



# Hotel Financial Statement Analysis



ONLINE COURSE



**Length**

5 weeks



**Effort**

8 hours / week



**Language**

Taught in English

# Course Content

## WEEK 1

*The basic financial reports* takes you through a general overview of financial reporting and then develops on the four financial statements that are the balance sheet, the income statement, the cash flow statement, and the statement of shareholders' equity.

*Financial reporting mechanics* looks at the process of recording a business transaction using the accounting system, starting from the accounting equation to transaction.

*Financial reporting standards* expands on the objectives and the parties involved in financial reporting and introduces critical issues such as the comparability of accounting standards, and the impact that the application of different standards might have on the financial statements.

## WEEK 2

*Focus on assets* explores in detail the asset side of the balance sheet and analyzes several components of current assets, starting with accounts receivable and exploring the process of accounting for bad debt expenses.

*Focus on liabilities and shareholders' equity* explores in detail the liabilities and shareholders' equity sections of the balance sheet and covers the components of current liabilities, starting with accounts payable and following with accrued liabilities such as unearned revenue.

## WEEK 3

*Cash flow analysis* guides students through the cash flow statement and expands on the three subsections of this statement (operating, investing, and financing).

*Financial analysis tools and techniques* introduces the various benchmarks that can be used to compare a firm's financial position and performance and goes through various financial statement analysis tools and techniques such as common-size analysis, cross-sectional analysis and ratio analysis.

*Liquidity and solvency analysis* takes you into the analysis of two main risks for most companies, namely liquidity and solvency, starting by defining what liquidity is, and expanding on the ratios that can be used to measure it.

# Course Content

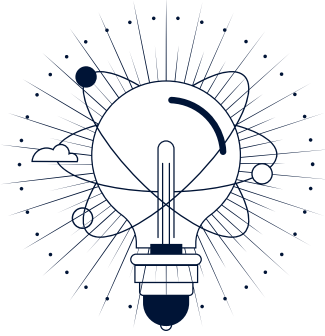
## WEEK 4

*Profitability analysis* guides students through a company's performance analysis using various standard metrics such as margins, EPS, ROA, ROE, and other operational performance metrics specific to the hospitality industry (RevPAR, ADR, yield per seat, etc.).

*Costs and decision-making* explores how costs can be used for decision-making, starting with the direct versus indirect costs classification, and explains how different allocation bases for indirect costs can lead to different results.

## WEEK 5

Week five is dedicated to the final assessment. To successfully pass the assessment, a minimum of 60% of the total points available need to be obtained. The type of assessment may range from multiple choice quizzes (MCQ) to more open response evaluations, like a case study. eek five is dedicated to the final assessment. To successfully pass the assessment, a minimum of 60% of the total points available need to be obtained. The type of assessment may range from multiple choice quizzes (MCQ) to more open response evaluations, like a case study.



# Learning objectives

**1.**

**Translate transactions into financial statements**

**2.**

**Review financial reporting process and standards**

**3.**

**Build a cash flow statements and analyze company financials using ratios**

**4.**

**Review ratio analysis, common-size analysis and cross-sectional analysis**

**5.**

**Analyze profitability using EPS, margins, ROA, ROE ratios and hospitality related metrics**