

Understanding Financial Statements



Decide with Confidence

This course is designed to discuss the main features of the financial statements prepared by a business enterprise. The course is divided into 2 sessions. In the first session, participants will understand the meaning and fundamental structure of the financial statements, and the inter-relationship of the items in the statements. Thereafter, participants will learn to apply key management ratios to evaluate the strengths and weaknesses of the business operations.

MORNING SESSION

1. What you want to know about the financial statements?

Nature and role of accounting; Desirable qualities of a financial report; Accounting as an information system; Financial and management accounting compared; Fundamental accounting assumptions; Accounting policies; Objectives of financial statements. User groups and their areas of interest.

2. Three basic financial statements

Balance sheet – source and use of funds approach; vertical format presentation; current assets; fixed assets; liabilities; shareholders funds; capital employed; net worth; working capital; long and short balance sheet analysis.

Profit and loss account – timing adjustments; distribution or appropriation of profits; and cash flow statement.

Cash Flow Statement – operating cash cycle; relationship between depreciation and cash flow; non-operating cash outflows and inflows.

3. Interpretation of Auditors' Reports

Objectives and scope of audit; Reasonable assurance; True and Fair View; Auditors opinion – unqualified, emphasis of matters, qualified, disclaimer, adverse opinion.

4. Predicting business failure

Indications of risk that continuance as a going concern may be questionable – Financial, operating, and other indications.

AFTERNOON SESSION

5. Liquidity Ratios

Importance of liquidity; application, case study and interpretation techniques.

6. Profitability Ratios

Importance of profitability; meaning of return on investment; drivers of margin on sales; drivers of sales to total assets; operating profit model; application, case study and interpretation techniques.

7. Solvency Ratios

Importance of solvency; application, case study and interpretation techniques.

8. Asset Management Ratios

Importance of asset management; application, case study and interpretation techniques.

9. Stock Market Ratios

Application, case study and interpretation techniques.

Who should Attend

Managers and executives in the non finance related positions who need to understand and apply fundamental financial management tools and techniques in the decision making process of an organization.

Methodology

As the focus is on decision making process, participants would not be required to understand the bookkeeping process and the preparation of financial statements. Instead, after the completion of the course, they are required to know how to apply various analytical techniques to examine the performance of the business operation. Published accounts of public listed companies and corporate development, both local and overseas, will be used to provide "real-life" examples.

Note: Participants are required to bring calculators. Participants may bring financial statements and annual reports of corporations to the workshop for discussion and analysis.

About the Trainer – Mr Lim Kaim Soon, EMBA(HELSINKI), FCCA (UK), BBA (HONS), NUS

Lim Kaim Soon is the corporate trainer specializing in accounting and financial management. Working with various local and overseas consulting and training institutes, he conducts regular workshops, seminars, and trainings to management and staff of statutory boards and business corporations including Hitachi Cable, Housing and Development Board (HDB), Ministry of Community Development Youth & Sports (MCYS), Murata Electronics, YCH International Ltd, Times Publishing Ltd, AON Consulting, Singapore Law Society, etc. His areas of specialization include financial and management accounting, corporate investment and financing, as well as corporate due diligence.

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Date: 8 May 2008, 9am – 5pm
Venue: Grand Park Plaza Hotel, City Hall

Fee: [] S\$360 for D&B Subscriber [] S\$440 for Non-subscriber
(Includes materials, refreshments and lunch)

EARLY BIRD – Fax in your registration before 9 April to receive a 10% off usual fee
Or, GROUP SAVINGS – Send 2 or more participants to enjoy a 10% off usual fee

Fax the completed registration form to 6318 7832

Participant Profile

Name 1: _____ **Designation:** _____

Email: _____ **(DID):** _____

Name 2: _____ **Designation:** _____

Email: _____ **(DID):** _____

Name 3: _____ **Designation:** _____

Email: _____ **(DID):** _____

Name of Company: _____

Address: _____ **(S)** _____

Telephone: _____ **Fax:** _____

Liaison Officer: _____ **Designation:** _____

Email: _____ **(DID):** _____

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1. A seat will be reserved upon receipt of completed registration form, and confirmation of seat upon payment received.
2. D&B reserves the right to postpone or cancel the seminar for reasons whatsoever. In such a case, D&B will provide a full refund to registrants who have made payment towards the event and such registrants shall have no claims against the company.
3. D&B reserves the right to change venue due to unforeseen circumstances.
4. Only cancellation made 7 working days before commencement is entitled to full refund of seminar charges. No refund thereafter including no show during day of commencement.
5. For In-company training, please contact May Tan at 6318 7869 or may.tan@dnb.com.sg
6. Please visit our website www.dnb.com.sg for more information on our seminars