Course Descriptions None 2023-2024

Course Title	Corporate Reporting and Internal Decision-Making
Course Code	EBC4262
ECTS Credits	6,5
Assessment	Whole/Half Grades

Period

Period	Start	End	Mon	Tue	Wed	Thu	Fri
4	5-2-2024	28-3-2024	X		X		

Level	Advanced
Coordinator	Patrick Vorst For more information:p.vorst@maastrichtuniversity.nl
Language of instruction	English
Goals	1. Understand the intuition behind important accounting standards. 2. Critically apply accounting principles to real-life examples. 3. Explain the relevance of external reporting for internal decisionmaking. 4. Evaluate the societal impact of accounting rules.
Description	Financial reporting plays a crucial role in mitigating information asymmetry in capital markets. To make sound investment decisions, such as whether to buy the firm's stocks or bonds, investors rely heavily on accounting disclosures to assess the financial position, performance, and future prospects of a company. Accounting disclosures thus allow capital markets to function and facilitate an efficient allocation of capital by providing investors with relevant information for their investment decisions. Consequently, publicly listed firms around the globe are required to provide periodic updates on their performance, disclosing their earnings, sales, and expenses, alongside other disclosures that provide information relevant to investors. However, accounting disclosures can also affect a company's internal decisions. Investors use accounting information to make investment decisions and the ability of accounting information to inform investors can affect the ability of companies to raise (low-cost) financing. Managers are concerned about how their actions are reflected in their accounting disclosures and how they affect investor perceptions and consequently will incorporate the accounting consequences of their decisions in deciding on the optimal course of action. In addition, managers also use accounting information from their firm and its peers in their decision-making process. This course bridges the gap between financial and management accounting and provides you with the hands-on knowledge necessary to become a future accounting professional. This course teaches you the relation between information produced for external reporting purposes and the decisions made by management internally. It aims to advance your understanding of financial accounting principles as well as their implications for real decision-making. We further explore the externalities of firm disclosures by looking at the implications of financial reporting for peer firms' real decisions.
Literature	
Prerequisites	1. Understanding of financial accounting at an intermediate level (3rd year bachelor). 2. Understanding of introductory management accounting.
Keywords	
Teaching methods	PBL / Presentation / Lecture / Assignment / Groupwork / Research
Assessment methods	Attendance / Participation / Written Exam / Presentation
Evaluation in previous academic year	For the complete evaluation of this course please click http://iwio-sbe.maastrichtuniversity.nl/rapporten.asp?referrer=codeUM

This course belongs to the following programme / specialisation

Master Business Research - No specialisation	Year 1 Disc - IB Mng. Decision-Making and Control
Master Business Research - Operations Research	Elective Course(s)
Master Fiscal Economics	Economics Elective(s)
Master Human Decision Science	Elective Course(s)
Master International Business - Managerial Decision-Making and Control	Compulsory Course(s)
SBE Exchange Master	Master Exchange Courses
SBE Non Degree Courses	Master Courses