MONARCH MANAGEMENT INSTITUTE

Open Course Network · Micro-Course 13

COURSE PROSPECTUS

Decoding The Balance Sheet

A one-week, applied micro-course on reading a statement of financial position — a practical method for judging whether an organization is financially sound, worked on one real balance sheet you carry all the way through, and taught with its limits.

1 wk	6	70%
One weekly module	Sections	To pass · unlimited attempts

At a glance

Duration	1 week — one weekly module of six sections
Study time	≈ 6 directed hours
Level	Introductory; no prior study of accounting required
Assessment	1 auto-graded scenario assessment · 70% to pass · unlimited attempts
Award	MMI Certificate of Knowledge
Format	Fully online, self-paced

What you will gain

By the end of this course you will be able to apply balance-sheet analysis to a real organization's statement of financial position — read and classify its assets, liabilities and equity, confirm the accounting equation, and compute and interpret working capital, liquidity and solvency measures against a relevant benchmark — to produce and defend a reasoned assessment of the organization's financial position, together with an honest statement of what the balance sheet does not tell you.

And what it counts toward

You earn the Monarch-endorsed Certificate of Knowledge and 1 MMI-Credit. MMI-Credits carry toward MMI program progression (PD-001).

What this course is

Decoding The Balance Sheet is a fully online, self-paced micro-course on reading a statement of financial position. A profit figure tells you how a firm performed; the balance sheet tells you where it stands — what it controls, what it owes, and what is left for its owners at a single moment in time. This course teaches you to read that position for yourself, so you can judge whether an organization is financially sound rather than take the profit line on trust.

You pick one real organization's balance sheet in the opening section and carry it through all six, finishing with a defended assessment of its financial position — not a certificate of attendance.

The five-move read you will learn to apply

- **Orient** — whose sheet is this, at what date, in what units, on what basis
- **Confirm the equation** — read the resources set against the claims on them
- **Read the assets** — classify them, order by liquidity, note what is missing
- **Read the claims** — the timing of the liabilities, and the size of the equity cushion
- **Assess & bound** — liquidity and solvency against a benchmark, then name the limits

Who this course is for

- Managers who must decide whether their own firm, a customer, a supplier or a target is financially sound
- Founders and operators who sign contracts and take on financing and must know what the sheet can carry
- Reflective managers and students who want a rigorous, applied grip on reading financial position
- BBA, MBA or DBA candidates seeking a rigorous, applied foundation in financial-statement analysis

What you will accomplish

- Distinguish the balance sheet from the income and cash-flow statements, and read financial position rather than profit
- Read and classify assets, liabilities and equity under their formal definitions, splitting current from non-current
- Confirm the accounting equation and read the sheet as resources set against the claims on them
- Compute and interpret working capital, liquidity and solvency measures against a relevant benchmark
- Produce and defend a reasoned assessment of an organization's financial position
- Name what the balance sheet does not tell you — its historical-cost, off-balance-sheet and single-date limits

Your week, section by section

Section	Title
1	What a Balance Sheet Is and Why It Matters
2	The Accounting Equation and Why the Sheet Always Balances
3	Reading the Assets — What the Organization Controls
4	Reading the Claims — Liabilities and Equity

Section	Title
5	Assessing Financial Position — and Holding the Limits
6	Synthesis — A Repeatable Routine for Reading a Balance Sheet

Each section follows the same four steps — Explain, Show, Do, Feedback — worked through a running case (Nadia Okonkwo's judgment of Kestrel Instruments Ltd) and then on your own balance sheet.

Assessment and certificate

One auto-graded 15-item scenario assessment at the end of the module. Each item presents an unfamiliar balance sheet and supplies the figures, so it tests judgment rather than recall. A score of **70%** passes, with unlimited untimed attempts, and a full explanation is shown for every item. On passing you earn the **MMI Certificate of Knowledge**.

Taught with its limits

The balance sheet is a powerful instrument, but a bounded one. This course teaches its limits alongside the method — that book value is largely historical cost and not market value, that a firm's reputation and skilled people never appear on the sheet, that it is a single-date snapshot, and that accounting choices such as inventory valuation shape the figures — so you read it as a powerful but bounded instrument, not a valuation that settles every question.

> Pick a real balance sheet, and learn to read the financial position it holds.