

# Understanding & Analyzing Financial Statements For Franchise Owners

*An Intensive One-Day In-House Seminar  
Custom Designed to Meet the Needs of Your Organization's Franchisees*

**Learn more in this customized, practical, informative one-day workshop than a full semester in an MBA finance class including:**

- Understanding Accounting – The Language of Business
- Using Your Franchisee Balance Sheet, Income Statement and Statement of Cash Flows
- Understanding Profit Check Points and Break-Even Analysis for Your Franchise
- **Calculating and Using Financial Ratios To Identify Financial Strengths and Weaknesses**
- Benchmarking Your Firm's Financial Performance Against Similar Firms
- Strategic and Financial Planning Based on Your Financial Analysis
- Understanding and Controlling Your Business Operating Cycle
- **How to Improve the Value of Your Franchise**

*This Course Is Ideal For General Training or Your Next Franchisee Conference  
Master that part of the MBA core financial program that really matters...in just one day!*

**An Understandable Case Study of Financial Strengths and Weaknesses  
Custom Designed for Your Franchise Members**

**This customized, practical, 'real-life' in-house training features:**

- How To Use Your Franchisee Financial Statements and Read Between the Lines
- How To Calculate, Understand and Use Your Franchise Financial Ratios
- Pertinent Industry Averages for Your Industry

**Additional Customized Option . . . Franchisee Specific Industry Averages**

At your request NCCE's CPAs can calculate fourteen critical financial ratios for all your franchisees and **create customized industry averages for use by each franchise owner**. These customized industry averages will report the top quartile, average, and the bottom quartile for all franchisees.

*We Guarantee Results*

**NCCE**

**National Center for Continuing Education**  
World-Class Training Since 1984

**Schedule your custom in-house seminar today!**  
Telephone us at 850-561-6081 or email [contact@nccetraining.com](mailto:contact@nccetraining.com)

*A Practical, Comprehensive Approach . . .*

# Understanding and Analyzing Financial Statements *For Franchise Owners*

## **What Your Franchise Owners Will Learn In One Day**

**Take** the mystery and fear out of accounting statements for your franchise owners with this informative, one-day, straightforward seminar. This super concentrated, skill-based seminar is designed for the franchise owner with little or no exposure to finance and accounting who would like total confidence and understanding when reviewing their financial statements. All accounting and financial concepts are clearly defined in everyday language and illustrated with easy-to-follow examples and exercises.

Attending NCCE's intensive, one-day 'real-life' workshop will provide your franchisee owners with a practical, common-sense understanding of the critical financial principles applicable to their franchise business. Through a balanced mix of in-class exercises and integrated study aids, your franchisee owners will emerge from this course able to analyze their financial information like a pro! They will learn from one of our expert faculty members who will present crystal-clear and concise explanations of important financial concepts applicable to their franchise.

Our organized, proven system of training, coupled with the best instructors in the industry, allows your franchise owners to leave this intensive, one-day seminar with effective business skills and concepts they can put to immediate use. In this custom-seminar your franchise owners they will learn critical business skills such as basic accounting principles, financial analysis,

financial ratios, industry specific norms, how to calculate break even, how to predict (avoid) bankruptcy and how to increase the value of their franchise.

We use a practical, common sense approach that animates the numbers on the financials your franchise owners use. We'll walk through a meaningful analysis of a typical franchisee's financials in an entertaining, understandable "nuts-'n'-bolts" framework that makes sense to everyone. Franchise owners who need proven strategies and techniques they can use immediately to become more profitable should plan to attend *Understanding and Analyzing Financial Statements for Franchise Owners*.

This is a customized in-house seminar featuring typical financial statements your franchisees use.

### **Additional Customized Option . . . Franchisee Specific Industry Averages**

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# Comprehensive Seminar Agenda

## Understanding Accounting Basics - The Language of Business

- Definitions and What the Financials Don't Reveal
  - Assets vs. Economic Resources
  - Liabilities vs. Economic Obligations
- U.S. Generally Accepted Accounting Principles (GAAP)
- Accrual Accounting:
  - What it is
  - Why We Use it

## Understanding the Balance Sheet

- How Items are Arranged on the Balance Sheet and *Why*
  - Using the Four Quadrants of the Balance Sheet
  - How to Instantly Determine Liquidity and Too Much Debt – Strong Balance Sheets Explained
- The Business Operating Cycle: How a Business Gets its Cash
- Inventory: making sense of LIFO, FIFO and manipulating net income
- Fixed assets, depreciation, and value
- Goodwill: how accountants determine its value
- Liabilities: Current vs. Long-Term
- Equity: Owner Contributions vs. Retained Earnings

## Understanding / Using the Income Statement

- How to Use Profit Checkpoints
- Cost of Goods Sold – Why It's Critical – How It's Manipulated and *Why*
- Why Gross and Net Margin are Critical Measures; Instantly Determine Profitability
  - How to Determine Product Line Profitability
  - How to Calculate Break-Even for Your Franchise
  - How overstated (understated) inventory impacts net income

