



ECSM CERTIFICATION WORKSHOP COURSE OUTLINE

COURSE TITLE: FINANCIAL ANALYSIS

COURSE CODE: ECSCM1006

COURSE DESCRIPTION

This course provides a clear, concise overview and the practical application of specific ratios and tools that are used to examine financial information and measure financial performance in order to make sound recommendations on how to invest money.

COURSE LEVEL

The course is designed for persons with a working knowledge in the area of financial performance evaluation and the use of statistical software and spreadsheets to analyze the facts they gather.

LEARNING OUTCOMES – What You Will Know and Be Able To Do

At the conclusion of the course you should be able to:

- Analyze Financial Statements
- Apply Financial Analysis Methods and Tools to Measure
 - Management Performance
 - Performance and Strength of a Firm
 - Present and Future Value of Financial Resources
- Make Sound Decisions Based on Accurate Assessments of Business Performance and Results
- Use Financial Forecasting Techniques to Recommend Acquisition, Management and Disposal of Assets Based on the Results of Research

CONTENT OUTLINE AND COMPETENCIES – What You Will Cover

You'll Review the Different Types of Financial Statements and Proven Analytical Tools and Techniques and Develop a Keen Understanding of How and When to Use them.

Topics:

- Financial Statements and Reports
- Techniques for Analysing Financial Statements
 - Risk Analysis
 - Common Size Analysis
- Potential Problems
 - Do Numbers Capture the True Conditions
 - The Limitations of Financial Analysis

○ Objectives of Fundamental Analysis

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EXPANDED LEARNING OBJECTIVES

Participants will Learn

How to Interpret and Evaluate Financial Information

- Financial Statement Analysis
- Managing Capital, Debt and Equity
- What a Financial Analyst Looks For
- Utilizing “Value Line” Reports

How to Measure Management Performance

- Balance Sheet Analysis—DuPont formula, ROI, ROA, ROE
- Evaluating Profit Margins, Asset Turnover (efficiency) and Leverage
- Income Statement Analysis—EPS, ROS
- Past performance and project outcomes
- Benchmarking company performance

How to Use Cash Flow Analysis

- Cash flow from operations, investing and financing
- Ratios and metrics you can use
- Identifying Patterns of Value
- Cash flow performance indicators—Profitability, Liquidity and Solvency

Capital Asset Pricing Model (CAPM): How to Calculate Present-Value

- The time value of money
- Internal rate of return (IRR)
- Net present value (NPV)
- Calculation of compound growth rate
- Estimation, payback and terminal value
- Discounted cash flow

How to Evaluate Capital Investment Proposals

- How to use financial forecasting to make accurate evaluations of proposals
- Income tax aspects of capital investments
- Alternative Investment Strategies