

Advanced Financial Statement Analysis

Jim Wahlen

Objectives

Advanced Financial Statement Analysis will provide participants with an analytical framework and practical tools to analyze and exploit information about profitability and risk in corporate financial statements.

Key benefits

By attending this program you will:

- Learn and apply a six-step analytical framework for financial statement analysis
- Enhance your ability and efficiency in extracting and using accounting information contained in company annual reports using IFRS and GAAP
- Develop skills for analyzing a firm's profitability and risk
- Improve your ability to forecast expected future earnings and cash flows
- Sharpen your ability to detect and undo earnings management
- Deepen your understanding of the impact of earnings numbers on share prices in the capital markets, and the roles of earnings and cash flows in valuation

Who should attend?

Finance professionals who need to deepen their knowledge and skills in analyzing and using financial statement information (balance sheets, income statements, statements of cash flows, footnotes). Those who already have a solid working understanding of financial statement information and financial analysis techniques can skip the first two days of the program.

Dates & Fees

June 11 – 15, 2012

November 12 – 16, 2012

€ 4,750

€ 3,550 *Less first 2 days*



Faculty

Jim Wahlen is Professor of Accounting and the James R.Hodge Chair of Excellence at the Kelley School of Business at Indiana University. He is an award-winning teacher, and co-author of *Financial Reporting, Financial Statement Analysis, and Valuation*.

"A very good combination between practice and theory. This program goes beyond standard statement analyses and will help me critically investigate financial statements."

Business Analyst,
Boer & Croon Corporate Finance, The Netherlands

Program Content

Day 1

A Framework for Business Analysis and Valuation using Financial Statement

Information - Fundamental Analysis

- The information content of financial statements
- Economic consequences of accounting numbers
 - Introduction to the use of accounting numbers in valuation and credit decisions
 - Evidence on the impact of earnings on stock prices
- The relation between accounting and strategy
- Introduction to financial analysis tools
- Application and interpretation of financial analysis tools

Day 2

Ratios Analysis, Cash Flows Analysis, Accounting Adjustments, and Forecasting Financial Statements

- Financial statement ratios
- The statement of cash flows and cash flow analysis tools
- Cash flows differences across the life cycle of the firm
- Developing forecasts and building financial statement forecasts

Day 3

A Framework for Business Analysis and Valuation using Financial Statement Information

Information - Advanced Accounting Quality Analysis

- Communicating with the capital markets
- What earnings numbers are the right ones?
- Accounting for corporate structures

Day 4

Advanced Adjustments to Reported Financial Statements and Advanced Accounting Quality Analysis

- The value of assets under uncertainty
- When is revenue really revenue?
- Reading between the lines

Day 5

Accounting-Based Valuation

- The use of accounting numbers in valuation – free cash flows valuation, residual income valuation, and accounting-based valuation multiples
- Business analysis and valuation: implementing the tools
- Reverse-engineering stock prices