



Philadelphia University
Faculty of Business
Department of Finance & Banking

<u>Course syllabus</u>	
Course title: Financial Analysis	Course code: 0320413
Course level: Fourth year	Course prerequisite (s) and/or co requisite (s): Financial Management
Lecture time:	Credit hours: 3

<u>Academic Staff Specifics</u>				
Name	Rank	Office number and location	Office hours	E-mail address

Course- Model description:

The objective of this course is to explain and provide students with a framework for analyzing company's past performance, estimating its future performance evaluation in decision making and valuing its equity the course the course integrates key concepts from finance, economics, accounting and business strategy and applies them to financial decision making the course focuses on teaching students to obtain financial information by using analysis tools" which help for discussion the results. After finishing study this course would have ability to generate reasonably accurate, or at least logical consistent forecast of a firm's future financial performance. The student's are also responsible for preparing cases in advance of the class session.

Course Objective:

1. Definition of students with tools and techniques of financial analysis.
2. Helping the students to be able to convert the financial statements of the balance sheet, income statement and cash flow for information to help them make financial decisions, investment, credit and other rational
3. Create acritical thinking among students.
4. Giving the students Knowledge and skills on how to evaluate the various policies in business, and keep track their performance and identify areas of strength and weakness in the career, this assisted students in the field work.
5. Enable the students to use financial analysis tools to predict the failure of financial firms .

Course Components:

Books:

- The recent trends in the financial and credit analysis (2003), Mohamad Moutar , Wael Publishing company , Amman , Jordan .
- The analysis and use of financial statements, third edition, 2012, Gerald I. White, A.C. sondhi and dov fried, Joh Willy and sons, INC, New York, USA.

Supporting Material:

Videos, Practical cases.

- Study Guide: Homework guide, worksheets, Problems and cases for discussion.
- Teaching methods course :

Lectures, discussion, groups to resolve Problems, debates.

Learning outcome:

Scientific knowledge and understanding:

1. Understanding of the theoretical framework of the course and being able to use modern scientific techniques and methods.
2. It enables the student to do the analysis and interpretation of results.

Mental Skills (the ability to think and analysis) :

This comes through self – Learning, access to the articles, visit the library and use the internet for purposes of scientific research.

Communication skill (personal and academic) :

- Student interacts with –professor via e- mail.
- Skills acquired from practice (practical skill related to the course and profession related, in addition to hosting the visitors to give lectures during the practical side of specialization.

Assessment tools :

- Short reports and / or presentation, and / or research projects short (students are distributed into groups).
- Quiz (students are required to submit two short examination at least through the semester.
- Homework and solving examples within the lecture.
- Final examination.

<u>Allocation of Marks</u>	
Assessment Instruments	Mark
First examination	20
Second examination	20
Final examination	40
Reports, research projects, quiz, homework, Projects	20
Total	100

Documentation and academic honesty

- Documentation style
- Protection by copyright
- Avoiding plagiarism.

Course Syllabus :

week	Subjects	Homework/ quiz, reports and their due dates
(1)	Theoretical framework of financial analysis <ul style="list-style-type: none">- Financial Analysis concepts.- Importance of financial Analysis.- Beneficiaries of the financial analysis.- A characteristic of effective financial analyst.- Steps / or analysis procedures.	
(2)	<ul style="list-style-type: none">- The objectives of the financial analysis.- The importance of the financial statements and the relationship between them.- Financial analysis and cautionary notes.- Financial analysis and criteria of measure level.- Analysis and negative numbers.- Problems and solutions for discussion with examples.	Home work
(3)	<ul style="list-style-type: none">- Comparison analysis (Horizontal analysis).- Common –size statements.- Comparison balance sheet by using percentage (practical application)- Comparison income statement by using percentage (Practical application).	Library activity
(4)	<ul style="list-style-type: none">- Comparison cash flow statement by using percentage (practical application).- The relationship between the financial statement and results discussion.- Prepare the financial report.	
(5)	Vertical analysis : <ul style="list-style-type: none">- Comparison balance sheet by using percentage.- Comparisons income statements by using percentage.- Comparison cash flow statement by using percentage.- Practical application.- Prepare financial report	Home work
(6)	Discuss and Analysis of ratios by categories. <ul style="list-style-type: none">- The important of financial ratios- The purpose of using and analysis of financial ratios .- Financial ratios by groups and the characteristics of each of them.	First examination
(7)	Liquidity Ratios Analysis	

	<ul style="list-style-type: none"> - Current Ratio. - Quick Ration - Types of cash flow. - Cash collection equation and its relation with cash and operating - Cycle in firms. - Ratios of cash flow. - Practical Application and Problem for discussion. 	
(8)	<ul style="list-style-type: none"> - free cash flow equation - Ratio of cash flow from operating - Ratio of cash flow from assets - Ratio of cash flow from sales - Practical Application and problem for discussion. 	
(9)	<p>Liquidity evaluation in firm</p> <ul style="list-style-type: none"> - Cash coverage ratio for finance and investment - Time interest earned from cash flow, Evaluation of financing policy - Dividend policy - Ratio of benefits received and distribution - Advantages of cash flow analysis 	Quiz (2)
(10)	<p>Analysis of firm activity:</p> <ul style="list-style-type: none"> - The important of activity ratios - Short term activity ratio <ul style="list-style-type: none"> • Inventory turnover ratio • No days of inventory in stock • Account Receivable Turnover ratio • No Days of receivable • Account payable turnover ratio. • No Days of payable • Gap Measuring • Practical application and Problem for discussion 	
(11)	<p>Working capital turnover ratio</p> <ul style="list-style-type: none"> • Long Term Activity Ratios : • Fixed asset turnover ratio • Total asset turnover ratio • Practical application and problem for discussion 	Second examination
(12)	<p>Financial Solvency and long – term Debt Analysis:</p> <ul style="list-style-type: none"> • Debt to equity ratio analysis • Interest rate coverage ratio • Cash flow from operating to debt ratio • Practical application and problem for discussion 	
(13)	<p>Profitability Analysis</p> <ul style="list-style-type: none"> - Return on sales: <ul style="list-style-type: none"> • Gross profit margin ration • Operating margin ratio • Earnings before interest and tax • Net profit margin • Practical application and problem for 	

	discussion	
(14)	Return on investment: <ul style="list-style-type: none"> • Return on assets • Return on equity • The relation between return on assets and return on equity • Practical application and problem for discussion 	
(15)	<ul style="list-style-type: none"> • Du Pont return on investment model • Du Pont return on equity model • Practical application and problem for discussion 	
(16)	<ul style="list-style-type: none"> • Final Exams 	Final Examination

The Expected time to study :

The student needs to study and preparation of equal to two hours for each lecture of the fifty minute class.

Attendance policy(consistently) :

The absence from lectures shall not exceed 15% . students who exceed the 15% limit without approved a medical or emergency excuse acceptable and approved by the Dean of faculty shall not be allowed to take the examination and shall receive a mark of zero for the course .

Course references

Books

- **The Analysis and use of financial statements, Gerald I white, Ashwinpaul C. Sondhi and Dov fried. John willy and sons, Inc. 1997.**

Scientific Journals

www.google.com

www.Ayna.com

www.Amazon.com