



## Managing the Cash Cycle – Accounts Receivable and Payable Best Practices Training

### Description

#### Introduction

The importance of cash cycle coming from fact that moving cash generating profit , so as much as you improve the cash cycle , as much as get more profit. Accounts receivable and payables best practices playing main rule in improving cash cycle.

#### By attending this training course, delegates will understand:

- Financial position , Financial performance and cash flow statement
- The deferent between Cash flow and net profit
- What is IFRS and IAS historical and future?
- Revenues recognition and accounts receivables best practices
- Pricing methods , market types and product life cycle
- Source of short term finance and capital structure.
- Cash flow and working capital management using latest technology.
- How to improve Cash cycle and operation cycle using best practices.
- Accounts payable best practices, payment methods, using technology and communication.
- How to improve Inventory and supply chain management using best practices.

#### Objectives

- Enhance the understanding of accounting environment, kay financial statement and IFRS.
- Identify the accounts receivables best practices and improve credit terms management.
- Identify inventory and supply chain management best practices.
- Identify accounts payable management best practices.
- Improve cash and working capital management skills using latest technology and best tools.
- Enhance the understanding of the cash cycle and cash cycle management.

## **The Contents**

### **Day One**

#### **Accounting Environment**

- Accounting as a source of information
- Accounting terminology
- Financial Position and financial performance
- Cash flow VS net Profit
- Preparing , presenting and understanding cash flow statement
- IFRS and IAS Overview

### **Day Two**

#### **Accounts Receivables Overview**

- Defining best practices in AR
- Revenues recognition as per IAS 18 and IFRS 15
- Accounts receivables Process .
- Accounts receivables presentation and provision for doubtful debts.
- Cost of credit
- Credit terms of trading
- Effective customers service and customer satisfaction

### **Day Three**

#### **Pricing Decision ,Product Life Cycle And Market Types**

- General Pricing approaches
- Product Life Cycle and Pricing Decisions
- Market types
- Price elasticity of Demand
- Exchange rate risk
- Credit risk management
- Assessing the impact of a change in credit terms

### **Day Four**

#### **Short Term Source Of Finance And Capital Structure**

- Factoring receivables
- Trade credit
- Short Term bank Loans
- Secured Financing
- Other types of working capital finance
- Capital structure management and limitations

## Day Five

### Cash Management

- The Importance of cash and cash flow
- Optimal Cash balance
- Speeding up cash collection (Collection tools and techniques )
- Slowing Cash Payments
- EOQ applied to cash management
- Forecasting future cash flow
- Cash ratios analyses

## Day Six

### Working Capital Management

- Account receivables turnover
- Inventory turnover
- Account Payables turnover
- Cash cycle and operating cycle
- Marketable securities management
- Working capital ratios

## Day Seven

### Accounts Payables Overview

- Account payables definition and presentation
- Define best practices in AP
- Moving beyond P2P
- End to end AP Process
- Handling invoices
- Defining the issues in AP
- Managing Risks

## Day Eight

### Inventory And Supply Chain Management

- Economic order quantity ( EOQ )
- Just – in- Time (JIT) and Kanban inventory system
- Distribution network system
- Logistics excellence
- Customer service management
- Achieving organizational excellence in warehouse operation
- Auto ID system
- Electronica data integration

## Day Nine

### Technology

- Accounts payable and receivables work flow
- Master vendor file management
- Electronic invoice
- Using the Internal for AP effectiveness
- How to avoid duplicate payment
- Reporting forms

## Day Ten

### Payments and Communication

- Letter of Credit ( LC )
  - Cash against documents
  - Cheque
  - Procurement cards
  - Payments status information to vendor
  - Communication with internal customers
- www.acculearn.co.uk