

### Interpretation of Company Accounts

## OVERVIEW

Course duration: 1 day.

The final course in the series of company accounts courses that provides you with practical knowledge of interpretive techniques such as ratio and trend analysis and risk assessment.

Topical issues and up-to-the minute examples bring alive this practical course. Building on knowledge of ratio and trend analysis, delegates consider some of the more technical issues and focus on analysing risk and how it is identified in the financial statements.

## IS IT RIGHT FOR ME?

Suitable for delegates with a working knowledge of company accounts who want to develop their skill further. This is the third in the series of three company accounts courses and delegates are advised to attend Analysing Company Accounts prior to this course, or to have attained that level of knowledge.

## WHAT WILL I LEARN?

By the end of this course you will be able to:

- Undertake more complex interpretation of company accounts by building on existing knowledge of ratio and trend analysis.
- Identify and assess both market and business risk using this knowledge.
- Understand the different considerations when choosing a method of funding & understand "cost of capital".
- Recognise techniques adopted in company accounts to disguise potential problems.
- Understand some of the non-financial sources of information available to assess company performance.

## WHAT WILL IT COVER?

### Refresher on Financial Statements and Terminology

#### Risk

- Business and financial risk.
- Consider different business sectors and identify the key financial features in each
- Recognise the typical problems with using company accounts
- Using accounts to assess risk

#### Ratios

- Refresher on key ratios
- Types of shares and capital structure including debt funding
- Understand the warning signs of corporate 'poor health'

#### Advanced Interpretation

- Drawing together the soft and financial information
- Why businesses fail
- Examples of creative accounting