

MSCIFM_FAA02_Financial Accounting and Analysis

23.01.2024

General Information

Module Code	W.MSCIFM_FAA02.16
Programme	Master of Science in International Financial Management
Type of Module	Minor module in foundation
Level of Module	Intermediate
ECTS Credits / Workload	3 ECTS Credits (90 hours)

Module Dependencies

Pre-requisites	Course admission requirements
Follow-up modules	- W.MSCIFM_IFR03: International Financial Reporting and Analysis - W.MSCIFM_AFA04: Advanced Financial Accounting and Reporting

Module Aims

The aim of this module is to provide students with a sound knowledge of financial statement analysis, based on accounting analysis. The module bases on accounting standards such as IFRS (International Financial Reporting Standards) and focusses on the particularities of the accounting point of view.

Learning Outcome

Students

- understand the tasks, problems, functions and characteristics of accounting analysis.
- are able to apply, use and evaluate the discussed concepts in real world situations whilst being aware of the particularities of the accounting point of view.
- are able to relate the acquired knowledge to problems, to evaluate and judge different given situations allowing them to take appropriate decisions.

	Importance	Relevant NQF-Descriptors
Subject knowledge and skills: Students develop and acquire knowledge in the fields of: a) basics of consolidation: consolidated financial statement as a base of financial statement analysis; b) accounting analysis: framework of accounting analysis, strategy in accounting analysis, national & international accounting policies, reporting.	high	knowledge
Problem-solving: Students study and work independently, recognise gaps in their knowledge and fill these gaps independently. They critically reflect work and thought processes and develop possible courses of action. Students reflect and challenge personal and external judgment and take appropriate measures.	medium	application; judgement
Methodology: Students acquire knowledge of to the following methods and are able to apply, use and evaluate them: a) basics of consolidation: implementing consolidated financial statements; b) accounting analysis: ratio calculation, ratio analysis, ratio interpretation, cash flow calculation.	medium	knowledge; judgement
Communication: Students argue in a constructive and factual way. They analyse the sources of potential conflicts, perceive and solve them in a constructive way.	medium	judgement; communication
Social skills: Students offer their personal and individual resources to the team. They analyze and discuss problems in teams by considering, evaluating, substantiating and refuting a variety of different arguments. They critically and appreciatively evaluate working results of peers.	low	judgement; communication; learning autonomy
Self-related skills: Students draw conclusions from their experience for their further studies and professional life and document these in their individual portfolio. They evidence stamina when confronted with problems during their studies and their professional life.	low	judgement; learning autonomy

Content Outline

Part 1a – Introduction to financial statement analysis

- Framework of report analysis
- Strategy and accounting analysis
- Structure of accounting records
- National accounting policies (Swiss GAAP FER, Swiss Code of obligations)
- International accounting policies (IFRS): IASB (Financial Reporting & Value Reporting Foundation VRF)
- Admission requirements for Swiss stock exchange (SIX)
- Structure of annual reports
- Balance sheet (statement of financial position)
- Summary of fixed assets
- Inventories
- Income statement
- Statement of other comprehensive income
- Statement of total income
- Statement of equity
- Statement of cash flow
- Calculation of cash flow according to national/international law

Part 1b – Basics of consolidation

- Fundamentals of consolidation
- Principle of uniformity
- Initial consolidation with 100% interest
- Subsequent consolidation with 100% interest
- Preparation of the consolidated financial statement
- Intragroup transactions
- Consolidation without 100% interest
- Interpretation of Reporting

Part 2 – Accounting & ratio analysis

- Adjustment of accounting data
- First time adoption of IFRS
- Deferred taxes
- Profitability ratios
- Leverage ratio
- Liquidity
- Structure
- Efficiency

Teaching and Learning Methods

Contact Hours	seminar; exercises; case studies
Directed Study	individual work; partner work; compulsory reading

Workload

Contact Hours	42 lessons / 31.5 hours (35%)
Directed Study	12 lessons / 9 hours (10%)
Private Study	49.5 hours (55%)

Assignments and Assessments

Assessment Type	Quantity	Weight	Form	Evaluation Type	Time
Written examination	90 minutes	67%	open book	grades	end of semester
Individual oral assignment		33%	specified resources	grades	during semester