

Personal reflection on cfa level 2 financial reporting and analysis

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This paper provides a reflection on the module of CFA II. This was a success to me, because of the knowledge I gained. This is specifically, in regard to international accounting. Of particular importance to me, is the manner which the European Union has managed to adopt the principles of IFRS in their accounting system. Most countries of the European Union are using the principles of IFRS for purposes of preparing their accounting records. This is because it is a regional integration scheme which seeks to develop a common market, and hence there is a need of using the same accounting standards for purposes of financial reporting (Robinson & Cope, 2015). Another important lesson learnt is on how to improve the manner in which organizations are able to improve the quality of their financial reporting. This information was very useful to me. This is because it would help me in the identification of proper accounting procedures that can help in the prevention of fraud. Companies such as Enron were able to fall, mostly because they were not using proper accounting procedures that could reflect the true value of their transactions or assets. Other lessons that were of critical importance was on the analysis of multi-national operations, and on inter-corporate investments. Of particular concern to me, was on the analysis of multi-national operations. We are in the age of globalization, and hence there is a need of understanding the manner in which international trade is carried out (Lee & Lee, 2005).

As an analyst for an international investment company, the knowledge derived from this class was very important to me, and this is because it gave me an understanding on how multi-national companies behave, and why there is a need of developing an international accounting system that can be

used throughout the world. IFRS is an example of such an accounting system, and this was well covered in the class (Albrecht, Stice & Stice, 2011). It is important to explain that the most challenging concepts, while studying in this class, touched on inter-corporate investments. This was a very difficult concept to me, and this is because I failed to understand how a company could invest in the equity or debts of other companies. However, I managed to bridge this gap, by carrying out further research on this aspect of inter-corporate investment.

The materials used were from financial journals, books, and various financial websites. In the end, I acquired knowledge on inter-corporate investments, and I knew the reasons companies may decide to invest in other companies. As a financial analyst, I believe that this module is very important to me. This is because it will give me an opportunity for advancing my career, and getting a promotion in my place of work. Furthermore, passing through this module, would enable me advance to the next module, and making it easier for me, to pursue post graduate degrees in financial management or accountancy.

The only thing that I regret not undertaking in this class is failure to actively engage the lecturer on various accounting principles that are pursued in different parts of the world. This would have helped in understanding on how other countries are able to develop and implement their accounting standards.

In conclusion, CFA II was an important module to me. The information, knowledge and skills gained from this module would assist me in developing my career, and pursuing post graduate degrees in future. Furthermore, I was

heavily impressed in the manner in which the European Union has adopted the IFRS standards in their territories. This is because I strongly support the use of the same accounting standards in the world.

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