
<i>5</i>	1500	500	3750	4000
<i>8</i>	4000	275	500	7000

Cash budget under value approach (aggregate) For the months Jan, Feb, Mar, Apr 2017
(Amounts in thousands of dollars)

<i>Detail</i>	<i>Jan.</i>	<i>Feb.</i>	<i>Mar.</i>	<i>Apr.</i>
<i>beginning Balance</i>	15000	1985	2695	675
<i>Cash realized from Debtors</i>	30000	22000	25000	30000
<i>Cash available</i>	45000	23985	27695	30675
<i>Payments</i>				
<i>Payment to suppliers for purchase</i>	15000	20000	7000	10000
<i>Wages</i>	3200	7500	2200	2000
<i>Manufacturing expenses</i>	1225	990	1050	1100
<i>Administrative expenses</i>	1040	2200	1150	2220
<i>Selling expenses</i>	550	600	620	570
<i>Payment of Dividend</i>				12000
<i>Purchase of plant</i>	5000			
<i>Total payment</i>	26015	31290	12020	27890
<i>Borrowing</i>		10000	-10000	
<i>Investment</i>	-17000		5000	
<i>Ending balance</i>	1985	2695	675	2785

❖ Notes

Jan: cash available 45,000
 - Total Payment (26,015)
 = Cash surplus \$18,985
 - Investment (17,000) 3 month
 Ending balance 1,985 turning to next month
 Feb: cash available 23,985
 - Total Payment (31,290)
 = Cash deficit (7,305)
 Borrowing 10,000
 Ending balance 2,695 turning to next month
 Mar: cash available 27,695



- Total Payment (12,020)
- Borrowing previous month (10,000)
 - Cash surplus 5,675
 - Investment 5,000
 - Ending balance 675 turning to next month
 - Apr: cash available 30,675
- Total Payment (27,890)
 - Ending balance 2,785

Notes on the above cash budget: the financial needs and surplus funds to invest based on aggregate information found at the end of the month; this means that the information available is not the right time to invest optimally, as well as a few useful sources of funding need to be found.

Cash budget under events' approach (disaggregate) for the months Jan, Feb, Mar, Apr 2017
(Amounts in thousands of dollars)

<i>Detail</i>	<i>Jan.</i>	<i>Feb.</i>	<i>Mar.</i>	<i>Apr.</i>
<i>beginning Balance</i>	<i>15000</i>	<i>1985</i>	<i>2695</i>	<i>675</i>
<i>Cash realized from Debtors Disaggregate</i>	10000	2500	10000	12000
<i>Date 1</i>	3000	<i>250</i>	<i>2500</i>	<i>2000</i>
<i>5</i>	2500	<i>1300</i>	<i>3000</i>	<i>1300</i>
<i>7</i>	1500	<i>225</i>	<i>2000</i>	<i>3000</i>
<i>10</i>	3000	<i>725</i>	<i>2500</i>	<i>5700</i>
<i>Cash sales Disaggregate</i>	20000	19500	15000	18000
<i>Date 1</i>	<i>6000</i>	<i>725</i>	<i>4250</i>	<i>1000</i>
<i>3</i>	<i>8500</i>	<i>18000</i>	<i>6500</i>	<i>6000</i>
<i>5</i>	<i>1500</i>	<i>500</i>	<i>3750</i>	<i>4000</i>
<i>8</i>	<i>4000</i>	<i>275</i>	<i>500</i>	<i>7000</i>
<i>Cash available</i>	<i>45000</i>	<i>23985</i>	<i>17695</i>	<i>30675</i>
<i>Payments</i>				
<i>15000</i>	<i>20000</i>		<i>7000</i>	<i>10000</i>
<i>3200</i>	<i>7500</i>		<i>2200</i>	<i>2000</i>
<i>1225</i>	<i>990</i>		<i>1050</i>	<i>1100</i>
<i>1040</i>	<i>2200</i>		<i>1150</i>	<i>2220</i>
<i>550</i>	<i>600</i>		<i>620</i>	<i>570</i>
				<i>12000</i>
<i>5000</i>				
<i>26015</i>	<i>31290</i>		<i>12020</i>	<i>27890</i>
	10000		10000)(
	<i>21</i>	<i>5000</i>	<i>1</i>	<i>(5000)</i>
	<i>22</i>	<i>2000</i>	<i>2</i>	<i>(2000)</i>
	<i>23</i>	<i>3000</i>	<i>3</i>	<i>(3000)</i>
<i>10</i>	<i>17000</i>		5000	
			<i>2500</i>	
			<i>2500</i>	
<i>1985</i>	<i>2695</i>		<i>675</i>	<i>2785</i>

Notes from cash budget above: the financial needs and surplus funds to invest at the events' approach revealed in time (specific dates), thus requires the administration to invest optimally as well as provide funds optimally to meet these requirements in order to increase return and reduce interest.

The budget above shows that there is a longer period (3 months and 20 days instead of 3 months) and then get a greater benefit, as well as the amount of the loan will be after 10 days (instead of monthly); this means less interest.

Depending on the information contained in the previous sections two main hypotheses are recognised:

- The approach events of accounting contribute to improving the preparation of a cash budget to achieve the best possible use.
- The preparation of the cash budget under the events' approach contributes to achieving higher returns with lower risks in order to achieve a competitive advantage in the face of other similar entities.

Conclusions

1. Provide aggregate amounts to the value approach of all items in the income statement and balance sheet which are connected to specific decision-making at a certain level of disclosure.
2. Provide the events' approach disaggregate amounts of all items in the income statement and the balance sheet as a step toward expanding disclosure to users of financial statements with different levels of consciousness.
3. Preparing a cash budget is an important tool for planning and the control of cash receipts and payments.
4. Preparation of a cash budget according to the events' approach provides disaggregate information about the cash receipts and payments on time, and gives a good indication and timely financial needs as well as surplus funds.
5. The return to profitability of the economic entity as a result of investing and search for optimisation in timeliness.
6. The risk of not investing money and payment obligations properly and with timeliness.
7. Preparation of a cash budget according to the events' approach provides disaggregated information as times of cash receipts and payments to cover the financial needs of indicators as well as surplus funds of good planning.
8. The cash budget under the events approach provided disaggregated information for the purpose of increased return and minimised risk.



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