## Ratio Analysis Calculations and What the Numbers Really Mean

- Horizontal and Vertical Analysis – Asking Key Questions, Troubleshooting Problems
- **Liquidity Ratios:** Current Ratio; Quick Ratio; Cash Ratio
- **Activity Ratios:** Days Sales Outstanding (DSO); Days Sales in Inventory (DSI); Calculating the Business Operating Cycle; Asset turnover; Return on Assets (ROA). How to Identify Bad Receivables and Obsolete Inventory.
- **Leverage Ratios:** Debt to Equity; Interest Coverage
- **Profitability Ratios:** Return on Equity (ROE); Return on Invested Capital (ROIC); Gross Margin; Net Margin (ROS)
- How to Find and Use Industry Averages/ Franchisee Averages
- Predicting Bankruptcy – Z Scores
- Trend Analysis Illustrated

## Understanding / Using the Statement of Cash Flows

- How We Get Our Cash; How We Use Our Cash
- Cash related to: operations; investing; financing
- Using Vertical Analysis for Clarity

## Understanding the Statement of Changes in Equity

- Shares Outstanding and Additional Paid-in Capital
- Retained Earnings and Dividends or Draws

## Understanding Audit Reports and Footnotes

- Types of Audit Reports and the CPA's Legal Liability
- Advantages/disadvantages of reviewed or compiled financial statements
- Using the Footnotes/Required Disclosures to the Financial Statements

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## 21 Key Benefits for Franchise Owners Attending This Powerful One-Day Seminar

1. Eliminate intimidation: Learn how to understand and analyze financial statements once and for all.
2. Learn the important financial basics such as the difference between assets, liabilities and equities; where they're located on the balance sheet; in what order they are reported and why.
3. Instantly identify a strong balance sheet by using the four quadrants of the balance sheet to identify adequate liquidity or too much leverage and risk.
4. Learn what the balance sheet doesn't tell you about your franchise and why it doesn't value a business.
5. Analyze a typical franchisee's financials for a "real-life" case study. Analyze and understand franchisee financial health.
6. Learn how to use profit checkpoints on the income statement to gauge performance. Understand gross margin, what it means, and why it's critical. Use gross margin analysis to determine franchise product line profitably.
7. Understand break-even analysis and use this tool to budget franchisee profitability.
8. Obtain a complete explanation of financial statement analysis. Total explanation of ratio analysis – liquidity, management effectiveness, leverage and profitability ratios.
9. Analyze accounts receivable to determine whether collections are aggressive enough or if there are bad receivables that should be written off.
10. Discuss return on equity – the most commonly used financial statistic.
11. Benchmark your franchise financial ratios against industry averages.
12. Understand Net Working Capital – how to calculate it and what it means to the franchisee's survival.
13. Learn about the business operating cycle – how a business gets its cash and why it's critical. Learn business survival tactics.
14. Determine a franchisee's capital structure and what it means – at a glance.
15. Learn how to spot obsolete inventory– overstated inventory - by analyzing two key items in the financial statements.
16. Examine LIFO, FIFO, and other inventory valuation methods. Learn how to legally make your franchise look like it's worth thousands more or less, and when to use these techniques.
17. Learn what goodwill is and is not.
18. Predict bankruptcy 95% of the time. Learn what to do to avoid bankruptcy.
19. Spot cash flow problems instantly with a simple technique.
20. Use the "Rule of 72" to instantly evaluate financial performance.
21. Obtain a desk-top reference guide for financial ratios and an Excel template to calculate these ratios.

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# Custom In-House Training

## Key Benefits of a Custom In-House NCCE Seminar:

- **Targeted Training** - Customize your in-house program to your company's specific needs. Let us know which items in our seminar agenda you want to stress.
- **Customized Case Study** - We'll analyze a typical franchisee's financial statements. Your franchisees will leave the seminar with a detailed financial knowledge of their company. No other seminar company customizes to this extent. And . . . we can even customize further . . .see below . . .

### Additional Customized Option . . . Franchisee Specific Industry Averages

At your request NCCE's CPAs can calculate fourteen critical financial ratios for all your franchisees and **create customized industry averages for use by each franchise owner**. These customized industry averages will report the top quartile, average, and the bottom quartile for all franchisees.

- **Convenience** - Schedule your seminar when it's most convenient for you and your staff -- at your office or the location of your choice.
- **Substantial Savings** - Train a larger number of franchise owners and their staff for a significantly lower cost per person.

Cost Per Seminar Attendee					
Participants	10	15	20	25	30
Total Seminar Cost	Call for Pricing	Call for Pricing	Call for Pricing	Call for Pricing	Call for Pricing
Cost Per Person	<b>\$AVE</b>	<b>\$AVE</b>	<b>\$AVE</b>	<b>\$AVE</b>	<b>\$AVE</b>

**Bring this course in-house and provide custom designed training to your entire franchisee operation at a great cost savings!**

The fee includes a distinguished seminar leader at your site, a pre-training analysis and course tailoring with the instructor, full preparation of course materials, a seminar manual with your organization's logo emailed camera-ready in electronic format to your director of documents and much more. Your organization simply supplies meeting space, audiovisual equipment and participant refreshments; NCCE provides everything else.

