
Financial Statement Analysis

Overview

This module is designed to explain how financial measures of corporate performances are calculated and assessed. It also elaborates on the basics of financial statement analysis.

Learning Outcome Statements

- Analyse a company's business and financing activities from the information reflected in its financial statements
- Ascertain the reliability of financial statements and other accounting information given by borrower
- Interpret financial statements using various techniques
- How to review and interpret the key impacts of 'Notes to the Accounts'
- Describe the key accounting rules (IFRS) and their significance.

Key Contents

- Objectives of financial statement analysis
- Major components of income statement and balance sheet
- Understanding annual reports and financial parameters
- Components of annual report of a company
- Auditors' perspective
- Financial Statements & Reports
 - Income Statement
 - Balance Sheet
 - Cash Flow Statement
 - Shareholder's Equity
 - Interrelation of Financial Statements
- Techniques of Financial Analysis
 - Trend Analysis
 - Vertical Analysis
 - Inter-Firm Comparison
- Financial Ratios
 - Profitability
 - Efficiency
 - Liquidity
 - Solvency