



INTEGER

consulting solutions

FINANCE SIMPLIFIED

Understanding and using financial information to assist in decision-making is key to business success. Finance Simplified will improve your financial literacy and business acumen so that you understand the impact of business decisions on revenue, profits and cash.

Financial literacy is like knowing how to score in sport.

Business acumen is knowing how to improve the score.(CJ Rezak)

HOW YOU WILL BENEFIT

Participants will:

- Gain a better understanding of finance,
- Improve business acumen,
- Learn how to apply, use and interpret financial information to improve decision making, and
- Identify the impact of business decisions on revenue, profits, assets and cash flow.

WHO SHOULD ATTEND

- Senior or up and coming management who need to better understand finance
- New entrants to the work place
- Business owners who want to up skill

METHODS OF DELIVERY

- One-on-one coaching sessions, or
- More formal, but flexible, group classes, and
- Everything in between.

APPROACH

A combination of:

- Theory,
- Case studies and exercises, and
- A presentation or discussion on how to apply what has been learnt to your company.

FLEXIBILITY

In terms of

- Method of delivery – from one-on-one to group to classroom
- Duration of course
- Length of each session
- Frequency of sessions
- Modularised content

BENEFITS OF ONE-ON-ONE COACHING

- Learn at your own pace
- Select your own content from a variety of modules and topics
- Move away from the rigidity of a classroom-type course
- Move to something flexible in terms of time spent and content
- Learn faster as the sessions are kept short allowing you time to absorb and reflect on the material
- The sessions will be one-on-one and thus interactive and challenging
- Reduced competition between course participants

CHOOSE FROM

Module 1: Learn about the annual financial statements and cash flow

- What is the role of finance?
- Understanding annual financial statements
 - Income statement
 - Balance sheet
 - Cash flow statement
- Focus on cash generation
 - Profits versus cash flow
 - Cash cycle
 - Impact of growth on cash

Module 2: Understand costs and their impact on profit and risk

- Fixed versus variable costs
- Breakeven and the relationship between volumes, margins and costs
- Operating leverage

Module 3: How to finance your business

- Sources of finance
- Debt versus equity
- Cost of equity
- Cost of capital (equity and debt)
- Risks including business, operating and financial risks
- Financial leverage
- Effect of capital structure on risk of the business

Module 4: Ways of analysing business performance

- Financial ratios
 - Liquidity
 - Financial leverage
 - Asset management
 - Profitability
 - Market indicators
- Non-financial measures

Module 5: Improve decision-making by understanding the financial dynamics of a business

- Du Pont analysis
- Value drivers
 - Profitability
 - Activity
 - Return on net assets and return on capital employed

Module 6: Effectively plan for the future: budgeting and forecasting

- Forecasting income statement, balance sheet and cash flow
- Standard costing and variances

Module 7: Improve future investment decisions: evaluating capital expenditure options

- Operating versus capital expenditure
- Capex approval process and building a business case
- Time value of money
- Methods of evaluating projects and pros and cons of each
 - ⇒ Accounting rate of return (ARR)
 - ⇒ Payback
 - ⇒ Discounted payback
 - ⇒ Net present value (NPV)
 - ⇒ Internal rate of return (IRR)

ADVANCED TOPICS

Module 8: The relationship between how we finance a business and shareholder value

- Return on equity and leverage
- Financial leverage and risk
- Effect of capital structure on value of the firm

Module 9: The relationship between growth and dividend policy

- Retention of profits in the business
- Sustainable growth

Module 10: How to value a business

- Earnings based valuations
- Economic value added (EVA)
- Market value added (MVA)
- Discounted cash flow (DCF)
 - ⇒ Identifying the relevant cash flows
 - ⇒ Constructing an appropriate discount rate
 - ⇒ Value in perpetuity or not?
 - ⇒ Other adjustments
 - ⇒ Reasonableness checks

STEVEN DELPORT

- Steven has extensive business experience having worked in the banking and consulting industries for more than 20 years.
- In addition to consulting, Steven is a facilitator on a number of leadership development programmes and coaches current MBA students at Wits Business School. He also lectures undergraduate and MBA finance courses, and writes for Entrepreneur magazine.
- Steven holds both a MBA and a Certificate Programme in Leadership Coaching from Wits Business School.

DAVE THAYSER

- Dave is a specialist in Mergers & Acquisitions, having worked in corporate finance and general financial consulting for most of his working life, primarily at Ernst & Young.
- Besides now consulting on his own account, he lectures on M&A at GIBS and in other forums and is a member of the Audit and Risk Committees of the Competition Tribunal.
- Dave holds an MBA from Manchester Business School as well as being a qualified Chartered Accountant (South Africa) and an FCMA.