

# Financial skills for non-financial managers

5-7 July 2010, London, UK



El member £1,880.00 (inc VAT) Non-member £2,115.00 (inc VAT)\*

\*includes complimentary Affiliate membership to the Energy Institute

## UNDERSTANDING THE KEY NUMBERS AND HELPING TO MAKE BETTER DECISIONS

A highly participative 3-day course which covers the principles, techniques and skills involved in the analysis of financial information in the oil industry, blending a clear theoretical framework with extensive use of real-life examples and case studies.

This course starts with a review of the financial language and the accounting basics, and explains the full scope of how financial analysis and accounting are interrelated. It explores how a clear understanding of the nature of the three cycles of financing, investing and operating a business will help the participants make improvements in their own businesses.

This course is focused on expanding the financial competencies of all staff who have an involvement with financial information so they can contribute to the making of better value-added decisions in their companies. The competencies emphasised include the necessary basic financial and accounting knowledge, the analytical skills needed to review financial information, and the ability to ask pertinent questions and then make good recommendations on the basis of the data analysed.

Understanding the nature of financial reports and being able to analyse and interpret financial information will offer a new perspective on business operations, which will enable a greater contribution to the success of the business as a whole.

### Course objectives

- Acquire an understanding of the fundamentals of financial information and the skills needed to use such information in order to help in the making of better value-added decisions
- Develop practical experience of how to apply financial skills in order to facilitate such value-added delivery in real life
- Raise personal financial skill levels in all four key areas

### Training methodology

There will be a strongly participative, learning-by-doing, style, making extensive use of examples and exercises/short case studies (both numeric/analytical and non-numeric/descriptive) as well as open plenary discussion sessions.

Given the financial nature of the course, and the frequent practical exercises, it is essential that participants are reasonably numerate. Ideally they should also have some prior familiarity with the financial basics (profit and loss accounts, balance sheets, discounted cash flow) – though this is not essential. Participants will make use of calculators, pencils and paper.

The course consists of several modules (see outline below). Each day will comprise several sessions, introducing new material to build on the learning in the previous sessions.

The course manual includes copies of all the slides used, as well as a Glossary of Financial Terms and a short Guide to DCF.

### Who should attend?

- *This course is designed for non-financial personnel who lack an in-depth knowledge of Accounting and Finance, and who need to acquire a broader understanding of these topics to improve their performance in their current role and/or to plan their future career.*
- *Business executives, strategic and business development planners and project managers who wish to refresh their understanding and enhance their skills in Financial Analysis and Decision Making.*



### COURSE OUTLINE – Introduction

- Seminar Objectives and Overview
- Financial Skills: Importance, Framework and Course Focus
- Corporate Framework and Objectives
- The Three Cycles of Business: Financing, Investing and Operating

### PART ONE

The Financial Language and Accounting Basics

- Accounts are not just for Accountants...
- The Fundamental Accounting Principles
- The Three Key Financial Statements
- Differentiating between Cash and Accruals Accounting
- Different Profit Measures
- The Structure of the Balance Sheet
- Basic Cash Flow Statements
- Impact of Working Capital on Cash Flow
- Accounting Exercises
- ROACE: A Measure for Everyone
- The SFS (Standard Financial Summary)
- The Impact of Inflation on Financial Performance: Case Study

### PART TWO – The Financial Statements and Financial Analysis

- The key elements of published reports and accounts
- Ratio Analysis
- Profitability and Liquidity ratios
- Disaggregating ROACE
- The Cash Conversion Cycle
- KPIs and WYMIWYG
- Ratio Exercises
- Consolidation
- Financial Benchmarking

### PART THREE – Planning, Budgeting and Cost Analysis

- The Value Model
- Planning
- The Cost of Capital
- The Time Value of Money/DCF Basics

- DCF Exercises
- Budgets and Plans
- Budgeting Approaches
- Budget Variance Analysis
- Cost Behaviour and Allocations
- Value-based Cost Analysis
- Operational Benchmarking

### PART FOUR – Analysis of Capital Investment Decisions

- What is Capital Investment
- Standard Evaluation Methodology
- The 4 Key Economic Indicators
- Defining the Right Base Case
- DCF Mini Case Studies
- Risk Management
- Sensitivity Analysis
- Alternative Evaluation Methods
- Acquisitions
- Acquisition Case Study
- The Drivers of Value
- Getting Approval

### PART FIVE – Analysis of Working Capital Decisions

- Optimise not Minimise
- Gross Working Capital Concept
- Key Issues and KPIs: Debtors, Creditors, Stocks
- The Cost of Working Capital
- The Working Capital Toolkit
- Working Capital Toolkit Exercises
- Credit Risk Management
- Settlement Options

### FINAL SESSION

- Course Summary and Checklists
- Financial Skills: Further Development
- Course Review: Feedback and Actions

