

# ANALYSIS LEVEL I:

## Understanding and Interpreting Financial Statements

The year end accounts and the annual report contain a wealth of information which can be used when analysing the performance of competitors, for the assessment of a company's financial worth and credit worthiness, or the valuation of an acquisition candidate.

Having the ability to correctly understand and interpret financial statements minimises the risk of non-informed and possibly erroneous decisions. In this course, the basic business and accounting terms relating to understanding financial statements are defined. You will learn how the accounting system is organised and how to understand and interpret the various posts in the year-end accounts. Particular focus is placed on the rules and regulations of the set of laws which is relevant to understanding financial statements: The Companies Act, the Accounting Act and the Annual Accounts Act. Essential tax legislation is also discussed. Theory is interspersed with practical exercises.

The course is aimed at a broad target audience, that is everyone who needs to understand, and to be able to interpret, financial statements; for example board members, managers, owner-managers, consultants, journalists, sales executives, administrators and assistants. The course is at an introductory level and does not require any previous knowledge of accounting.

After completing the course, you will have a good basic understanding of how a company's accounting system is organised; how to interpret and analyse financial statements including the annual report; as well as having an insight into pertinent laws and regulations.

### COURSE CONTENTS

- ▶ Basic accounting concepts
- ▶ Limited companies; private and public
- ▶ The accounting system
- ▶ The Swedish BAS Chart of Accounts
- ▶ Understanding the profit and loss account (income statement) and the balance sheet
- ▶ Analysis of annual reports
- ▶ Key ratios: cash flow, gearing, margins, performance including profit ratios such as EBIDTA

### SCOPE

3 days. Classes are in the daytime, 09.00-16.00. (The first day, however, starts at 10.00).

### CERTIFICATES

This course is part of FEI's Certificate in Analysis. Optional examinations are offered regularly throughout the year.

### FEES

FÖRETAGS  
EKONOMISKA

INSTITUTET

'88'

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COURSE DATES  
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