

ExecuTrain Course Outline

Finance for Non-Finance Managers

FP0009

2 Days

Description

A general understanding of Finance for Non-Financial Managers is needed in any business environment where individuals have to manage budgets or costs or to take responsibility for revenue or expenditure. With the increasing emphasis on business results it is necessary for every manager to know and understand some of the techniques and actions necessary to ensure that their unit achieves its objectives both in terms of task and also in terms of financial goals. This two-day course is designed to enable individuals, through a series of exercises and inputs, to gain better control over the finances involved in their job.

Prerequisites

- Managers who have to work with financial information in any organization and for whom finance is not their core skill.
- Delegates will require a calculator for this course.

Objectives

Upon successful completion of this course, students will be able to:

- ✓ Understand the importance of accounts.
- ✓ Manage money.
- ✓ Practice accounting for business.
- ✓ Analyze balance sheets.
- ✓ Analyze profit and loss accounts.
- ✓ Understand and forecast cash flow.
- ✓ Identify types of costs.
- ✓ Analyze and work with budgets.

Outline

The Importance of Accounts

- Why Are Accounts Needed?
- Who Needs Accounts?

Managing Money

- Where Did the Money Come From?
- Where Did the Money Go To?

Accounting for Business

- Three Prime Accounting Questions
- How Are We Doing?
- How Did We Do?
- How Are We Going to Do?
- Published Accounts

Balance Sheets

- Typical Layout of a Balance Sheet
- Fixed Assets
- Current Assets
- Creditors (Due within One Year)
- Creditors (Due after More than One Year)
- Net Current Assets
- Share Capital

Profit and Loss Account

- Revenue/Sales Income
- Cost of Goods Sold
- Gross Profit

Overheads
Depreciation
Profit before Interest and Tax/Operating
Profit
Interest Earned and Interest Paid
Profit before Tax
Taxation
Profit after Tax
Dividends
Retained Profit
Typical Layout of a Profit and Loss
Account
Cash Flow

The Importance of Liquidity (Cash)

What is Liquidity?
Factors Affecting Cash Flow
What it Costs to Maintain Liquidity
Cash Flow Forecasts
Short-Term Cash Flow Forecasting
Long-Term Cash Flow Forecasts (1 To 5 Years)
Forecasts and Budgets

Costs

Fixed Costs
Variable Costs
Semi-Variable Costs (Or Indirect Overheads)
Total Costs
Other Types of Cost
Opportunity Costs
Transaction Costs
Volume
Summary

Budgets

What is a Budget?
Budgets - Discussion
Plans into Action
Feedback
Over/Under Budgeting