

# Introduction to Company Accounts

1 Day ICA1

## OVERVIEW

The first of a series of three company accounts courses providing a solid understanding of the fundamentals of company accounts.

This intensive course introduces delegates to the contents of financial statements, their meaning and uses. It is the first in the series of three company accounts courses and provides a solid grounding of knowledge, essential before delegates can progress to analysing the information in company accounts. It is a highly practical course and delegates will prepare simple financial statements themselves to reinforce their learning.

## DESIGNED FOR

Suitable for anyone who wants to gain a basic understanding of company accounts and who has had very little or no previous experience.

Something to consider: this course deals with financial accounting. If you are interested also in management accounting (budgeting, internal costs, etc), then you may want to consider as an alternative, one of the following two-day courses that cover both these areas:

For managers: Finance for Non Financial Managers

For office professionals: Making Sense of Finance

## LEARNING OUTCOMES

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

- Understand the technical 'jargon' of company accounts.
- Read and understand a set of company accounts.
- Assess the effects of business activity on the balance sheet.

## TOPICS COVERED

### The Financial Model

- Understand the basic business model
- What do we mean by capital? How is it invested in the business?
- What every businessman wants to know: how am I doing? Have I got the cash to afford it?
- How the financial statements provide the answers
- Key fundamental concepts that accountants adhere to

### The Profit and Loss Account

- The structure of the Profit and Loss Account; the information it contains
- Understand what we can learn from the Profit and Loss Account
- Understanding the impact of depreciation
- Case study example and real world formats

### Balance Sheet

- The anatomy of the Balance Sheet
- Getting to grips with the terminology
- Historic cost and going concern principles
- Recognising categories of fixed and current assets
- How liabilities are categorised
- Understand the types of capital employed in the business and how they are used to finance assets
- Understanding what the Balance Sheet can tell us
- Case study example and real world formats

### Cash Flow Statements and Forecasts

- A brief introduction to the Cash Flow Statement
- The importance of cash to a business
- The distinction between cash and profit
- Case study: preparing a cash flow forecast
- Understanding working capital

## EXTRA NOTES

*Further Development:*  
*Analysing Company Accounts (ACA1)*  
*Effective Budgeting (MBE1)*

*An equivalent course is available in Arabic. Please call us for details.*