

THE IN-HOUSE TRAINING COMPANY

Understanding finance – the key principles

Overview

In today's world, finance is a mission-critical skill for organisations and individuals alike. This programme explains the key concepts, helps develop the key skills and takes the fear out of finance.

Training objectives

The aim of this course is to heighten the participants' financial awareness by ensuring that they understand:

- The difference between management accounting and financial accounting
- What drives your organisation's financial and management information requirements
- How to read the key financial statements
- All the important accounting terms and concepts
- The impact of the City on your organisation
- How to use the key ratios
- Investment appraisal and financial decision-making

Audience

All managers with budgetary responsibilities.

Format

A comprehensive one-day course, interspersing formal presentations from the expert trainer with case studies, exercises and tutor-facilitated discussions. The presentational style is 'fast, furious and fun'.

Special feature

For maximum benefit from the course, we recommend that the trainer be given access to relevant documents and information on which to base case studies and practical exercises relevant to your organisation.

The expert trainer

Stephen runs a very successful business that specialises in the provision of tailored finance training programmes. A psychology graduate, he qualified as a chartered accountant in 1980 with KPMG and, after a period at Grandmet plc, joined a leading organisation in the provision of training for chartered accountants in practice.

During this time he gained extensive experience of writing, developing and presenting programmes on accountancy and finance. He then joined Ernst & Young for a number of years as a consultant, leaving them to set up his own management and training consultancy business. He has developed, written and presented numerous seminars and training events in both the public and private sectors, in the UK and overseas. He is also the author of a number of books on finance for non-financial managers.

His very extensive client list includes such organisations as H M Revenue and Customs, Pearson, ASDA, Reed Elsevier, Black & Decker, Sky, Bowater, Sony UK, Standard Chartered Bank, BT, Canon UK, Mobil, Hiscox, Taylor Woodrow, National Grid, Next, GE, Orange and many, many others.

Much appreciated for his 'fast, furious and fun' approach, the response to his training courses is uniformly enthusiastic.

Course outline

1 Accounting, finance, planning and control

- What is management accounting? What is financial accounting?
- Financial accounting and business management – what are we trying to measure and why?
- Types of organisation, accountants, information and requirements

2 Tools and techniques of financial accounting

- Balance sheets, profit and loss accounts, cash flow statements – what they tell you, and what they don't tell you
- An introduction to: fixed v variable; direct v indirect; contribution and break-even; opportunity costs; costs for comparisons

3 Understanding key terms, such as assets, liabilities and reserves

- The appropriation of profits – interest, taxation, dividends and retentions
- Distinguishing between subsidiaries, associates and trade investments
- How the accounts of groups of companies are consolidated.

4 The City and its impact on financial management

- How to read the financial pages: yields, price/earnings ratios, market capitalisation
- What influences share prices, and what is meant by terms such as 'equity' and 'shareholder value'?
- Understanding capital market pressures on businesses
- Other sources of capital, their influence on the enterprise and the importance of liquidity
- Understanding analysts' reports

5 Financial analysis

- Use and calculation of key ratios
- Profit margins, assets velocity, return on investment
- Gearing and liquidity
- Earnings per share, dividend cover, interest cover
- EBIT, EBITDA, ROCE, RONA, WACC, EVA, TSR

6 Decision-making and investment appraisal

- Measuring profit over time – understanding the time value of money
- An introduction to discounted cash flow techniques
- Internal rate of return or net present value?
- Real terms or inflated, before or after tax?

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PLEASE CALL 01582 469080**

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