

<b>Using Financial Statements Planning, Control, Valuation</b>	<b>Client</b>	NCRC - June 2010	<b>Title</b>	Using Financial Statements
	<b>Spot</b>	Tues and Wed. June 8 & 9	<b>Job #</b>	John Hague, CKGI.ca

**The Income Statement  
( Current Operations )**

Sales Revenues  
Variable Costs  
Contribution Margin  
Fixed Costs  
Interest, Taxes, Profit  
(Profit Potential, Pricing)

**The Balance Sheet  
( Resources & Sources )**

Working Capital  
Bad Debts Risk  
Solvency  
Property, Plant & Equipment  
Accumulated Depreciation  
Long-Term Debt  
Equity & Debt/Equity Ratio

**“Natural” Cash Flow  
( Cash Register )**

Cash Receipts  
Purchases Payments  
Capital Investment  
Long-term Debt  
Debt Service  
Dividends  
“Pay out Ratio”

**Industry Comparisons**

CRTC Radio Market Analysis  
Statistical and Financial  
Summaries, 2004 to 2008:  
Industry & Market Analysis  
Policy Development and Research  
Sector

**Planning for Control**

Five Year History  
Current Budget  
Current Results  
Next Year’s Budget  
Business Plan ( Budget plus 2 or 4 )  
Business Valuation & Goodwill

**Cash Control System**

Sales, Receivables, Receipts  
Purchases, Payables, Payments  
**Business Valuation**  
Present Value of Net Cash Inflow  
**Goodwill (Ultimate Value)**  
Customers, Employees, Suppliers  
Bankers, Regulators, Owners