

Managerial Accounting & Finance for Electrical Contractors

Course Description

This course focuses on building a deeper understanding of strategic managerial accounting within electrical construction businesses. The one-day session begins with a review of standard financial statements used by electrical contractors—how they are organized and how they inform decision-making. “Managerial Accounting for Electrical Contractors” gives construction leaders a clear, executive-level understanding of financial statements and the strategic decisions that drive business performance. Participants learn how balance sheets and income statements work, then apply practical tools—such as break-even analysis, profitability and liquidity ratios, and financing trade-offs—to strengthen their company’s financial character, capacity, and long-term growth.

What you will Learn:

- Confidently read and interpret financial statements, including core profitability and liquidity indicators.
- Calculate break-even sales volume and build budgets aligned with projected revenue.
- Compare equity vs. debt financing options and learn how trade discounts can improve cash flow and boost profitability.

The primary audience for the course is construction executives, small business owners, and up and coming project managers. Early-career accountants may also benefit from the industry-specific context provided.

Course Outline:

1. Accounting Methods

- Character, Capacity, & Capital
- Why Accounting & Accounting Methods
 - ✓ Cash vs Accrual
 - ✓ Recognizing Revenue
- Cost Coding: Communication between Project Management & Accounting
- Debits & Credits: Why this is relevant and what PM’s really need to know

2. Financial Statements

- **Balance Sheet –**
 - ✓ Understanding how accounts are organized
 - ✓ Productive Assets
 - ✓ Necessary Liabilities
 - ✓ How to calculate equity
 - ✓ Equity vs. debt financing
- **Income Statement –**
 - ✓ Understanding Revenue, Expenses, and Profits
 - ✓ Variable & Fixed Costs
 - ✓ Break-Even Sales Volume Analysis
 - ✓ Establishing Budget based on projected sales volume

3. Financial Statement Analysis

- Vertical Analysis
 - ✓ Liquidity
 - ✓ Profitability
 - ✓ Leverage Behavior
 - ✓ Efficiency

4. Trend Analysis & Using Analytics Software

- Benchmarking
- b. Year-over-year trends

5. Trade Discounts

- Leverage Trade Discounts to improve profitability