

## Finance and Accounting for the Nonfinancial Executive

<b>Dates:</b>	28, 29, 30 September, 2015	<b>Hours:</b>	8.30 am – 5.00 pm	<b>Fees: €357 (for HRDA eligible participants) €714 normal rate</b>
<b>Duration:</b>	21 hours	<b>Venue:</b>	EIMF Premises, Nicosia	Both rates include 19% VAT

### Introduction

Balance sheets and income statements. Cash flow and financial management. Many executives rise to positions of great responsibility with less knowledge of finance and accounting than they'd like to have. Finance and Accounting for the Nonfinancial Executive will demystify the data, clarify key concepts, and teach you important frameworks and fundamentals.

Nonfinancial executives nowadays must be able to identify business trends, read financial statements and reports, make performance comparisons with competitors, and practice financial forecasting. They must be able to understand how much debt a company should accept, the appropriate analysis for better investment decisions, the measurement of the cost of capital, and the payment of any cash dividends to investors. Bottom line, nonfinancial executives must be able to make better financial management decisions to increase the value of their company in the marketplace.

### What you will learn

#### This course aims to enable participants to achieve the following objectives:

This course will help participants:

- Understand the strategic use of accounting and financial data
- Understand the core concepts, terms, and techniques of finance and accounting
- Utilize financial concepts to make more informed decisions and become a greater asset to their company
- Engage more effectively with the financial stakeholders in their company
- Communicate with the key sources of finance—banks, other lenders, and investors
- Gain a broad overview of the financial marketplace and the role a company plays within it
- To understand long-term and short-term financial planning
- To comprehend the cost structure and the cost optimization process
- To identify ways of increasing cash flows
- To understand the logic of value-creating managerial decisions
- To comprehend the risk dimension of financial decisions and the importance of the risk-return balance.

### Trainers: Frixos Zembylas



Frixos Zembylas is a certified public accountant and a registered auditor, member of the Association of Certified Chartered Accountants (ACCA) and the Institute of Certified Public Accountants of Cyprus (ICPAC).

An experienced professional in the subject; with a long term career in a Big 4 firm, over the years he has acquired different competencies which are used in his trainings. Teaching as a part-time lecturer for the University of West London, and an external tutor with EY Academy of Business in Europe and Middle East.

During 11 years of professional experience in Finance he has offered services to private and public companies within the European Union and also to Ukraine, Russia, Serbia, Albania, Bulgaria in the areas of audit, tax structuring, banking and IT. A founding partner of an Audit and Accounting firm based in Cyprus, having the role of the Managing Director. He has teaching experience in the GCC region, through the business and professional training sessions organized by EY Academy of Business in the MENA region. The subjects mainly that he taught in GCC countries are International Financial Reporting Standards, Finance for Non Finance Managers, Due Diligence, Strategy and Planning and specialized areas of Audit.

The programme has been approved by the HRDA. Enterprises/ organisations participating with their employees, as well as unemployed people, who satisfy HRDA's criteria, are entitled to subsidy.



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## COURSE OUTLINE

### Session 1:

#### Introduction

- The nature of accounting and finance and their role in the management process
- Articulating Principles of Accounting Building Blocks  
Balance sheet, Income statement, Statement of cash flows  
Income measurement: Cash flows versus earnings

### Session 3:

#### Understanding the income statement in terms of value creation

- Measuring and reporting overall profitability – P&L account structure
- Definition of revenue and expenses, profit formula
- Interpreting the income statement: tracing growth in revenue, costs and income
- Common-size income statement technique  
Practical cases and illustrations

### Session 5:

#### Understanding the cash flow statement

- Operating activities: CFFO
- Impact of investing activities
- Financing activities
- General format of the cash flow statement
- Using cash flow data for analysis: key ratios

Overall discussion and wrap up of previous sessions

### Session 7:

#### Using Accounting Information to Make Better Decisions

- Integrating financial and managerial accounting
- Identifying profit opportunities with activity-based costing (ABC)
- Understanding the balanced scorecard and efficient budgeting
- Mastering net present value (NPV) calculations  
Case study and discussion

### Session 9:

#### Understanding How to Analyze a Business

- Review actual financial statements
- Reformulate the financial statements to facilitate informative profitability analysis
- Develop a systematic ratio analysis to evaluate profitability

### Session 11:

#### Principles of Capital Budgeting

- Main principles behind long-term investment decisions
- Budgeting for new product launch including NPV calculations (Excel)
- Time Value of Money concept
- Risk dimension of financial decisions

### Session 2:

#### Applying Accounting Principles

- Revenue recognition
- Matching
- Conservatism
- Manipulations and red flags

### Session 4:

#### Understanding the balance sheet

- General structure of the balance sheet
- 2 types of assets, 2 types of liabilities, equity
- Current versus fixed assets, capital intensity
- Definition of “Capital employed”
- Interpreting the Balance Sheet with reference to gearing and liquidity
- Net working capital

Group exercise on an actual company balance sheet

### Session 6:

#### Construction of financial statements

- Mapping between underlying economic events and financial statements,
- How mapping affects inferences about future profitability and cash flows.
- Examine the construction of financial statements from transaction information
- Recognize the importance of judgment in accounting and its potential effect on financial statements.

Sample financial statements and how to interpret information – group exercise

### Session 8:

#### Financial planning process

- Steps of financial planning process
- Forecasting sales and net income
- Constant growth planning
- Budgeting
- External financing needed EFN/plugin

### Session 8:

#### Equipment Financing and Leasing

- Cash Maintenance
- Risk Management
- Inflation Hedging

Leveraging Equipment Expertise

### Session 10:

#### Hands-On Application: Corporate Financial Analysis

Review the financial statements of a company and analyze its profitability, discussion and analysis in small groups

### Section 12:

#### Working Capital Management

Overall discussion and wrap up of previous sessions

### **Section 13:**

#### **Determining What Makes a Business Valuable**

- Develop a systematic ratio analysis to evaluate earnings quality, growth prospects, risk, and market pricing
- Describe and demonstrate the application of fundamental and relative (price-multiple) valuation methods
- Learn the role of valuation in mergers and acquisitions (M&A)

### **Section 15:**

#### **Financial Statement Analysis and Valuation**

- Evaluate the firm's strategy
  - Understand its accounting choices
  - Analyze its current performance
  - Forecast its future performance
- Estimate its fundamental value

- Working capital management and cash conversion efficiency
- Cash cycle
- Managing Accounts Payable
- Effect of changes in working capital on the company's cash flows, and implications for capital budgeting

### **Section 14:**

#### **Hands-On Application: Corporate Financial Analysis**

Applying the comprehensive ratio framework and valuation methods to analyze a company and discuss the analysis in small groups

### **Section 16:**

#### **Decision making**

- Understand how to gather and use accounting and cash-flow information to make short-term and long-term managerial decisions and recognize the critical role played by taxes in capital budgeting situations.

Review, wrap up of sessions, discussion

### **In-House Training**

If you would like to discuss bringing this or another topic to your organization on an in-house basis please call us at 22274470 or email us at [info@eimf.eu](mailto:info@eimf.eu). To check our full course calendar please visit [www.eimf.eu](http://www.eimf.eu)