



# Financial Literacy

## A Leaders Guide to Managing Profits and Cash Flow

**March 14 and March 23, 2023**  
**2 Sessions / 4 Hours per Day**

Your business success is dependent on the financial management skills of both you and your staff. Improving your numbers know-how makes good business sense. Your challenge is to gain this financial know-how through a simple, straight-forward, plain-English approach. To do this right, you'll need a lot of information, but information delivered simply and with humor.

### Here Are A Few Of The Skills We Can Help You Build:

- Understand basic accounting terminology – de-mystify the jargon
- Know how to analyze and use the basic reports your system generates
- Use those reports to run your business day-to-day, month-to-month
- Monitor your company's financial performance and diagnose problems
- Use break-even analysis to make better decisions relating to cost, price, and profits
- Avoid cash crunches and increase cash flow
- Compare your performance to that of similar companies - benchmarking

### Session Overview (in-depth course description on second page)

Session 1: Introduction & Terminology, and Understanding the Financial Statements - Balance Sheet & Income Statement

Session 2: Cost Management for Manufacturers, the Importance of Cash Flow & Performance Comparison/Improvement

### EVENT TIME

8:00 am - 12:00 pm  
Registration 7:30 - 8:00

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**\$695.00**

per person  
(for both sessions)

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### WHERE

Arizona Commerce  
Authority  
100 N 7<sup>TH</sup> Avenue  
Phoenix, AZ 85007

First Floor  
Conference Center

Register at <http://bit.ly/AZMEPFinancialLiteracyFeb2023>

**ARIZONA**  
MANUFACTURING  
EXTENSION PARTNERSHIP

PART OF THE  **MEP  
National  
Network**

# Financial Literacy

## A Leaders Guide to Managing Profits and Cash Flow

**Both classes will be held at the ACA First Floor Conference Center**

**Day 1: Introduction and Balance Sheet & Income Statement (4 hours)**  
**March 14th**

### **Class Overview**

1. Definition of Accounting
2. Key Financial Reports
3. Terminology
4. Introduce debit-credit bookkeeping;
5. Reporting Requirements

### **Balance Sheet**

1. Balance Sheet Equation
2. Definition, Review and Discussion of:
  - Assets (Current, Fixed)
  - Liabilities (Current, Long Term)
  - Equity (What it Represents, How Calculated, Importance)

### **Income Statement**

1. What is the Income Statement
2. Accrual versus Cash Accounting
3. Revenue
4. Cost of Goods and Gross Margin
5. Operating Expenses
6. Revenue Recognition
7. Examples of transactions
8. Non-Cash Expenses
9. Journal Entries

**Day 2: Production Costing, Cash Flow and Performance Improvement (4 hours)**  
**March 23rd**

### **Inventory, Cost of Goods and Gross Margin in Manufacturing**

1. Typical Company Cost of Goods
2. What is different for Manufacturers
3. Working with Inventory
4. Inventory and Cash Flow

### **Cash Flow**

1. What is Cash Flow and Why is Net Income not Cash
2. Sources of Cash (Operations, Financing, Investing)
3. Cash Flow Cycle
4. Examples and exercises

### **Comparing Performance/Performance Improvement (4 hours)**

1. What is Benchmarking
2. Internal Comparisons
3. You vs Your Industry (Your Comparisons)
4. Ratios and Their Usage

### **Additional Training and Tools**

1. Profit Cents Description of "Tool" Uses
2. Profit Mastery Course Description - In-Depth Training