

Survival Accounting: Navigating Through Financial Statements -- Paul Mason

Course Topics

- The Making of a Balance Sheet and Income Statement: We will actually build a balance sheet in the session using some common “transactions” and watching the statements almost come alive. From this simple, yet powerful exercise, we can catch a glimpse into the construction of current (and complex) financial statements and see first hand what each component really means.
- The Concept of Revenue (and Expenses): Agreeing on practical definitions of income and expense is perhaps the most controversial and elusive concept in accounting. The issue is also the substance that led to the fall of companies that are now household names such as Enron, WorldCom, and Andersen. We’ll explore why so many of the schemes were the result of very elementary accounting manipulations. Contrary to what the public may believe, we will see that these accounting mistreatments were actually not very complicated at all.
- Terms, Terms and More Terms: While accounting is serious business, it is also a game, one we actually started playing before we knew or understood all the rules. Because you need to understand the rules before you can play (and compete) we’ll discuss some of the common accounting assumptions and the related terms you may have heard but never really understood. This topic involves the accountants’ secret handshake – only you can learn it too!
- Which Numbers Do I Need? None of us would probably ever dream of actually running our business with the numbers reflected on the financial statements. These “public” numbers are just that – public. We’ll complete the session with a journey into the world of internal accounting, a place where the *real* secrets are held. We will discuss some of the most common accounting practices managers will encounter in business and address how, with a little coaching, you can sound like a pro!