

Interactive Finance for Non-Financial Course

Understanding Accounts

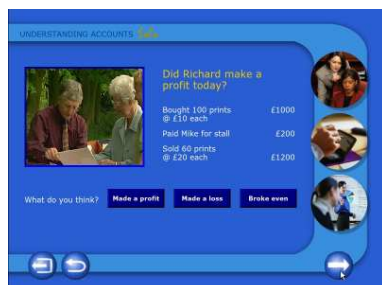
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Understanding Accounts is a new “finance for non-financial” multimedia CD-ROM to help you read and understand an Annual Report & Accounts, including the Balance Sheet, Profit & Loss Account and Cash Flow Statement.

It also explains the concepts of Assets & Liabilities, Depreciation, Equity & Loan Capital and Gearing, and shows how to use Accounting Ratios to identify trends.



Who is it for?

- Anyone running a business (or looking to invest in a business) who needs to be able to see how well that business is doing
- Anyone who has to assess the health of a business for credit purposes or as a potential supplier
- As pre-course work or as an interactive visual aid for finance for non-financial courses
- For business studies students needing to understand the concepts of the balance sheet, profit and loss account, cash flow, depreciation, gearing, liquidity, etc.

The multimedia takes a new approach in that it combines realistic video drama and extensive interactivity with Nick Rints' financial model, which has been refined through years of successful courses explaining company accounts to non-financial staff in major companies and training and educational institutions.



The multimedia is based around the figures of two fictional businesses, Nicholas Industries and Green Valley Caravan Park, seen through the eyes of three colleagues: Stephanie, Neil, a salesman, who is in danger of losing a large contract because the customer has been turned down for credit, and James, who is investing in his brother-in-law's new caravan site.

Explanation and commentary is provided by financial trainer Nick Rints and broadcaster Christina Barryk. Nick uses a computer animated model of water tanks, pipes, valves, pumps and meters to test and consolidate their knowledge.

Content

- Why do we need published accounts?
- What is a Balance Sheet - what are Assets and Liabilities?
- Why do companies borrow? What are the relative merits of using equity and borrowed funds?
- How do companies (and the tax authorities) treat the purchase of capital items?
- Why is working capital important in many businesses and why do different companies have different needs?
- Why is a balance sheet presented the way it is?
- What happens to profit - especially that retained in the business?
- Liquidity: How can a company have substantial retained profit, yet still be short of cash?
- What can we learn from a company's balance sheet
- How do we measure Profit?
- What is the Matching Principle?
- What are the differences between Cash and Profit?
- What is meant by different measures of profit and how are they reported?
- What influences a company's cash position?
- How can we control cash - especially Working Capital?
- How can we measure the profitability of a business?
- What can simple ratios tell us about company performance?