

This course can be delivered over 2 or 3 days and can be customised to match organisational needs and industry

2 Day outline

Day 1: Accounting & Financial Reporting

9.00 am Start

The Value Chain

- Direct activities and indirect activities
- Finance department responsibilities

Key Accounting Concepts

- Double entry accounting
- Capital costs and operating expenses
- Depreciation
- Provisions and accruals
- Regular and extraordinary items

The Financial Statements

- The Balance Sheet
- The Profit & Loss Statement
- The Cash Flow Statement

12.30 pm Lunch (60 min)

Accounting Ratios & Key Performance Indicators

- What are the key financial ratios?
- How to use KPIs to manage the business
- Trend analysis and comparative analysis
- Credit versus investment analysis

The Corporate Budget

- Top down and bottom up budgeting
- Budgeting to constraints and uncertainty

The Budgeting Game

Review Day 1, End of Day Quiz

5pm Finish

Day 2: Managerial Reporting & Financial Decision Making

9.00 am start

Cost Accounting

- What is the unit cost of a product?
- Marginal costs and full costs
- Allocating shared services and overheads
- Activity based costing

Break Even Analysis

- Fixed and variable costs
- Contribution margins
- Calculating breakeven

Cash versus Profit

- The difference between cash flow and profit
- The implications of accrual accounting
- The importance of cash flow to shareholders

Making Project Investment Decisions

- The time value of money
- The cost of capital
- Discounted cash flow analysis
- Preparing a discounted cash flow statement

12.30pm Lunch (60 min)

Ranking Competing Capital Investments

- Net Present Value, Internal Rate of Return, Payback, Profit to Investment ratio
- What ranking criteria do I use and when?

Managing Working Capital

- Managing accounts payable and accounts receivable
- Making inventory decisions
- The impact of working capital decisions on company profitability

The Budgeting Game: Results

Course Review, End of Course Quiz

5pm Finish

Course Agenda:

Day 1: Accounting & Financial Reporting

The Value Chain

- Direct activities and indirect activities
- Finance department responsibilities

Key Accounting Concepts

- Double entry accounting
- Capital costs and operating expenses
- Depreciation
- Provisions and accruals
- Regular and extraordinary items

The Financial Statements

- The Balance Sheet
- The Profit & Loss Statement
- The Cash Flow Statement

Accounting Ratios & Key Performance Indicators

- What are the key financial ratios?
- How to use KPIs to manage the business
- Trend analysis and comparative analysis
- Credit versus investment analysis

The Corporate Budget

- The master budget
- Top down and bottom up budgeting
- Budgeting to constraints and uncertainty

The Budgeting Game (Day 1)

End of Day Quiz

Review Day 1

Day 2: Financial Analysis and Investment Decisions

Cash versus Profit

- The difference between cash flow and profit
- The implications of accrual accounting
- The importance of cash flow to shareholders

Making Project Investment Decisions

- The time value of money
- The cost of capital
- Discounted cash flow analysis
- Preparing a discounted cash flow statement

Ranking Competing Capital Investments

- Net Present Value, Internal Rate of Return, Payback, Profit to Investment ratio
- What ranking criteria do I use and when?

Preparing a Business Proposal

- Identifying alternatives
- Justifying solutions

Risks and Sensitivities

- Inflation impacts
- Currency and commodity price risks
- Sensitivity analysis

The Budgeting Game (Day 2)

End of Day Quiz

Review Day 2

Day 3: Cash Management & Management Reporting

Business Valuation

- The valuation of equity
- Using multiples for valuation
- Sources of value

Managerial Accounting

- What is the cost of production?
- Cash costing and full costing
- When do we shut down a product line/plant?
- Allocating overheads to products
- Activity Based Costing

Break Even Analysis

- Fixed and variable costs
- Contribution margins
- Calculating breakeven
- Product mix decisions

Managing Working Capital

- Cash planning and control
- The cost of excess cash in the business
- Managing payables & receivables
- Managing inventory levels and costs

The Budgeting Game

- Results and awarding of prizes

Course Review, Q&A