



Business success through people

Finance for Non-Accountants in the Production Environment **2 days**

You are a factory worker, manager, planner, supervisor or project leader. Financial statements are mystery. You need to understand how revenues and costs find their way into the financial statements.

In fact, costing techniques and behaviours are essential to you maximising the output and revenues in your production environment. Added to this, you need to master good principles of cost-volume-profit behaviour to understand break-evens and profit margins. Finally, a manufacturing statement links to the company's income statement to produce a bottom line. Using certain key ratios, you will be able to determine whether assets return a higher productivity than their cost-to-company.

Learn effective production costing techniques and financial statement interpretation so you can talk the language of accountants to accountants.

Course

DAY 1

- Introduction to Manufacturing Finance
- Production Cost Terms and Definitions
- Cost-Volume-Profit Analysis
- Introducing the Balance Sheet
- Property, Plant & Equipment and Depreciation
- Current Assets - all components
- Investments and Intangibles
- Long-term Liabilities
- Current Liabilities - all components, Taxation
- Shareholder's Equity and Capital
- Balance Sheet Scenarios and Interpretation
- The Income Statement
- The Manufacturing (Production) Statement
- Turnover and Cost of Goods Sold
- The meaning of Overheads
- Gross Profit and Net Profit
- Dividends and Retained Income

DAY 2

- Basic Financial Ratios
- Current and Quick Ratio
- Debtors Collection Period
- Creditors Settlement Period
- Stock Turnover

- Return on Funds Employed
- Return on Assets
- Return on Shareholder's Funds
- Interpretation and Analysis
- Production Budgeting and Cost-Volume-Profit analysis
- The Cash Flow in the Production Environment
- Cash Flow Forecast
- The Cash Flow Statement and Interpretation
- Comprehensive exercise with specific application to the Delegate's Company

