

FINANCE FOR NONFINANCIAL MANAGERS

PROGRAM OF SEMINAR

BASIC ECONOMIC CONCEPTS

Objective of business activities x objective of public sector activities
Legal forms of enterprises
Revenues, costs, incomes and expenses
Assets and liabilities
Internal x external funding sources
Cash flow

HOW TO READ FINANCIAL STATEMENTS?

Balance sheet
Income statement
Cash flow statement
Statement of budget utilization
Fundamental financial indicators (ROE, indicators of liquidity etc.)

OVERVIEW OF MOST IMPORTANT TAXES

Subject of taxation
Income tax
Value added tax (VAT)
Consumption taxes
Customs duty
Health insurance
Social insurance

MEASURING EFFICIENCY OF INVESTMENTS

Profit and various profit reporting methods
Return period
Net present value
Yield
Risk
Liquidity

EXTERNAL FUNDING (EXTERNAL SOURCES)

Bank loan
Bond issues
Leasing
PPP (Public Private Partnership)
Criteria considered by lenders (When will the bank approve/reject a loan application)

FINANCIAL RISKS

Importance and danger of financial risks
Basic classification of financial risks
Impact of financial risks on the success/failure of a company or on individual projects

CLASSIFICATION OF COSTS AND METHODS OF OVERHEAD ALLOCATION

Fixed and variable costs
Break-even point
Cost centers accounting x
ABC method x „Customer based costing“ method

FUNDAMENTALS OF FINANCIAL PLANNING

Revenue (income) planning
Costs (expenses) planning
Cash flow planning

CONTROLLING, REPORTING AND BENCHMARKING

Purpose of controlling and reporting in financial management
Use of benchmarking for measuring efficiency of the organization and comparison with its peers

SUMMARY OF SEMINAR AND CONCLUSION