

# Practical aspects of cash management

Hands-on course of 2 days - 14h

Ref.: SOR - Price 2024: CHF1 490 (excl. taxes)

## EDUCATIONAL OBJECTIVES

At the end of the training, the trainee will be able to:

Identify the sources of financial and accounting information required for the cash flow forecast

Assess the cash position of your company through analysis of the various ratios

Draw up a cash flow forecast budget

Protect cash flow by checking the creditworthiness of your customers

Optimize your WCR (Working Capital Requirement)

## THE PROGRAMME

last updated: 01/2018

### 1) Accounting refreshers for cash flow management

- Presentation and reading of the balance sheet: a snapshot of the assets of the company at a given point in time.
- The various items on the assets side of the balance sheet: fixed assets, receivables, amortizations, inventories, etc.
- The various items on the liabilities side of the balance sheet: equity capital, provisions, borrowings, debts, etc.
- The profit and loss account: the measurement of the economic activity of a company over a financial year.
- The components of the profit and loss account: revenues and operating, financial and exceptional costs.
- The notes to the financial statements: the explanations for variations from one financial year to the next.

*Hands-on work* : Hands-on work

### 2) Identifying the sources of information for the cash flow forecast

- Understanding the operating cycle.
- Understanding the laws of cash receipts and payments.
- Developing investment and financing budgets in the medium and long term.
- Understanding the concept of normative Working Capital Requirement (WCR).

*Hands-on work* : Hands-on work Calculation of a normative Operational Working Capital Requirement (OWCR).

### 3) Assessing the cash position of the company

- Carrying out a static analysis based on the balance sheet: the rule of financial balances.
- Analyzing the operating balances: determining the Working Capital Requirement (WCR).
- Using cash flow statements.
- Analyzing the situation from the profit and loss account: understanding and respecting the rule of optimization of margi
- Determining the company's capacity for self-financing.
- Understanding the various traditional reasons why the annual cash flow forecast can be unreliable.

*Hands-on work* : Case study Analyze the top and bottom of the balance sheet. Present an operational balance. Calculate a Working Capital Requirement, assess the cash flow position of a company and analyze its ratios.

## TRAINER QUALIFICATIONS

The experts leading the training are specialists in the covered subjects. They have been approved by our instructional teams for both their professional knowledge and their teaching ability, for each course they teach. They have at least five to ten years of experience in their field and hold (or have held) decision-making positions in companies.

## ASSESSMENT TERMS

The trainer evaluates each participant's academic progress throughout the training using multiple choice, scenarios, hands-on work and more. Participants also complete a placement test before and after the course to measure the skills they've developed.

## TEACHING AIDS AND TECHNICAL RESOURCES

- The main teaching aids and instructional methods used in the training are audiovisual aids, documentation and course material, hands-on application exercises and corrected exercises for practical training courses, case studies and coverage of real cases for training seminars.
- At the end of each course or seminar, ORSYS provides participants with a course evaluation questionnaire that is analysed by our instructional teams.
- A check-in sheet for each half-day of attendance is provided at the end of the training, along with a course completion certificate if the trainee attended the entire session.

## TERMS AND DEADLINES

Registration must be completed 24 hours before the start of the training.

## ACCESSIBILITY FOR PEOPLE WITH DISABILITIES

Do you need special accessibility accommodations? Contact Mrs. Fosse, Disability Manager, at [psh-accueil@ORSYS.fr](mailto:psh-accueil@ORSYS.fr) to review your request and its feasibility.

#### 4) Drawing up a budget and a cash flow plan

- Constructing the budget: the terminology and the concept of budget management.
- Understanding the importance of cash flow modeling.
- Drawing up a cash flow plan.
- Making the necessary adjustments on the basic accounting data.
- Developing and articulating the various budgets: sales, production, procurement, general services, etc.
- Implementing a budget check: (variations in costs and sales).
- Putting corrective actions in place.

*Hands-on work* : Hands-on work Draw up a cash flow forecast and analyze it. Calculate differences on the Turnover and expenses.

#### 5) Understanding and implementing a system of “customer solvency” monitoring

- Understanding the importance of setting up a customer monitoring system.
- Analyzing the solvency and profitability of customers: structural, liquidity, management and business activity ratios, e
- Securing the processing of your receivables into cash.
- Spotting the warning signs before a customer default.
- Understanding the legislation designed to prevent companies getting into difficulties (the seven stages of the law of 26
- Focus: reminder of the Law of Modernization of the Economy (LME) of 04/08/2008 on the new decrease in customer credit.

*Hands-on work* : Hands-on work Calculate and analyze structural and liquidity ratios and other indicators of customer solvency.

#### 6) Implementing elements to improve the Working Capital Requirement.

- Defining the financial balance of the company (WCR / Overall Net Working Capital (ONWC) / net cash).
- Understanding the actions to be implemented to improve the cash flow.
- Understanding the actions to be implemented to improve the company's margins.
- Optimizing your Working Capital Requirement: Cash culture
- Optimizing average settlement timescales.

*Hands-on work* : Hands-on work Optimizing your company's Working Capital Requirement, reducing customer settlement timescales.

## DATES

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REMOTE CLASS

2024 : 01 Jul, 10 Oct