

# **MASTERSKILL IN PRESENTING FINANCIAL REPORTING TO TOP MANAGEMENT AND FINANCIAL STATEMENTS ANALYSIS**

## **2-Days Workshop**

The financial statements are a common tool used by potential investors, shareholders, business associates and even analysts to gain a better understanding of a corporation's business or an entity's operations. It is often also used as a "window" to look into the future prospects and outlook of the business or operations.

When complete and well-prepared, financial statements contain an incredible amount of timely and revealing information about a business's financial health: Its strengths, vulnerabilities and challenges ... whether or not it's on track ... if it's really making money. Few decision-makers fully understand financial statements, but those who do hold the power. This comprehensive workshop shows you how by simplifying the principles, tools and practices for interpreting and using financial statements.

This course is designed to give business owners, managers, analysts and other professionals an arsenal of tools for understanding, analyzing, and interpreting financial statements. As a result of this program, you'll have a better understanding of not only financial statements, but of how their information forms the "big picture" of a corporation; a story of its business and operations told in numerical.

## **OBJECTIVES OF THIS PROGRAM**

- ✓ To achieve a good understanding of the components of general purpose financial statements and the manner in which the financial statements are prepared and presented
- ✓ Appreciating difference between profitability and liquidity
- ✓ To be able to perform a financial analysis or diagnosis of the performance and viability of a company and projects through the use of ratio/financial analysis

## COURSE OUTLINE

### ***Module 1: Presentation and understanding a complete set of financial statements***

1. The complete set of financial statements—Statement of Financial Position, Income Statement, Statement of Changes in Equity, Cash Flow Statement and Notes to Financial Statements:
  - ✓ Brief explanation of the financial reporting frameworks used for preparing financial statements in Malaysia – MPERS, MFRS & MPSAS (with emphasis on MPSAS which is used by public sector)
  - ✓ The importance of “reading” the complete set, especially the Notes to Financial Statement
  - ✓ Items not seen on the face of the financial statements—poor cash flows, contingencies, material litigations, off-balance sheet items, commitments. Inclusive of illustrations and examples
2. Making sense of the auditors’ report and its impact on the financial position & results.

### ***Module 2: Tools for financial analysis and interpretation & illustrations***

1. Fluctuation or variance analysis
  - ✓ Approach for performing the analysis for interpretation and assessment
  - ✓ Illustrations
  - ✓ Benefits and limitations of the approach
2. Use of trend analysis to project the likely outcome of the business/financial position & results of the organization
  - ✓ Revenue, profitability & earnings, cash flows
  - ✓ Key assumptions and bases in trend analysis
  - ✓ Illustrations
3. The use of ratios to analyse and interpret financial position and results & as indication of various types of risk
  - ✓ Liquidity
  - ✓ Gearing
  - ✓ Working capital management
  - ✓ Performance and earnings
  - ✓ Returns of shareholders

- ✓ Market and investment
- ✓ What these ratios mean and is saying about the corporation's financial position and results
- ✓ Illustrations

***Module 3: INTERGRATED Case study workshop and presentations (this will be conducted on DAY 2)***

- Case Studies:
  - Case Study 1: Analysing & assessing an entity based on trend analysis
  - Case Study II: Analysing & interpreting two companies using ratio analysis

***The class will be divided into a few groups of between 3-4 participants, whereby they will perform the analysis for the given case studies and subsequently make a presentation to the class on the outcome of their analysis***

**METHODOLOGY**

This course will use a mixture of presentations, case studies and group work to convey knowledge and to facilitate the process of sharing experiences and mutual learning. It will include a short Q & A session where participants can raise issues of particular interest to them.

**! Please bring your calculator to the training for hands on understanding and group work. Each group is required to bring a laptop/notebook for preparation of the presentation.**