



Philadelphia University  
 Faculty of Administration and Financial Sciences  
 Department of Accounting  
 00000 Semester000000000

<u>Course Syllabus</u>	
Course Title: financial statement analysis	Course code: 0311422
Course Level: third year	Course prerequisite (s) and/or co requisite (s): 0311330,311220
Lecture Time:	Credit hours: 3

<u>Academic Staff Specifics</u>				
Name	Rank	Office Number and Location	Office Hours	E-mail Address

**Course module description:**

This course is designed to provide the student at the under graduate level with issues and techniques to develop skills in analyzing financial statements in order to interpret financial statements and to provide useful information for decision making. This will be accomplished using five steps: (1) analyzing the industry and economic environment in which the firm operates; (2) analyzing the firm's business strategy and accounting choices; (3) analyzing recent financial performance and position; (4) analyzing profitability and risk ; and (5) estimating the value of the firm.

**Course module objectives:**

After studying this course, the student should be able to:

1. Understand the characteristics of financial statements and economic environment.
2. Recognize the limitations of financial statements
3. Discuss the need for comparative analysis.
4. Identify the tools of financial statement analysis.
5. Analyze firm's liquidity, profitability, and solvency.
6. Forecasting the value of firm..

**Course/ module components**

**TEXT BOOK: Financial Statement Analysis , Wild, Subramanyam, and halsey, May 24 2013, 11<sup>th</sup> edition , McGraw-Hill Companies.**

- Support material (s) (vcs, acs, etc).
- Study guide (s) (if applicable)
- Homework and laboratory guide (s) if (applicable).

**Teaching methods:**

Lectures, discussion groups, tutorials, problem solving, debates, etc.

**Learning outcomes:**

Knowledge and Understanding

- Identify and discuss different type of business analysis.
- Describe the purpose of financial statements.
- Understand the characteristics of financial statements and economic environment.

### Thinking & Analysis skills

- Analyze firm's liquidity, profitability, and solvency.
- Analyze earning per share

### Practical skills

- Forecasting the value of firm.

### Personal development skills

report comparative analysis and provide required information for decision makers

#### Assessment instruments

- Short reports and/ or presentations, and/ or Short research projects
- Quizzes.Home works

<u>Allocation of Marks</u>	
Assessment Instruments	Mark
First examination	20%
Second examination	20%
Final examination 40 marks	40%
Reports, research projects, Quizzes, Home works, Projects	20%
Total	100%

#### Documentation and academic honesty

- Documentation style (with illustrative examples)
- Protection by copyright
- Avoiding plagiarism.

#### Course/module academic calendar

week	Hours	Chapter in text	Homework/reports and their due dates
1-2	Overview of Financial Statement Analysis	Ch.1	1-2,1-7,1-8,1-17,1-23, 1-26,E 1-2
3	Financial reporting and analysis Relevant Financial Statement Data for Analysis and earnings quality	Ch.2 Ch.4 in ref.2	2-13,2-24,2-27
4	Accounting analysis- analyzing financing activities	Ch.3	3-1,3-10,3-11
4	Accounting analysis- analyzing investing activities	Ch.4	4-2
5	Accounting analysis- analyzing operating activities	Ch.6	6-1,6-2,6-34
4	Cash flow analysis	Ch.7	7-1, 7-4,E7-4,7-5
4-6	Return on invested capital	Ch.8	8-1, 8-2, E8-1,E8-2,E8-3,E8-5,E8-6,case 8-4
7-9	Profitability Analysis	Ch. 9	P9-3,P9-4
9	first Exam		

10-12	Credit Analysis	<b>Ch. 11</b>	<b>E11-1,E11-2,P11-9</b>
13-14	Prospective analysis	<b>Ch.10</b>	<b>10-1, 10-2,E 10-4</b>
14	Second Exam		
15-16	Equity analysis and Valuation	<b>Ch. 12</b>	<b>P12-4</b>
16	Final Exam		

**Expected workload:**

On average students need to spend 2 hours of study and preparation for each 50-minute lecture/tutorial.

**Attendance policy:**

Absence from lectures and/or tutorials shall not exceed 15%. Students who exceed the 15% limit without a medical or emergency excuse acceptable to and approved by the Dean of the relevant college/faculty shall not be allowed to take the final examination and shall receive a mark of zero for the course. If the excuse is approved by the Dean, the student shall be considered to have withdrawn from the course.

**Module references**

**Books**

- Financial statement analysis and security valuation, 2007, penman,third edition.
- Financial Reporting and Statement Analysis: With Thomson Analytics, Clyde, Paul Brown, and James M. Wahlen, April 2006, South-Western.
- : Financial Reporting and Statement Analysis: Strategic perspective, Clyde, Paul Brown, forth edition, Harcourt Brace & Company, 1999.
- Financial Statement Analysis, Charles Gibson, eighth edition, South-Western college publishing, 2001.

**Journal**

**Web sites :** [www.mhhe.com/wild](http://www.mhhe.com/wild) 9e