

ANALYTICAL ACCOUNTING



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Why we are here today / Exceptions



The importance of profit and loss calculation and how it is done will be understood and while doing this, financial statements, balance sheet and income statement will be used.



Financial planning is very important for real life experiences, first 3 years of growth, determination of necessary costs and resources.



Budget planning and activities in which calculations in simulation are made will facilitate learning.



The importance of medium and long term financial planning will be understood.

List of topics

(as in syllabus/ theoretical part)

Defining every line
of product and
service.

Costs and Benefits

Growth (where we
want to be in 3
years)

Practice with real
cases.

Estimation of costs
and resources
needed (ROI, ROE,
ROS....)

Financial Plan



Learning points

(as in syllabus/ theoretical part)

- ❖ Start to have an economical mind-set.
- ❖ Understand the basic topics that can influence the Financial Plan
- ❖ Review all types of examples of costs in an organization.
- ❖ Place your long-term vision for strategic decisions in the right direction
- ❖ properly use their business' funds to achieve the goal of wealth maximization and risk minimization.
- ❖ Real Costs Calculation
- ❖ Measuring Risks
- ❖ Merge with management and marketing decisions department.



Main activities / structure of the session

(theoretical, practical,...)



Make a presentation about the general purpose of the session and learn about the expectations of the participants



Presentation of analyzes made within the scope of activities



Activity 1. 2: How to manage a business and get a profit



Activity 1.1: Planning your expenses



Q&A session



Evaluation

What are you expected to produce (list of concrete outputs)



Ability to make
medium and long-
term plans

Having experience in
the financial
management of the
business



Gaining real-life
experience with
gamification

Preparing a financial
plan



Overview on the theoretical part

ANALYTICAL ACCOUNTING

Main Accounting Principles

It's vital to indicate predicted revenues, direct and indirect spending, and fixed and variable costs for at least the next three years in the budget forecast.

The gross profit or loss is the difference between sales and the costs of producing the items sold.

The corporation must also deal with other charges such as expenses and expenditures in addition to the costs of producing the supplied commodities.

The distinction is that revenue-generating expenditures are different from non-revenue-generating expenses (they are also defined operational costs).

Sales income minus costs of products sold minus expenses and expenditures equals the difference.

Not the annual profit, but the EBITDA (Earnings Before Interests, Taxes, Depreciation, and Amortization).

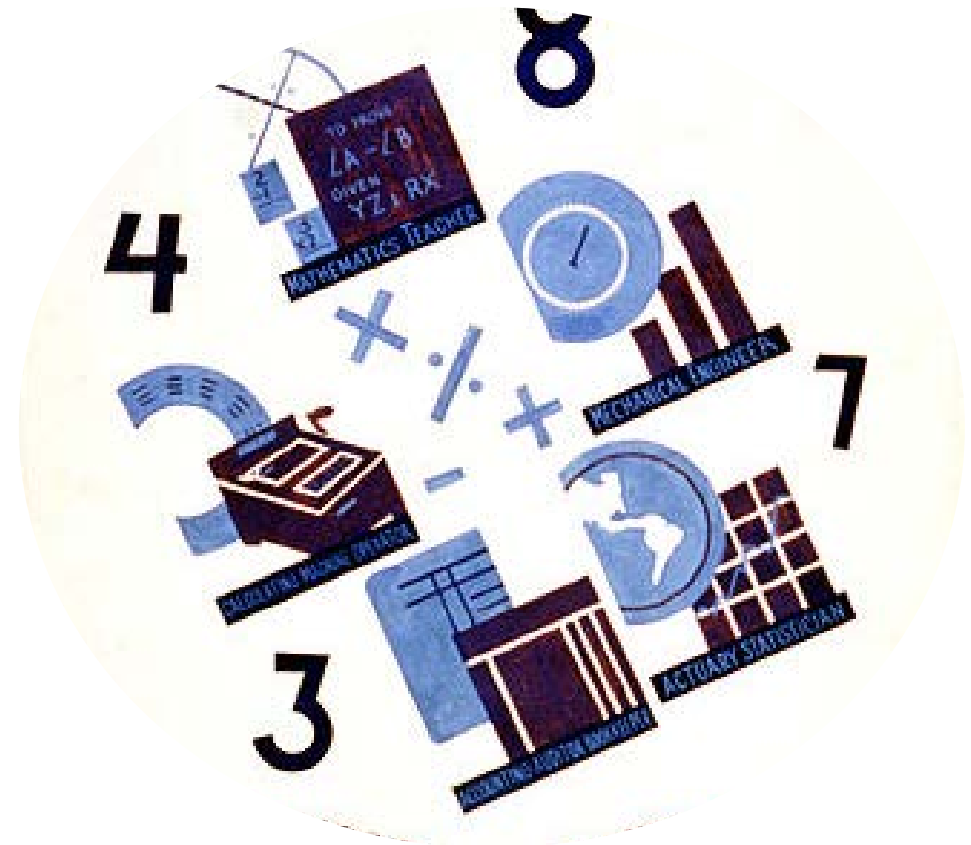
Calculating the StartUp capital

Tip:

In the budget forecast, it's vital to note projected revenues, direct and indirect spending, and fixed and variable costs for at least the next three years. The difference between sales and the costs of producing the products sold is the gross profit or loss.

