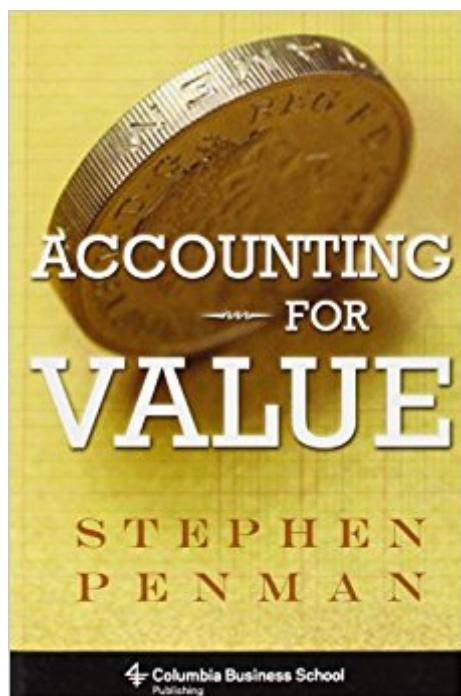


The book was found

Accounting For Value (Columbia Business School Publishing)



Synopsis

Accounting for Value teaches investors and analysts how to handle accounting in evaluating equity investments. The book's novel approach shows that valuation and accounting are much the same: valuation is actually a matter of accounting for value. Laying aside many of the tools of modern finance—the cost-of-capital, the CAPM, and discounted cash flow analysis—Stephen Penman returns to the common-sense principles that have long guided fundamental investing: price is what you pay but value is what you get; the risk in investing is the risk of paying too much; anchor on what you know rather than speculation; and beware of paying too much for speculative growth. Penman puts these ideas in touch with the quantification supplied by accounting, producing practical tools for the intelligent investor. Accounting for value provides protection from paying too much for a stock and clues the investor in to the likely return from buying growth. Strikingly, the analysis finesse the need to calculate a "cost-of-capital," which often frustrates the application of modern valuation techniques. Accounting for value recasts "value" versus "growth" investing and explains such curiosities as why earnings-to-price and book-to-price ratios predict stock returns. By the end of the book, Penman has the intelligent investor thinking like an intelligent accountant, better equipped to handle the bubbles and crashes of our time. For accounting regulators, Penman also prescribes a formula for intelligent accounting reform, engaging with such controversial issues as fair value accounting.

Book Information

Series: Columbia Business School Publishing

Hardcover: 264 pages

Publisher: Columbia University Press; unknown edition (December 30, 2010)

Language: English

ISBN-10: 0231151187

ISBN-13: 978-0231151184

Product Dimensions: 1 x 6.2 x 9.2 inches

Shipping Weight: 1 pounds (View shipping rates and policies)

Average Customer Review: 4.6 out of 5 stars 20 customer reviews

Best Sellers Rank: #171,895 in Books (See Top 100 in Books) #78 in Books > Business & Money > Skills > Business Mathematics #153 in Books > Textbooks > Business & Finance > Investments & Securities #252 in Books > Business & Money > Accounting > Financial

Customer Reviews

Penman's book...contains gems on every page â€“ to the point that no one who deals with the market in any capacity should pass by this text until they have committed to memory as many points therein as their limited, mark one, human brains, can hold. (Anthony Harrington QFinance Blog) I highly recommend the essential and fundamentals oriented book Accounting for Value by Stephen Penman, to anyone who is serious about investing in sound, fundamental stocks. This book will benefit the beginning or experienced investor, accountants, and anyone interested in the coupling of accounting with equity valuation. (Blog Business World) For a practical book that will help you understand the use of accounting in understanding stock valuation, Accounting for Value is the resource you are looking for you. (Stocker Blog)

Stephen Penman is George O. May Professor of Accounting and Morgan Stanley Research Scholar at the Columbia Business School. He is the author of Financial Statement Analysis and Security Valuation, for which he received a Wildman Medal Award, and an editor of the Review of Accounting Studies.

This is an interesting complement to Valuation: Measuring and Managing the Value of Companies, 5th Edition (Wiley Finance), which presents a finance perspective on valuation (read cash flow). The current book presents an accounting perspective on valuation. The writing style is not totally clear and I've seen some articles in Financial Analysts Journal by the same author that are more clearly written. Still this book will give you a lot of interesting ideas if you are professional engaged in valuation of mostly listed companies. The author also has a textbook treatment which is worth a look

Excellent book about using accounting information for valuation. I highly recommend read this book with Damodaran's valuation books. This will give you immense insights.

Excellent companion to the Professor Penman's textbook. Biggest lesson: clearly define and separate the known from the assumed, and anchor on the former. This book will make you a more conservative analyst/investor.

Interesting and not too technical, common sense accounting principles in order to invest sensibly using financial statements and annual reports.

Some good points about earnings and balance sheets, I just wish the author did not throw the

cash-flow statements down the drain, they are a very useful piece of information. Companies issue these statements, why not analyse them as well?

Best investing book I've read in a very long time. And I've read many.

While it's a short book in number of pages, every page requires attention and you should absorb it page by page. Highly recommended to anyone trying to understand financial statements. The book focuses on US GAAP standards, but readers can find implications to other accounting standards as well.

The best finance book to come out of Columbia University since Security Analysis. If you want to be a complete intelligent investor, Penman offers a beautiful framework for thinking about accounting.

[Download to continue reading...](#)

Accounting for Value (Columbia Business School Publishing) Narrative and Numbers: The Value of Stories in Business (Columbia Business School Publishing) Accounting Instruction Reference #100: Learn Accounting Objectives, the Double Entry Accounting System, & the Accounting Equation Business Secrets of the Trappist Monks: One CEO's Quest for Meaning and Authenticity (Columbia Business School Publishing) The Digital Transformation Playbook: Rethink Your Business for the Digital Age (Columbia Business School Publishing) KINDLE PUBLISHING: How To Build A Successful Self-Publishing Business With Kindle and Createspace. A Detailed, Step-By-Step Guide To The Entire Process (Kindle Publishing Series Book 1) Designing for Growth: A Design Thinking Tool Kit for Managers (Columbia Business School Publishing) The Designing for Growth Field Book: A Step-by-Step Project Guide (Columbia Business School Publishing) Design Thinking for the Greater Good: Innovation in the Social Sector (Columbia Business School Publishing) Solving Problems with Design Thinking: Ten Stories of What Works (Columbia Business School Publishing) Big Money Thinks Small: Biases, Blind Spots, and Smarter Investing (Columbia Business School Publishing) Creative Strategy: A Guide for Innovation (Columbia Business School Publishing) The Most Important Thing Illuminated: Uncommon Sense for the Thoughtful Investor (Columbia Business School Publishing) The Worldâ™s First Stock Exchange (Columbia Business School Publishing) The Robin Hood Rules for Smart Giving (Columbia Business School Publishing) Bookkeeping: Small Business Bookkeeping, Accounting for Beginners (Bookkeeping, Accounting, Business, Taxes) Accounting For Small Business: The Ultimate Business Accounting Made Simple for Startup, Sole Proprietorship, LLC Accounting: The Ultimate Guide to Accounting for Beginners

â “ Learn the Basic Accounting Principles Accounting: Accounting made simple, basic accounting principles, and how to do your own bookkeeping Value First then Price: Quantifying value in Business to Business markets from the perspective of both buyers and sellers

[Contact Us](#)

[DMCA](#)

[Privacy](#)

[FAQ & Help](#)