We have the quality programs and expert, experienced instructors to give your franchise operation an edge in today's competitive market. Improve communication, cohesiveness and efficiency through targeted professional development opportunities. NCCE's customized in-house training programs are a convenient, cost-effective way to provide your franchisees with critical information that will immediately add value to their franchise.

If you are interested in an in-house seminar for your franchisees, please take the time to look over and complete the questionnaire at the end of this brochure or **online**. It will help you pinpoint your group's needs, and will assist NCCE in putting together a top-notch seminar for your organization.

For further details on NCCE seminars, telephone NCCE at 850-561-6081 or email [contact@nccetraining.com](mailto:contact@nccetraining.com)

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# NCCE Past In-House Seminar Clients

## Understanding and Analyzing Financial Statements for Non-Financial Professionals

Partial listing of clients who have had this seminar be presented in-house

- Harley – Davidson
- Oracle
- Florida Power & Light
- Burger King
- Stanley Tools
- National Institute of Science and Technology (NIST)
- U. S. Small Business Administration
- Hewlett – Packard
- General Mills
- J. M. Family Enterprises
- Motorola
- Deloitte
- Fortune Magazine
- Munsanto

## Understanding and Analyzing Financial Statements for Attorneys

Partial listing of clients who have had that this seminar be presented in-house

- Jones, Day, Reavis & Pogue
- Weil, Gotshal & Manges
- Greenberg Traurig
- Alston & Bird
- Ice, Miller
- McDermott, Will & Emery
- Drinker Biddle & Reath
- Arnall Golden & Gregory
- Irell & Manella
- Bass, Berry & Sims

## About the National Center for Continuing Education

Since 1984, the National Center for Continuing Education (NCCE) has produced and marketed continuing professional education and executive training in major cities throughout the United States. We provide critical business information to Fortune 1000 managers, attorneys, CPAs, healthcare administrators, engineers and business owners nationwide. For over 25 years we have offered informative, exciting continuing education led by the nation's most qualified instructors.

## Your Seminar Will Be Led By One of NCCE's Expert Faculty

### **Bruce Clements, CPA, Ph.D., JD, MBA**

Bruce is an attorney as well as a college professor. His practical work experience includes several years with a Big-4 accounting firm, operational accounting and financial analysis with a major oil company, and work as a practicing attorney and CPA. His varied education, practical work experience, and proven platform skills help him to deliver an interesting presentation.

### **Richard T. Balog, CPA, CFE, CIA**

Richard has managed consulting engagements and led executive development programs in 25 countries and trained more than 70,000 business executives. Prior to his current position, Rick established KPMG Peat Marwick's executive education department, where he designed and taught audit training programs. He has also served as manager of program development for The Institute of Internal Auditors. Rick holds degrees in accounting and management from Loyola University and an M.S. in behavioral sciences from the University of Florida. He has won awards from The Institute of Internal Auditors and The American Institute of Certified Public Accountants for leading outstanding seminars.

### **Joe Weil, CPA, MBA**

Joe is an exciting and dynamic professional speaker who has led over 400 financial seminars for attorneys and CPAs. He has a special talent for explaining abstract accounting concepts to non-financial professionals in a concrete, crystal-clear, entertaining manner that anyone can understand. Joe has owned his own CPA firm, conducted numerous forensic audits and has served as an expert witness. His philosophy is that entertainment and education should be mixed for maximum benefit and this attitude has consistently resulted in very satisfied seminar participants.

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# NCCE In-House Seminar Questionnaire

*Understanding and Analyzing Financial Statements for Franchise Owners*

## Company/Firm:

COMPANY/FIRM NAME \_\_\_\_\_ TELEPHONE NUMBER \_\_\_\_\_

MAILING ADDRESS \_\_\_\_\_ FAX NUMBER \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

## Contact Person:

SAL \_\_\_\_\_ NAME \_\_\_\_\_ TITLE \_\_\_\_\_

CONTACT TELEPHONE NUMBER \_\_\_\_\_ EMAIL ADDRESS \_\_\_\_\_

## Basic In-House Information:

DATES DESIRED \_\_\_\_\_ LOCATION \_\_\_\_\_

HOW MANY WILL ATTEND? \_\_\_\_\_ ATTENDED NCCE TRAINING BEFORE? \_\_\_\_\_

ATTENDEE TITLES \_\_\_\_\_

ATTENDEE EDUCATION BACKGROUND AND EXPERIENCE \_\_\_\_\_

WHY IS TRAINING NEEDED? \_\_\_\_\_

## Additional Information:

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*We Guarantee Results*

**NCCE**

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World-Class Training Since 1984

TRY OUR  
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POWERED BY:  


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