

# FINANCE FOR MANAGERS UNDER IFRS-VAS



## EDUCATION GOALS

- To understand and employ performance measurement indicators
- To be able to measure the impact of different financing choices on the financial health of the company
- To read and analyse the financial statements: balance sheet and profit and loss account
- To learn how to prepare a financial diagnostic
- To learn to build financial dashboards

## WORD FROM THE AUTHOR

*« Irrespective of your personal or professional circumstances, you need to grow your assets, either for yourself or for your company. You can then enjoy the fruits of these assets and continue to develop them. To grow your assets you first need to understand their language. This language is often called "Finance".*

*Once you have understood this language, you can communicate with, and then challenge, your finance managers to ensure that the right decisions are made. In this program, we present the key definitions offered by this financial language, and its key financial impacts on managing a business." »*

Level

**Intermediate**

**Expert**

**7**  
Modules

**5 H**



# MVN11 – GENERAL INTRODUCTION

### Learning goals

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- To learn to build financial dashboards

### A word from the author

*« Irrespective of your personal or professional circumstances, you need to grow your assets, either for yourself or for your company. You can then enjoy the fruits of these assets and continue to develop them. To grow your assets you first need to understand their language. This language is often called "Finance". Once you have understood this language, you can communicate with, and then challenge, your finance managers to ensure that the right decisions are made. In this program, we present the key definitions offered by this financial language, and its key financial impacts on managing a business. Growing your assets is like growing your money tree; you need two things:*

*- Firstly, the right investment. For example, a good tree needs suitable land, climate, sun, water etc. It is the same thing for a business. To open a factory, you need land, equipment, etc.*

*- Secondly, you need the right operations. For example, every day, you need to water the money tree and check on the quantity of fruit harvested. In business, you will collect money from sales, make payments to suppliers, and so on. »*

### Chapter

- General introduction

## MVN12 – PRE-EVALUATION

### Learning goals

- Master the financial management prerequisites
- Evaluate your knowledge of financial management and analysis

### A word from the author

*« Working through this course, and the situations it presents, will not transform you into a financial expert. Instead, it will help you to gain a better understanding of the principals of financial management. This program will give you a full overview of the topic. Perhaps you are already familiar with some of the finance concepts used by managers? How about testing your knowledge with this short quiz! Ready? »*

### Chapters

- Introduction

### Quiz

## MVN13 – RIGHT INVESTMENT DECISIONS

### Learning goals

- To understand the various indicators of profitability and return used in performance evaluation
- To be able to define and calculate each indicator for any given project
- To understand how these indicators affect performance evaluation and investment decisions

### A word from the author

*« Although you may be a manager, an entrepreneur, a project manager or head of a business unit, you are not necessarily a business finance expert. Every manager, however, needs to understand and to deal with their company's global financial figures. When considering any investment, financial managers have to take into account the company's economic return criteria, and the requirements of the providers of funds. The analysis of investment return is a financial forecasting tool that helps business managers to evaluate potential investments within the scope of their business objectives and financial constraints. The productivity analysis, risk calculation, and financial impact of these decisions are therefore essential to steer control of the business. This program will enable you to employ a financial approach when making your investment decisions, and to discover the means and methods for measuring investment performance in the context of the highest return and lowest risk. »*

### Chapters

- Introduction
- Leverage
- Weighted Average Cost of Capital (WACC)
- Net Present Value (NPV)
- Internal Rate of Return (IRR)
- Return on Investment (ROI) and Profitability Index (PI)
- Payback
- Conclusion

### Quiz

## MVN14 – RIGHT OPERATIONAL DECISIONS

### Learning goals

- To understand the role and structure of each element of the financial statements in evaluating a company's financial health
- To be able to apply key indicators and make use of the financial statements when making decisions regarding the running of the business
- To be able to use key rules to keep the company away from risks and generate higher profits
- To understand certain key differences between IFRS and VAS to help managers accurately analyze financial statements prepared under VAS

### A word from the author

*« The financial statements can be used to compare two or more financial periods (balance sheet, profit and loss account, and the notes to the accounts), in order to determine the financial health of the company. In most cases, the financial analyst needs to comment on the financial independence, the financial balance, liquidity, profitability, and the value added of the company. The financial strength of the company is at the heart of the chief executive's key concerns because it is one of the main factors determining the company's sustainability. »*

### Chapters

- Introduction
- Balance sheet
- Profit and Loss statement (P&L) or Income statement (IS)
- Cash flows statement
- Owners' Equity statement
- Differences between IFRS and VAS
- Conclusion

### Quiz

## MVN15 – GOLDEN RULES

### Learning goals

- Cost control is always a priority for corporate management

### A word from the author

*« In the Balance sheet, Liabilities and Equity fund all assets, so the weighted combination of liabilities and equity will determine the Cost of Capital. To achieve expected WACC, it must control its debts, both in terms of interest and the amount of debt. »*

### Chapters

- Golden rules for managers
- Rules for avoiding operating risks
- Controlling costs – Improving profit
- Golden rules for smart use of cash and other resources

### Quiz

## MVN16 – GENERAL CONCLUSION

### Learning goals

- All financial indicators can provide you with financial data
- Must also consider other non-financial data and long-term perspective

### A word from the author

*« Please remember that all financial indicators can provide you with financial data. However, to make the right decision either when investing or in your daily operations, you must also consider other non-financial data (such as Risk – Return, the economy, etc.) and long-term perspectives. It is also important to trust your instincts, as they can offer you surprisingly wise advice. Let's grow our money tree together, and make it stronger. »*

### Chapters

- General conclusion

## MVN17 – POST-EVALUATION

### Learning goals

- Test your knowledge

### A word from the author

*« You just have completed the e-learning program "Finance training for managers. We now invite you to test your knowledge of this subject. We will ask you 34 questions on the topics addressed in the different chapters. »*

### Quiz