

Advanced Accounting and Financial Statement Analysis (Grundlagen der Konzernrechnungslegung und Jahresabschlussanalyse)

Course content

The main goal of this course is to present students with the theoretical foundations of financial statement analysis. The course deals with group accounting, fundamental corporate valuation, prognosis methods, financial reporting based valuation models, concepts of earnings management and identifying earnings management.

Prerequisites and Examination

In order to enjoy and successfully complete this course, you will need a basic understanding of bookkeeping and financial accounting. This course is part of the mandatory module "General Management". A successful completion will be rewarded with 3 credit points. The teaching language of this course is English.

Topics

1. Goals of Financial Statement Analysis
2. Goals of Accounting, International Accounting
3. An understanding of "Corporate Groups"
4. Group Consolidation
5. Cash Flow Statements
6. Basic Ideas of Stock Valuation; Dividend Discount Model
7. Residual Earnings Model, Abnormal Earnings Growth Model
8. Analysing the financial situation and profitability
9. Financial Ratio Systems, forecasting Insolvency, Ratings

Reading Materials

Bonse/Linnhoff/Pellens: Jahresabschluss und Jahresabschlussanalyse, in: Betriebswirtschaft für Führungskräfte, Busse von Colbe/Coenenberg/Kajüter/Linnhoff (Hrsg.), Stuttgart 2000, S. 243-299.

Coenenberg: Jahresabschluss und Jahresabschlussanalyse, 20th ed., Stuttgart 2005.

Pellens/Fülbier/Gassen/Sellhorn: Internationale Rechnungslegung, 7th ed., Stuttgart 2008.

Hoyle/Schaefer/Doupnik, Advanced Accounting, 9th ed, Boston 2008.

Penman: Financial Statement Analysis and Security Valuation, 2nd ed., Boston et al. 2004.

CBT-Programme

Computersoftware: Pellens/Gassen, CBT Bilanzen Verstehen, Köln 2006.
(Can be purchased from the institut)