



BOSS

WOMEN IN FAMILY BUSINESSES

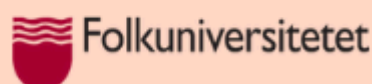


TRAINING PROGRAMME FOR LEADER WOMEN
IN EUROPE FAMILY BUSINESSES

MODULE 3 FINANCE AND ACCOUNTING

PRACTICAL PART

2022-1-SE01-KA220-ADU-000087596



EXERCISES

EXERCISE NO	1
NAME OF EXERCISE	Balance Sheet Analysis Exercise
LEARNING OBJECTIVES	<p>Upon completing the "Balance Sheet Analysis Exercise," participants will be able to:</p> <ol style="list-style-type: none"> 1) Understand the components of a balance sheet, including assets, liabilities, and shareholders' equity. 2) Calculate the total assets and total liabilities of a company based on provided financial information. 3) Compute shareholders' equity and interpret its significance in the context of a balance sheet.
DURATION	
DESCRIPTION	<p>Company XYZ has provided the following information for its balance sheet as of December 31, 2022:</p> <p>Assets:</p> <ol style="list-style-type: none"> 1. Cash: \$50,000 2. Accounts Receivable: \$30,000 3. Inventory: \$20,000 4. Prepaid Expenses: \$5,000 5. Equipment: \$80,000 6. Land: \$100,000 <p>Liabilities:</p> <ol style="list-style-type: none"> 1. Accounts Payable: \$25,000 2. Salaries Payable: \$7,000 3. Long-Term Debt: \$60,000 4. Common Stock: \$50,000 5. Retained Earnings: \$33,000 <p>Using the information provided above, calculate the following:</p> <p>A. Total Assets. B. Total Liabilities. C. Shareholders' Equity.</p> <p>Solution:</p> <p>A. Total Assets: Total Assets = Cash + Accounts Receivable + Inventory + Prepaid Expenses + Equipment + Land Total Assets = \$50,000 + \$30,000 + \$20,000 + \$5,000 + \$80,000 + \$100,000 Total Assets = \$285,000</p> <p>B. Total Liabilities: Total Liabilities = Accounts Payable + Salaries Payable + Long-Term Debt Total Liabilities = \$25,000 +</p>

	<p>$\\$7,000 + \\$60,000$ Total Liabilities = $\\$92,000$</p> <p>C. Shareholders' Equity: Shareholders' Equity = Common Stock + Retained Earnings Shareholders' Equity = $\\$50,000 + \\$33,000$ Shareholders' Equity = $\\$83,000$</p>
SUPPORTING TOOLS (videos, links, ppts, etc)	
Bibliography	

EXERCISE NO	2
NAME OF EXERCISE	Comprehensive Risk Management Exercise
LEARNING OBJECTIVES	Assess Risk Impact and Likelihood: Develop the skills to evaluate the potential impact and likelihood of specific risks using risk assessment matrices, allowing participants to prioritize risks effectively.
DURATION	
DESCRIPTION	<p>Company ABC is a manufacturing company that specializes in producing electronic components. As a risk management professional, you have been tasked with assessing and mitigating risks within the organization. Use the information provided below to answer the questions and develop a risk management strategy.</p> <p>Risk Scenario:</p> <p>Company ABC faces several risks that could impact its operations and financial stability. The following information outlines some of these risks:</p> <p>Supply Chain Risk: The company relies on a single supplier for a critical raw material used in its production. Any disruption in the supply chain could lead to production delays and increased costs.</p> <p>Market Risk: Company ABC exports its products to international markets. Changes in exchange rates and international trade</p>

	<p>regulations could affect its export revenue.</p> <p>Technology Risk: The company uses outdated manufacturing equipment, which increases the risk of production breakdowns and maintenance costs.</p> <p>Competitive Risk: New competitors have entered the market, offering similar products at lower prices, which could erode the company's market share and profitability.</p> <p>Assess the potential impact and likelihood of each risk. Use a risk matrix to categorize them as high, medium, or low risk:</p> <p>High Risk: High Impact & High Likelihood Medium Risk: Moderate Impact & Likelihood Low Risk: Low Impact & Low Likelihood</p>
SUPPORTING TOOLS (videos, links, ppts, etc)	
Bibliography	

TASKS

Task No:	1
Name of Task:	Party Budget
Description of Task	The exercise is intended for participants who have very limited knowledge about the financial aspects of a business.
Understanding the task (Watching or Reading about the task)	Being able to understand how to define and set financial goals for organising a class party. This is an initial tool to understand the financial part of planning an event and if the party idea can be financially implemented in reality. In this exercise the individual will practice to make a budget for a class party
Performing the task	The trainer explains that each small group will create a financial plan for a class party (a party they will organize for this class they are attending). The instructor also presents basic parts of party budget planning. The group first comes up with the idea for the party, then fill in the tables for planning

	<p>the costs and revenues. At the end each group shortly presents their party plan.</p> <p>STEPS</p> <p>1: Create idea Create your own idea for a class party. Will it be a dinner party? Maybe a theme party? A party with an element of surprise? Or an end of school year party?</p> <p>2: Costs and revenues: Cost is an amount that has to be paid or spent to buy or obtain something.</p> <p>Think about the following questions: Which costs do you think will occur for the organisation of the party?</p> <p>Do you plan to spend money for the promotion of the party?</p> <p>How much will you spend for the organization of the party? <i>Create a cost sheet – think about the types of costs and estimate the amount in €.</i></p> <p>3: Think about the following questions:</p> <ul style="list-style-type: none"> • How will you get the money (or the things you need? Who can help you with that? • Do you plan to make a profit at the end? • How can you avoid having a loss at the end? • Are party guests ready to pay for the party? Or do you plan that there will be no entrance fee? <p><i>Create a revenue sheet – think about the types of income you can get for organizing the party and estimate the amount in €.</i></p>
Bibliography	Taken from Empower project; website: https://empower-erasmus.eu/