

# ANGLO-SAXON FINANCE



## LEARNING OBJECTIVES

- Understand the key characteristics of Anglo-Saxon finance.
- Understand and analyse Anglo-Saxon financial statements: balance sheet, income statement, statement of changes in shareholders' equity, cash flow statement and the notes to the financial statements.
- Perform a financial analysis using the key Anglo-Saxon ratios.

## A WORD FROM THE AUTHOR – Michel TERNISIEN

*« Although you may be a manager, an entrepreneur, a project manager or head of a business unit, you are not necessarily an expert in business finance. But managers have to understand and analyse financial data on a daily basis, whether these data relate to the whole company, a subsidiary or the consolidated financial statements of a listed group.*

*Assessing risks and understanding the financial impacts of decision-making are prerequisites for successfully managing your business.*

*This course will help you to incorporate a financial approach into your operational decision-making, and to acquire the methods and tools needed to run your business like a financial manager.»*

Level

**Intermediate**

**Expert**

**3**  
Modules

**3H**

### **M131 – THE KEY CHARACTERISTICS OF ANGLO-SAXON FINANCE**

#### Learning objectives

- Understand the four key characteristics of Anglo-Saxon finance.
- Understand the three key concepts of Anglo-Saxon finance.

#### A word from the author

*"We often talk about Anglo-Saxon accounting as if it were a single model found throughout the world. We will see in this module that this statement is both true and false.*

*Anglo-Saxon accounting is based on a set of concepts. I suggest that we look in more detail at three of these concepts, which play a key role in shaping the way that events are recognised in the accounts."*

#### Chapters

- Specific characteristics of Anglo-Saxon finance
- The three key concepts of Anglo-Saxon finance

#### Quiz

- Quiz – The key characteristics of Anglo-Saxon finance

# M132 – ANGLO-SAXON FINANCIAL STATEMENTS

## Learning objectives

- Understand and analyse Anglo-Saxon financial statements: balance sheet, income statement, statement of changes in shareholders' equity, cash flow statement and the notes to the financial statements.

## A word from the author

*"A financial vision is essential for any manager wanting to better understand the financial health or operations of a company, be it a competitor or a customer.*

*The financial statements compare two or more accounting periods (balance sheet, income statement, cash flow statement, statement of changes in shareholders' equity and notes to the financial statements). They can be used to generate the ratios needed to estimate the company's financial health.*

*We can use the financial statements to answer the following questions:*

- *Does the company have sufficient cash flows to meet its commitments?*
- *How important is equity financing compared to debt financing?*
- *What is the company's operating margin?*
- *What operating and financial risks does the company face?*
- *How much value can the company create for its shareholders?"*

## Chapters

- The balance sheet
- The income statement
- The cash flow statement
- The statement of changes in shareholders' equity and the notes to the financial statements

## Quiz

- Quiz – Anglo-Saxon financial statements

# M133 – THE MAIN ANGLO-SAXON FINANCIAL ANALYSIS RATIOS

## Learning objectives

- Know how to use and calculate ratios.
- Know how to perform a complete financial analysis

## A word from the author

*"The financial statements compare two or more accounting periods in order to determine the financial health of the company.*

*Financial analysts generally have to comment on the company's financial independence, financial equilibrium, liquidity, profitability and value added. These calculations are generally based on ratios.*

*Financial strength is a key concern for all company directors as it is one of the main factors ensuring the company's long-term survival."*

## Chapter

- The main financial analysis ratios

## Quiz – Case study

- Quiz – The main Anglo-Saxon financial analysis ratios
- Case study – Financial analysis of the NCOM group