

▪ **GOALS**

Acquire the minimum amount of financial knowledge required to:

- Assume responsibilities with regards to governance bodies and authorities
- Understand the issues at stake in the company's financial policy
- Be capable of producing a diagnostic on the company, based on its accounts or on a major investment project

▪ **CONTENT**

The financial flows within a company

Basic financial tools: income statement, interim balance, balance sheet, working capital, working capital requirements, principal ratios, leverage effect

Financial diagnostic of the company.

Financial analysis tools for projects: NPV, IRR and pay back

▪ **Skills acquired**

Carry out a financial analysis.

Detect and resolve cash flow problems.

Evaluate the return on investment.

▪ **RECOMMENDED READING**

First section of "Corporate Finance" 2015 (Pierre Vernimmen, [www.vernimmen.net](http://www.vernimmen.net))

|             |  |
|-------------|--|
| <b>C.5.</b> | <b>Financial tools for developing and enhancing services</b> |
|-------------|--|

|                   |  |
|-------------------|--|
| <b>E-learning</b> |  |
|-------------------|--|

▪ **GOALS:**

Learn the various financial instruments that can be used to develop and enhance the service and cover running and investment costs

Understand the financial policies of backers and how they work

▪ **CONTENT**

Presentation of the financing requirements of water and sanitation services

Financial balance of water and sanitation utilities on the basis of the 3Ts (tariffs, taxes and transfers) and strategic financial planning

Alternative sources of funding: rate revenues, government subsidies and international transfers

Innovative financing tools that can be used to mobilize private financial resources

Examples of innovative financing, including microfinance, sub-sovereign financing and financing by small operators (microfinance), guarantees, bonds, ratings instruments, etc.

Presentation of alternative results-based backing schemes for water and sanitation utilities (JPF-MM)

Financing tools used by backers to support water and sanitation utilities

▪ **SKILLS ACQUIRED BY TRAINEES**

Be able to access to required funds for the development of the service.

▪ **RECOMMENDED READING**

OECD (2009), "Innovative Financing Mechanisms for the Water Sector"

OECD (2011), "Financing Water and Sanitation services. Challenges, Approaches and Tools"

|  |
|--|
| <b>Lecturer:</b> Silvina SOMASCO-MOZZICONACCI - SUEZ |
|--|

|                   |                        |
|-------------------|------------------------|
| <b>C.6.</b>       | <b>Cost management</b> |
| <b>E-learning</b> |                        |

|                   |  |
|-------------------|--|
| <b>E-learning</b> |  |
|-------------------|--|

- **GOALS**

Understand what a water or sanitation service costs through depreciation of infrastructure, maintenance and management of users.

Learn to forecast the costs of a new project by identifying the savings to be made and the new charges to be financed.

Learn the different pricing methods, their advantages and limitations. Learn to simulate revenue from a rates list. Know how to propose rate changes with their financial impact.

Know how to account for service income and expenses. Understand the relationship between balance sheet accounts and cash-flow in a water or sanitation service.

- **CONTENT**

Reconstituting the costs of a model water and sanitation service.

Working in small groups on 3 or 4 examples of well-known utilities managed by the trainees: Simulation of investment and operating costs. Comparison of revenues from these utilities.

Presentation of commonly used rate methods: advantages and limitations. Rate simulation based on the histograms for consumption by time slot.

Financial simulation in small groups on known projects for each of the utilities studied. Analysis of their feasibility, long-term planning and consequences on rates.

- **SKILLS ACQUIRED**

Understanding the concept of depreciation of investments, its impact on the accounts and on cash flow.

Knowing how to calculate the financial and accounting impact of a utility project.

Knowing the major cost ratios and prioritization of financial impacts.

Calculating the real impact of rate changes for each user and utility revenues over and above social or political issues.

- **RECOMMENDED READING**

No specific recommended reading

|  |
|--|
| <b>Lecturer:</b> Silvina SOMASCO-MOZZICONACCI - SUEZ |
|--|

|            |  |
|------------|--|
| <b>E.4</b> | <b>Fundamentals of the economy and corporate finance</b> |
| E-learning |  |

▪ **OBJECTIVES:**

- To provide the essential tools for understanding both the theoretical and practical aspects of corporate finance,
- Knowing how to activate the right tools to contribute to a healthy company finances

▪ **CONTENT:**

E-learning and webinar

**Lecturer:** Professor Olivier FOURCADE – ESSEC Paris