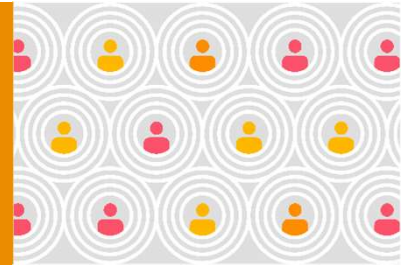




Financial Statement Analysis



Next run:
Coming Soon!

Time:
9am – 5pm

Overview and benefits of attending

Objective

Gain working knowledge of the three financial statements and learn how to understand the various pitfalls of poor credit decisions in relation to your buyer groups.

Financial statements are a formal record of the financial performance and position of a business. Having a thorough understanding of them is crucial as they can aid with the reconstruction of an entity's economic reality, allowing users to understand potential financial impacts of financial decisions made.

Hasty decisions can result in loss of potential new customers while poor controls and monitoring mechanisms may lead to bad debts and declining profits for any business. As there is no universal template for such ongoing assessments, our course equips participants with analytical skills that allow them to make use of various information embedded within financial statements and financial ratios. Not only will participants be able to uncover the credit standing and strengths of a business, they can also spot red flags if the business is in poor financial health.

This course is carefully designed to help participants:

1. Examine the structure of balance sheets and income statements and other financial information so as to achieve a comprehensive understanding of the organisation and its financial health.
2. Recognise various types of risks faced by organizations, and how they can be managed and mitigated;
3. Understand that financial ratios are robust and can be used for extensive organisational analysis.
4. Learn of the warning signs of a non-performing organisation and understand its credit standing.
5. Gain experience through hands-on case studies and group discussions that could mirror real-life issues.

Who should attend?

CFOs, credit officers, managers, finance and accounts clerks, administrators and non-financial staff who are involved in the review, use and interpretation of financial statements.



Workshop agenda

Risk & Strategy

- Identify, quantify, examine and monitor key financial risks that can adversely affect business performance, therefore assessing business strategy of the potential buyer and how both financial and non-financial indicators affect the decision to grant credit terms.

Financial Statements & Ratios

- Financial statements are the windows revealing the business risks of an entity. Learning how to navigate and gather relevant information can help users zoom in on key areas when analyzing financial statements so as to make informed decisions (e.g. determining the size, composition and terms of trade of its buyer groups).
- After understanding the various financial ratios which can be used for credit analysis of your customers, learn how to discern which ratios are more suitable for analysis of companies in different circumstances. The ratios can also raise red flags signaling potential pitfalls faced by ailing businesses.
- Specific focus on the cash flow statement introduces a different approach to its analysis, explains the rationale for classification and facilitates understanding of the common liquidity risks faced by companies.

Case Studies

- Illustrative financial statements provided during group discussions help develop participants' analytical skills for assessing business performance and risks inherent in an entity. It encourages application of the theory to real life examples and issues that companies encounter.

Note: The course contents are mainly intended to provide insights into the requirements of the IFRS and its application via illustrative examples. We are available to discuss respective participant's specific implementation issues separately.