
Understanding Financial Reports

National Competency Standard (BSB07)
BSBFIA401A – Prepare financial reports
BSBFIA402A – Report on financial activity



Aim

This course introduces the basic terminology, tools, and techniques of financial accounting, as well as managerial tools that will enhance your decision making ability.

Audience

This course is aimed at small business owners, managers and administrators who are responsible for managing and/or monitoring financial performance.

Duration

One day.

Course Outcomes

1. Introduction to accounting, its purpose, and the key accounting terms.
2. Phases of the accounting cycle and types of accounting records.
3. Analysing and posting transactions.
4. Preparing a Trial Balance and identifying financial statements created from the Trial Balance.
5. Identifying, creating and interpreting Income Statements.
6. Identifying and preparing a Balance Sheet.
7. Using the Balance Sheet to calculate the liquidity and the debt-to-total-assets ratio.
8. Identifying and preparing a Cash Flow Statement and a Statement of Stockholders' Equity.
9. Identifying and practicing budgeting by analysing financial statements, setting objectives, and monitoring performance.

Optional Assessment

This is a nationally recognised training program. Participants who successfully complete the optional assessment component of this course will receive a Statement of Attainment for the unit of competency outlined above. The assessment comprises a case study assignment designed to demonstrate competence. Participants who choose not to be assessed will receive a Certificate of Attendance. The case study assignment is completed in the participant's own time.

Course Content

Basics of Accounting

- Accounting principles
- Key accounting terms

The Accounting Cycle

- Basics of the accounting cycle
- Analysing, recording and posting transactions
- Performing a trial balance

The Income Statement

- Income statement basics
- Preparing and interpreting an income statement

The Balance Sheet

- Balance sheet basics
- Preparing balance sheets
- Interpreting balance sheets

Other Financial Statements

- Cash flow statements
- Statement of stockholders' equity

Budgeting

- Fundamentals of budgeting
- Analysing financial statements
- Setting objectives
- Monitoring performance