Setting price for services – Methodology

1. Factors That Affect The Pricing Methodology
2. Calculate Your Costs
3. Determining The Pricing Model
4. Monitoring And Changing Your Price



Type of expense

Expected salary of the business owner
Staff salaries
Rent
Rent / Lease of machinery
Advertising
Business supplies
Delivery Expense/Transportation
Telephone, Fax, Internet Service
Other Utilities
Insurance
Taxes Including Employment Insurance
Interest
Legal and Other Professional Fees
Maintenance costs
Miscellaneous

Expenses only for the startup of the business

Fixtures and Equipment
Decorating and Remodeling
Installation of Fixtures and Equipment
Starting Inventory
Legal and Other Professional Fees
Deposits with Public Utilities
Licenses and Permits
Advertising and Promotion for Opening
Initial capital of the company
Miscellaneous

Overview on the practical part

ANALYTICAL ACCOUNTING ACTIVITIES

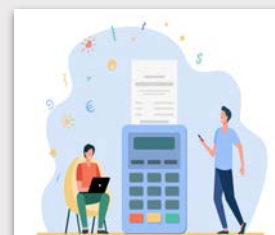
What we will achieve today



Learning to
plan
expenses



Testing how we manage
money on a simulation
and highlighting the
importance of financial
planning



To learn the tables showing
the financial status of the
company, such as the
balance sheet, profit and
loss statement



Learn how to track
expense and income
accounts by category
to calculate profit and
loss by activity

Activity 1.1: Planning Your Expenses

Financial planning assists businesses in determining whether or not they are on track to meet their goals and achieve overall financial success. It helps to secure the company's financial future by establishing and prioritizing financial goals and outlining the procedures required to achieve them. Return that will be earned .

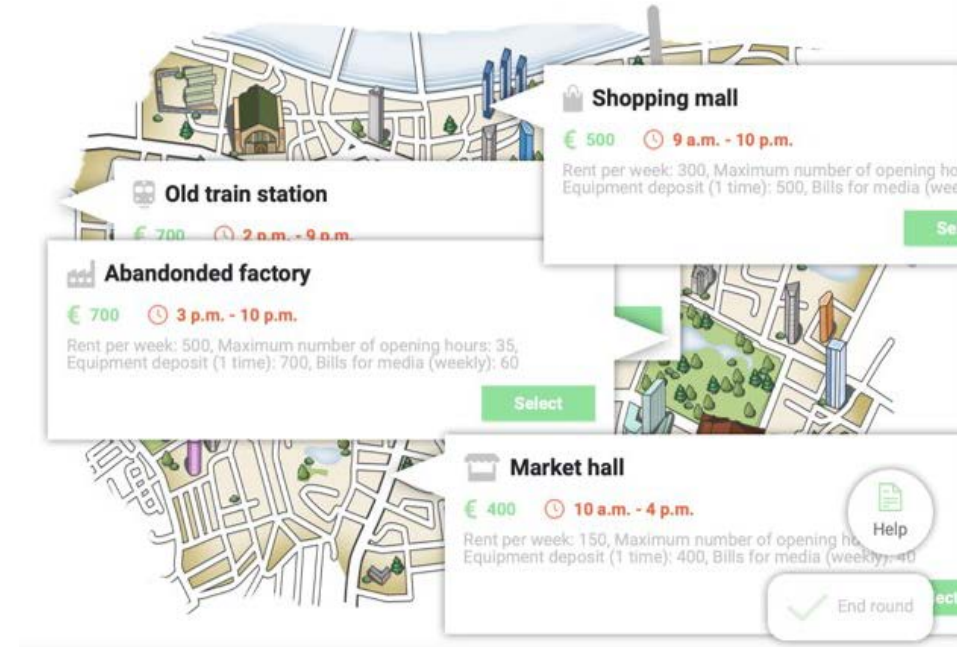
In this section, learners will prepare a financial plan under instructor guidance, focusing on savings strategies and planning a budget.

- ❖ The trainer makes the learners watch a video about the importance of income and expenses and asks questions about the video.
- ❖ Learners make monthly budget plans on the budget template given to them.
- ❖ When the budgets are completed, the trainer's questions are answered.



Activity 1.2: How to Manage a Business and Get a Profit

- ❖ 1) Register by clicking on <https://popup.test.arteneo.pl>.
- ❖ On the page that opens, you will see 4 different venue choices. You can start the simulation by reading the description of each and choosing the right place for you.
- ❖ Choose in which events you want to participate. Remember that some of them are mandatory.
- ❖ Make decisions in three areas: Product, Marketing, and Personnel.
- ❖ Remember that in the Report tab you can see the results report for the previous period.
- ❖ Be aware of all accounting and financial aspects that you must consider in order to avoid bankruptcy!



The image on this slide is taken from the page accessed by following the instructions in the activity. (<https://popup.test.arteneo.pl>)