



## Financial Statements Analysis of State-Owned Enterprises and Parastatals

Good governance of state-owned enterprises (SOEs) and parastatals strengthens public governance as a whole through greater transparency. Public enterprises must be subject to the same accounting and auditing standards as listed companies and must disseminate financial and non-financial information in accordance with rigorous and internationally recognised standards.

This seminar focuses on methods of analysing and interpreting financial statements and annual reports of SOEs and parastatals based on good governance practices.

### TARGET AUDIENCE:

- Members of Boards of Directors
- CEOs
- CFOs
- Internal and External Auditors
- Managers and Directors

**DURATION:** 2 weeks

## PRACTICAL OBJECTIVES

- ✓ **Strengthen** the knowledge required for rigorous financial administration of SOEs and parastatals.
- ✓ **Ability to analyse** and **interpret** the financial statements and annual reports of SOEs and parastatals.
- ✓ **Understand** the techniques and tools to judge the performance of SOEs and parastatals.
- ✓ **Ability to assess** the financial viability of investment projects and their effects on SOEs and parastatals.

## SEMINAR TOPICS

- **Introduction:** Definition and objectives of the public enterprise. Notions of performance (definition and impact of the environment). Principles of Managing for Results. Performance indicators.
- **Financial Analysis:** Definition, history, objectives and basic principles. Financial statements (balance sheet, income statement, cash flow statement). Main items. Interrelationships.
- **International Financial Reporting Standards (IFRS):** Basic concepts, International Accounting Standards (IAS) and International Public Sector Accounting Standards (IPSAS). Transition to IFRS.
- **Financial Statements Analysis:** Process. Vertical analysis. Horizontal analysis. Ratio calculation and interpretation: liquidity, financial structure / leverage and profitability ratios.
- **Evaluation of Investment Projects:** Identification and principles for the evaluation of investment projects. Decision Criteria: Internal Rate of Return (IRR) and Net Present Value (NPV). Effects of investment projects on SOE's and parastatals.

