



Best Practices in Financial Analysis, Planning & Control

Course Description:

- Financial accounting is the basic means of recording and reporting financial information in a business. It is important to understand the framework and fundamentals of finance, planning & control in the context of how accounting fits into the overall business environment of contemporary society. Accounting functions play a critical role in information development and communication systems that support economic decision-making and provide value to entities and society.
- Participants will discover the uses and limitations of financial statements and related information and apply analytical tools in making both business and financial decisions. Topics examined include those related to the corporate financial position, operating results, cash flows, and financial strength. This Financial Analysis Planning & Control course provides an overview of the essential tools and the skills to build excellent standards into your budgeting, performance measurement & reporting system, looking at new and best practice techniques.

Course Objective:

By attending this Best Practices in Financial Analysis, Planning & Control training course, delegates will be able to:

- Explain basic financing concepts, terminology, principles, processes, and procedures that govern how the financial statements are prepared.
- Know the importance of accounting in running businesses.
- Explain the components of an annual report.
- Understand how financial information can be used to analyze business operations and make economic decisions.
- Effectively prepare balance sheets and income statements.
- Analyze a set of financial statements to evaluate the business- financial health.
- Differentiate the financing options available to a business and situations where each might be used.
- How to prepare and implement advanced planning and control techniques into your budgeting process
- Know how to integrate the budgeting process with the development of the company's long-term strategic vision.
- Know how to provide a decision support structure that provides timely and useful information to decision makers.
- Develop ways to increase profitability and performance through streamlined planning and reporting.

WHO Should attend?

Best Practices in Financial Analysis, Planning & Control training course is suitable for a wide range of professionals includes:

- All Professionals with financial responsibility
- Managers seeking to develop their understanding of the planning & controlling methods.
- Financial officers, controllers, accountants, and business consultants
- Corporate governance directors and corporate compliance officials
- All professionals responsible for budget preparation and management reporting
- Anyone with direct planning and budgeting responsibility

Training Methods:

- This interactive seminar will comprise a range of learning activities, including tutor presentations, with the question-and-answer opportunities, demonstration and practice of analytical techniques, group exercises, and discussions, using case studies and market information sources. While the theoretical background to financial management will be explained and justified; the main emphasis will be on putting these into a real-world context by providing a practical -toolkit- of financial techniques.
 - Pre & Post course assessments will be used to measure the effectiveness of this training and measure the skill and ability of participants.
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Course outline

Module 1 - Company objectives & Fundamental of Finance

Key Topics:

- Measuring company performance
- Introduction to finance: Terminology
- Purpose of financial analysis and reporting
- The finance role in running businesses.
- Walking through an Annual Report
- The Role of External Auditor
- Users of accounting and financial information
- Profit and profitability
- The Context of Financial Analysis and Decision-making

Course outline

Module 2 – Financial Statements

Key Topics:

- Understanding the Financial Statement
 - Balance sheet
 - Profit and loss account (income statement)
 - Cash flow statement
- Why are ratios useful?
- Horizontal and trend analysis
- Vertical analysis: common size statements
- Building blocks analysis and reading the numbers:
 - Liquidity ratios: ability to settle short-term dues.
 - Solvency ratios: ability to settle long-term dues.
 - Activity ratios: the ability to manage assets efficiently.
- Profitability ratios
- Limitations of financial ratio analysis

Course outline

Module 3 – Analysis of Investment Decision

Key Topics:

- Cost behavior: fixed, variable, semi-fixed cost
- Understanding Cost behavior and types of costs
- Net Present Value (NPV) and Internal Rate of Return (IRR)
- Strategic Perspective
- EVA and NPV
- Plan for Cost Reduction and Profit Improvement
- Costing Approaches – Full Absorption, Marginal, ABC
- Cost volume profit analysis (CVP)
- Break-even Analysis
- Dealing with Risk

Course outline

Module 4 – Strategic Management Framework

Key Topics:

- What is a budget?
- The objectives of budgeting
- Types of Budgets
- The budget processes.
- The Role of Budgeting
- How to identify problems and limitation of budgetary control
- Approaches to Budget Development
- Using budgets to manage organizational performance.
- Finance and budgeting teams-role in supporting strategic planning.
- Capital budgeting techniques & Cash Flow
- Using Activity-based Budgeting
- Developing the Cash Budget
- Case study

Course outline

Module 5 – Advanced Valuation Techniques

Key Topics:

- Business risk and cost of capital
- Classifying investment projects
- Analyzing investment and operating cash flows
- The time value of money concept
- The required rate of return
- Net Present Value (NPV)
- Internal Rate of Return (IRR)
- Multiple internal rates of return
- Modified Internal Rate of Return (MIRR)
- Profitability Index (PI)
- Payback period and discounted payback period
- Capital rationing.
- Comparing and evaluating techniques