For more information please contact Nick Wilkinson  
t: +44 (0)20 7467 7100 f: +44 (0)20 7255 1472  
e: [nwilkinson@energyinst.org](mailto:nwilkinson@energyinst.org) [www.energyinst.org](http://www.energyinst.org)



[www.argusmediagroup.com](http://www.argusmediagroup.com)

# Registration form

**UK Entry Visas** – Please note that there have been recent changes to the UK Entry Visa application system. Given this, it now takes a minimum of 15 working days/3 weeks, to process any applications. If you wish to attend a course and need a visa, you are urged to apply at least 1 calendar month prior to the start date of the course. Full information at: [www.ukvisas.gov.uk/en/howtoapply/wheretooapply/](http://www.ukvisas.gov.uk/en/howtoapply/wheretooapply/)

To register, by post or fax, please complete this registration form in BLOCK CAPITALS and return it to the address below, together with payment of all fees. Nick Wilkinson, EI Oil and Gas Training, Energy Institute, 61 New Cavendish Street, London W1G 7AR, UK f: +44 (0)20 7255 1472 To register by email, please provide the same contact details (shown below), together with the relevant course details and send to: [nwilkinson@energyinst.org](mailto:nwilkinson@energyinst.org) To book online, visit: [www.energyinst.org](http://www.energyinst.org)

I am/my employer is a member of the EI and entitled to the EI member's rate. EI Membership Number: .....

Mr/Mrs/Miss/Ms/Dr/Other: ..... Name: .....

Job title or present position: ..... Company/Organisation: .....

Name and address against which an invoice should be raised: .....

.....

t: ..... f: .....

e: .....

Mailing address for joining instructions (if different to invoice address above): .....

.....

Please indicate if you have any particular dietary requirements: .....

I confirm that I have read and agree to the conditions of registration as specified in the General Information section.

Signature: ..... Date: .....

**Under UK Excise Regulations, delegates from all countries are required to pay VAT on any course taking place in the UK.**

Course Title: .....

Course date: ..... Cost of course: £ .....

Less 10% discount for each subsequent delegate from the same company attending the same course on the same date

£ .....

I enclose my remittance, made payable to the Energy Institute, for: **TOTAL PAYMENT** £ .....inc VAT

The total amount may be paid by Sterling Cheque or Draft drawn on a bank in the UK.

To pay by Credit or Charge Card, circle appropriate card name and give card details below:

Visa
  MasterCard
  Euro Card
  Diners Club
  Amex

Card No: \_\_\_\_\_ Start Date \_\_ \_\_ / \_\_ \_\_ Expiry Date \_\_ \_\_ / \_\_ \_\_ \_\_\_\_\_

Please enter your 3-digit\* security code above. This will be deleted upon authorisation. \*4-digits for Amex users.

Credit/Charge card holder's name and address: .....

.....

Signature: ..... Date: .....

**Payment:** Full payment must be received before a place can be guaranteed. Under UK Excise Regulations, delegates from all countries are required to pay VAT on any event taking place in the UK. Please note that VAT may be liable to amendment. All prices are correct at the time of going to press, but may be subject to change without prior notice.

**Acknowledgement of registration:** Confirmation of registration and a VAT receipt will be sent to all delegates. Joining instructions will be sent out prior to the start date of the course. If you have not received your acknowledgement seven days prior to the start date of the course, please contact EI Oil and Gas Training at the Energy Institute to confirm your booking.

**Language and course materials:** All presentations, course materials and supporting documentation will be presented in English. **Audio-visual recording of presentations is strictly forbidden. Course materials cannot be purchased by non-attendees.**

**Cancellation:** In the event of a delegate cancelling, a refund of the registration fee less a 20% administration charge will be made provided that notice is received in writing at least 28 days before the date of the course. No refunds will be paid after that date. However, course papers, as supplied to attendees, will be provided after the event.

**Substitution**  
If you are unable to attend, a substitute delegate may attend in your place, provided that EI Oil and Gas Training is notified in advance.

**Enquiries**  
EI Oil and Gas Training, Energy Institute, 61 New Cavendish Street, London W1G 7AR, UK  
t: +44 (0)20 7467 7100 f: +44 (0)20 7255 1472  
e: [nwilkinson@energyinst.org](mailto:nwilkinson@energyinst.org) [www.energyinst.org](http://www.energyinst.org)

**DATA PROTECTION ACT**

The EI will hold your personal data on its computer database. This information may be accessed, retrieved and used by the EI and its associates for normal administrative purposes. If you are based outside the European Economic Area (the 'EEA'), information about you may be transferred outside the EEA. The EI may also periodically send you information on membership, training courses, events, conferences and publications in which you may be interested. If you do not wish to receive such information, please tick this box

The EI would also like to share your personal information with carefully selected third parties in order to provide you with information on other events and benefits that may be of interest to you. Your data may be managed by a third party in the capacity of a list processor only and the data owner will at all times be the EI. If you are happy for your details to be used in this way, please tick this box