**Presentation Ideas (can mix and match):**

* Live Skit
* Talk Show
* Powerpoint/Prezi
* Motion Picture:
  + Musical
  + Action Blockbuster
  + Drama/Skit
  + Magic & Mystery

**Storyboard Key Points:**

* Define Liabilities:
  + Recognised when incurred
  + Valued at fair market value or amount due for goods and services
  + Satisfied through future payment of assets/performance of services
  + Classified as current and non-current
* Debt versus Equity Financing
  + Debt: contractual obligation to pay interest – risk of default
    - Bank loans
    - Notes Payable
    - Bonds
  + Equity: through share issue, no obligation to pay dividend – dilution of shareholders’ ownership
    - Issue of Ordinary/Preference Shares
    - Retained Earnings
* Current Liabilities:
  + Accounts Payable
  + Accrued Liabilities
  + (Short-Term) Notes Payable
  + Deferred Revenues
  + GST Payable
  + Current Portion of Long-Term Debt
  + Payroll Liabilities: Gross Pay less deductions = Net Payable
  + Estimated Liabilities: liability known to exist, but precise dollar amount cannot be determined
  + Contingent Liabilities: depending on whether some future event occurs.
* Non-Current Liabilities:
  + Bonds Payable: allows large debt needs to be filled with fixed maturity dates, face value and interest
    - Advantages and Disadvantages
    - How certificate is represented
    - Time value of money
    - Interest rates set issue price of bond
  + Issue Price of Bonds:
    - CI = MI -> Issued at par
    - CI < MI -> Issued at discount
    - CI > MI -> Issued at premium (rare)
    - At maturity: face value = market value
    - Calculations…
  + Bond Redemptions: redeeming bonds before maturity
    - Gains of losses incurred should be reported as other income/expense
    - Or, option to convert to shares: no gain/loss in issuer’s books.
  + Others:
    - Installment Notes Payable
    - Capital Lease: Capital versus Operating Lease
    - Deferred Taxes
* Presentation & Analysis of Non-current Liabilities:
  + Balance sheet…
  + Debt ratio = Total Liabilities/Total Assets
  + Interest Coverage Ratio = Income before income taxes & Interest Expense/Interest Expense
* Characteristics of Corporation:
  + Advantages and Disadvantages
  + Structure: Shareholders, Chairman, etc
  + Equity Increased by: Share Capital distribution to investors (Ordinary/Preference) and Retained Earnings
* Types of Share Capital:
  + Ordinary:
    - Voting rights
    - Residual owners during liquidation
    - Takes Dividends second but no obligation
  + Preference:
    - No Voting rights
    - Rank before Ordinary during liquidation
    - Entitled to agreed dividends rate, over Ordinary Shares
    - Convertible into ordinary shares
    - (non)Cumulative divided rights
  + Authorised Shares & (No)Par Value Shares -> Not used in Singapore
    - Authorised->Issued Shares: Outstanding versus Treasury
    - Authorised->Unissued Shares
* Presentation in Issuing Shares and Dividends:
  + Presentation…
  + Adequate RE and Cash -> Board/AGM approve -> Dividend Liability
  + Interim Dividend: Dividend Payable on Announcement
  + Final Dividend: Dividend Payable on AGM Approval
  + Share Dividends: Does not change SE -> Decrease RE and Increase Share Capital
  + Share Splits
* Cumulative vs Non-Cumulative Dividend Rights:
  + Divided in arrears
* Treasury Shares:
  + Issued shares reacquired
  + Classified as a contra-shareholders’ equity account (Debit)
  + Recorded at cost
    - To prevent takeover
    - Enhance market value
    - Reissue shares to employees
    - Increase earnings per share (net income/outstanding shares)
* Balance Sheet Summary of Effects on Overall Equation
* Market Value of Shares: Affected by expectation and risk of profits/losses
  + Issuer accounts at original issue price
  + Investor at market value
* Book value per share (if company is liquidated, not equal to market value) = Total Shareholders’ Equity (less preference shares and dividends in arrears – why??)/Number of Ordinary Shares Outstanding