

FIN365 Financial Statement Analysis

Level: 3

Credit Units: 5 Credit Units

Language: ENGLISH

Presentation Pattern: EVERY SEMESTER

Synopsis:

This course seeks to equip students with the tools and skills needed to draw inferences from financial statements in tandem with corroborative information from the market and the economy, in order to facilitate better decision-making within the firm. The course examines in detail how financial statements can be used to evaluate performance and financial position; or to assess the risk of taking a particular decision. The intent is to instill an understanding from the analyst's perspective, of the implications for the accrual system cash flow, current and non-current assets, income taxes, financial liabilities, leases, pensions and intercorporate liabilities stemming from decisions made by the firm's management.

Topics:

- Importance of financial statement analysis
- Analysis of Statement of cash flows
- Valuation of current assets and fixed assets
- Analysis of taxes
- Analysis of liabilities
- Analysis of inter-corporate investments
- Analysis of leases

Textbooks:

Subramanyam: Financial Statement Analysis 11 MCGRAW
ISBN-13: 9781308675084

Subramanyam: Financial Statement Analysis 11 MCGRAW
ISBN-13: 9781308675084-AA

Learning Outcome:

- Determine a firm's financial health from its financial statements.
- Differentiate between the uses and sources of cash.
- Demonstrate how fixed assets and current assets and liabilities are valued.
- Analyse inter-corporate investments and leases.
- Assess the implications of leases, mergers and acquisitions.
- Develop analytical skills necessary for reading and understanding financial statements.
- Demonstrate the essential knowledge and interpersonal skills to work effectively in a team.
- Demonstrate proficiency in writing.

| Continuous Assessment Component | Weightage (%) |
|--|----------------------|
| PRE-COURSE QUIZ | 2 |
| PRE-COURSE QUIZ | 2 |
| PRE-COURSE QUIZ | 2 |
| TUTOR-MARKED ASSIGNMENT | 38 |
| PARTICIPATION | 6 |
| Sub-Total | 50 |

| Examinable Component | Weightage (%) |
|-----------------------------|----------------------|
| Written Exam | 50 |
| Sub-Total | 50 |

Weightage Total **100**