

Advanced Financial Statement Analysis (F000694)

Course size (nominal values; actual values may depend on programme)

Credits 6.0 Study time 180 h Contact hrs 55.0 h

Course offerings and teaching methods in academic year 2018-2019

A (semester 1)	English	guided self-study	7.5 h
		project	20.0 h
		seminar	7.5 h
		lecture	20.0 h

Lecturers in academic year 2018-2019

Vander Bauwhede, Heidi	EB22	lecturer-in-charge
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Offered in the following programmes in 2018-2019

	crdts	offering
Master of Science in Business Economics (main subject Accountancy)	6	A
Master of Science in Business Economics (main subject Corporate Finance)	6	A
Master of Science in Business Engineering (main subject Data Analytics)	6	A
Master of Science in Business Engineering (main subject Finance)	6	A
Master of Science in Business Economics (main subject Marketing)	6	A
Master of Science in Business Engineering (main subject Operations Management)	6	A
Master of Science in Economics	6	A
Exchange programme in Economics and Business Administration	6	A

Teaching languages

English

Keywords

Accounting analysis, financial analysis, valuation, credit analysis.

Position of the course

This course is the continuation of "Financiële Analyse van de Onderneming" (2nd Bachelor EW, TEW, and HIR). The objective of this course is to provide students with a thorough and critical view on the analysis of reported IFRS financial statements so that they are able to interpret and use those financial statements in a correct way. This course is taught in a period of six weeks.

Contents

- Efficient capital markets and financial statement analysis
- Differences in GAAP and impact on financial statement analysis
- Individual versus consolidated financial statements
- Critical analysis of reported consolidated IFRS financial statements (accounting analysis)
- Financial analysis of consolidated IFRS financial statements
- Use of consolidated IFRS financial statements in company valuation
- Credit analysis

Initial competences

Having successfully completed the courses Accounting (A), Accounting (B) and "Financiële analyse van de onderneming", or having acquired the relevant competencies in another way.

Final competences

- 1 Critically use consolidated IFRS financial statements for financial analysis, company valuation, and credit analysis.
- 2 Independently apply the techniques for the analysis of a company's consolidated IFRS financial statements (accounting analysis, financial analysis) and for the valuation and assessment of the creditworthiness of a company based on those statements for an actual company (project).
- 3 Discuss the importance of accounting analysis for financial analysis and for the valuation and the assessment of creditworthiness of a company.
- 4 Assess the impact of regulation and company decisions concerning financial reporting on a company's financial position and on the decisions made by financial statement users.
- 5 Report in writing and present (both in English) on a project concerning the analysis and use of consolidated IFRS financial statements.
- 6 Know the limitations of the techniques for the analysis and use of consolidated IFRS financial statements.
- 7 Collaborate with fellow students on a project concerning the analysis and use of consolidated IFRS financial statements.
- 8 Acquire a critical attitude towards his/her learning process and that of his/her fellow students.

Conditions for credit contract

Access to this course unit via a credit contract is determined after successful competences assessment

Conditions for exam contract

This course unit cannot be taken via an exam contract

Teaching methods

Guided self-study, lecture, project, seminar

Extra information on the teaching methods

The course consists of ex cathedra lectures, tutorials, guided self-study and a project. The tutorials include guided exercises and the presentation by students and the discussion of the various parts a group project.

Learning materials and price

Cost: 60 EUR

1. Palepu, Healy, & Peek (2016). Business Analysis & Valuation. IFRS edition. Text and cases. **Fourth** edition. (Cengage Learning EMEA, Andover, Hampshire, UK)
2. Project assignment, power point presentation, and additional academic literature (see Minerva).

References

Course content-related study coaching

Interactive support through Minerva (forum), at specific points in time (office hours), and by appointment (per e-mail).

Evaluation methods

continuous assessment

Examination methods in case of periodic evaluation during the first examination period

Examination methods in case of periodic evaluation during the second examination period

Examination methods in case of permanent evaluation

Written examination, assignment, peer assessment

Possibilities of retake in case of permanent evaluation

examination during the second examination period is possible in modified form

Extra information on the examination methods

The evaluation consists of two parts. The first part is based on (1) submitted project reports (i.e., the reports on the four parts of the project assignment solved in groups), and (2) peer assessment on the process that solving the different parts of the group project involves (one peer assessment per project part). A project report that is not submitted or submitted too late gets a score of zero, and is taken into account for computing the final score of this part of the evaluation.

The second part of the evaluation is based on a written exam.

Calculation of the examination mark

The final score is a weighted average of the score obtained for the project reports adjusted for the peer assessment score (20%) and the score on the written exam (80%).

In order to pass, the student has to pass both parts of the evaluation. If the student does not pass for one part and the weighted average is a score of 10 or higher then the score is reduced to 9/20, the highest failed grade.

Facilities for Working Students

Working students have to present themselves to the lecturer-in-charge before the first lecture.