

Essentials of *Financial Statement Analysis*

2 - 4
December
2 0 0 7

Sahara Club, Kuwait

Course Outline

This course is relevant for a wide range of professionals from both the financial (banking, investments, insurance, etc.) and non-financial (manufacturing, retail, services, etc.) industries. It will provide a useful introduction to basic financial statement analysis concepts for executives and managers who are profit center or investment center managers, executives who are engaged in mergers and acquisitions decisions, managers involved in lending transactions, as well as general managers who aspire to be more proficient in analyzing financial statements. Individuals who wish to gain a deeper understanding of financial statement analysis methods can use this course as a stepping stone to the other 3SVA course “Critical Issues in Financial Statement Analysis.”

Who Should Attend?

- Profit Center Managers
- Investment Center Managers
- Credit Analysts
- Investment Analysts
- Mergers and Acquisitions Analysts
- Business lawyers
- Underwriting Analysts
- Accountants and Auditors
- Project managers
- Strategy Directors
- Business Consultants

Participants need to possess sufficient academic background and work experience to benefit the most from this course.

Day One – Sunday December 2, 2007

8:45 - 9:00	Registration
9:00 - 10:15	Overview of Structure and Content of Financial Statements Strategic Value of Financial Reporting Transaction Analysis Construction of Financial Statements
10:15 - 10:30	Coffee Break
10:30 - 11:45	Overview of Structure and Content of Financial Statements (Continued) Articulation of Financial Statements Review of Financial Statements of The Coca-Cola Company Break-Out Exercise
11:45 - 12:45	Lunch Break
12:45 - 2:00	Quality of Earnings Special income statement items Discontinued Operations Extraordinary Gains and Losses Restructuring Gains and Losses
2:00 - 2:15	Coffee Break
2:15 - 3:30	Quality of Earnings (continued) Earnings Persistence Evaluating Earnings Earnings Forecasts Case Study

Day Two – Monday December 3, 2007

9:00 - 10:15	Accrual Earnings & Earnings Management Accrual versus Cash-basis Accounting Revenue Accruals Expense Accruals
10:15 - 10:30	Coffee Break
10:30 - 11:45	Accrual Earnings & Earnings Management (Continued) Balance Sheet Accruals: The Link Between Accrual Income and Cash Flows Accounting Shenanigans and How to Detect them Case Study

Day Two Cont. – Monday December 3, 2007

11:45 - 12:45	Lunch Break
12:45 - 2:00	Cash Flows Operating, Investing, and Financing Activities Indirect Presentation of Operating Activities
2:00 - 2:15	Coffee Break
2:15 - 3:30	Cash Flows (Continued) Direct Presentation of Operating Activities Analyzing the Statement of Cash Flows Case Study

Day Three – Tuesday December 4, 2007

9:00-10:15	Analyzing Trends and Content of Financial Statements Common-Size Financial Statements Time Series Analysis of Financial Statements Ratio Analysis of Balance Sheet, Income Statement and Cash Flow Statement
10:15-10:30	Coffee Break
10:30-11:45	Analyzing Trends and Content of Financial Statements (continued) DuPont Financial Analysis Model EBITDA, EVA, and Other Performance Metrics
11:45-12:45	Lunch Break
12:45-2:00	Case study Comparison of between industry peers Break-out Comprehensive Case Study Ratio Analysis
2:00-2:15	Coffee Break
2:15-3:30	Case study (Continued) Discussion of Comprehensive Case Wrap-up

Critical Issues in

Financial Statement Analysis

**5 - 6
December
2007**

Sahara Club, Kuwait

Course Outline

This course presents advanced topics, techniques and approaches for participants who already have an understanding of basic financial statements and related analysis techniques. For those who do not have a sufficient knowledge of these basic concepts, the course immediately preceding this course offered by 3SVA on the Essentials of Financial Statement Analysis is recommended.

Who Should Attend?

- Senior Investment Managers
- Senior Credit Managers
- Investment Analysts
- Mergers and Acquisitions Analysts
- Business lawyers
- Underwriting Analysts
- Accountants and Auditors
- Project managers
- Strategy Directors
- Business Consultants

Participants need to possess sufficient academic background and work experience to benefit the most from this course.

Day One – Wednesday December 5, 2007

8:45 - 9:00	Registration
9:00-10:15	Strategy and Financial Reporting Mergers and Acquisitions Non-Controlling Investments Passive Investments Equity Method
10:15-10:30	Coffee Break
10:30-11:45	Controlling Investments Consolidations Consolidating Equity Method Investments Case Study
11:45-12:45	Lunch Break
12:45-2:00	Off-Balance-Sheet Assets and Liabilities Operating versus Capital Leases Capitalizing Operating Leases Case Study
2:00-2:15	Coffee Break
2:15-3:30	What Happened to SPEs After Enron? Special Purpose Entities Variable Interest Entities Case Study

Day Two – Thursday December 6, 2007

9:00-10:15**Key Equity Analysis Issues**

Stock-Based Compensation versus Restricted Stock
The Treasury Stock Strategy
Case Study

10:15-10:30**Coffee Break****10:30-11:45****The Current State and Future of Accounting Standards**

U. S. GAAP and IFRS
Differences and Similarities
Likely Future Developments
Case Study

11:45-12:45**Lunch Break****12:45-2:00****Detecting Common Financial Reporting Gimmicks**

The Accrual Accounting Culprit
What Really Happened at Enron?
Other Major Financial Reporting Failures
Break-Out Exercise

2:00-2:15**Coffee Break****2:15-3:30****The State of Corporate Governance and Financial Reporting**

Impact of Sarbanes-Oxley Legislation in the U.S. and Internationally
Internal Controls Over Financial Reporting
Control Weaknesses Versus Deficiencies
Case Study