

THE BusinessEDGE

Business skills and financial literacy for southern grazing business managers

Session	Key Topics Covered
ONE: Taking an economic sustainability approach	<ul style="list-style-type: none">– A background to ‘sustainability’ and its appropriate use– Eight definitional criteria for economic sustainability
TWO: Acquiring financial literacy – talking the language of money	<ul style="list-style-type: none">– The language of money– Some accounting basics– Compliance accounts versus management accounts– Setting up a financial system– The three pillars– Understanding the income statement– Understanding cashflow– Understanding the balance sheet– Tying it all together
THREE: Understanding and measuring whole business performance	<ul style="list-style-type: none">– Key performance indicators for the whole business– Secondary performance indicators for the whole business– Illusions caused by inflation– Assessing long-term business performance– Profitability and growth– The business life cycle and its implications– Business performance in practice– Key indicators of financial health– Key indicators of financial stress
FOUR: Managing business risk	<ul style="list-style-type: none">– Business risk principles– Risk management– Agricultural business risk– Financial risk and its elements
FIVE: Managing and allocating working capital	<ul style="list-style-type: none">– Understanding working capital and why it is needed– Short and long-term considerations– The principles of rational capital allocation– Unfunded future liabilities and provisioning– Determining the funding requirements of the business– Analysing capital expenditure options (Cost Benefit Analyses)
SIX: Using financial data and Key Performance Indicators to assess enterprise performance	<ul style="list-style-type: none">– What is the fundamental unit of measurement?– Herd financial performance– Herd Key performance indicators
SEVEN: Issues with a multi-enterprise grazing business	<ul style="list-style-type: none">– Passion, knowledge and skills– Operating scale– Resource competition– Diversification– Relative profitability
EIGHT: Looking at a business through a new set of eyes	<ul style="list-style-type: none">– Applying the knowledge: Group Case Study Exercise
NINE: Where to from here?	<ul style="list-style-type: none">– Some of the tasks you should begin immediately– Setting goals and developing budgets– Seeking independent help