

Course Title	Financial Statement Analysis				
Course Code	ACF 202				
Course Type	Compulsory				
Level	Undergraduate				
Year / Semester	Year 2 / Semester 4				
Teacher's Name	POLINA ELLINA/PHANOS IACOVOU				
ECTS	6	Lectures / week	3	Laboratories / week	
Course Purpose and Objectives	<p>The aim of the syllabus is to develop knowledge and thorough understanding of the underlying principles and concepts relating to financial stamen analysis. Students will be embedded in the process of assessing a company's performance in the context of its industry and economic environment as to reach a valid decision or recommendation.</p>				
Learning Outcomes	<p>On successful completion of this exam, candidates should be able to:</p> <ul style="list-style-type: none"> A. Develop an understanding of financial statements analysis. B. Explain the roles of financial reporting and financial statements analysis. C. Identify and describe the sources of information needed for financial statements analysis. D. Identify and explain the roles of the statement of financial position; statement of comprehensive income; statement of changes in equity; and statement of cash flows; in assessing company's performance and financial position. E. Apply techniques to analyze complex issues of financial statements. F. Specify the importance and purpose of financial statement notes and supplementary information including disclosure notes and management's commentary. G. Explain the objective of audits of financial statements, clarify the types of audit reports and the significance of effective internal controls. H. Specify the steps in the financial statements' analysis framework. I. Interpret and calculate the relationship between different elements of the financial statements via accounting rations and trends to address users and stakeholder's needs. J. Discuss the limitations of interpretation techniques. K. Understand how Corporate Governance issues affect Financial Reporting. 				

Prerequisites	ACF 102; ACF 120	Required	NONE
Course Content	<p>A. Overview of Financial Statements and Financial Reporting Analysis.</p> <p>B. Introduction to business analysis and valuation using financial statements.</p> <p>C. Audit and Audited Financial Statements – The importance of an Audit.</p> <p>D. Contents of Financial Statements.</p> <p>E. Foundations of Ratio and Financial Analysis.</p> <p>F. Calculation and Analysis of Ratios (i.e. Profitability, Liquidity, Working capital, Investment Ratios).</p> <p>G. Cash/Operating Cycle</p> <p>H. Notes to the accounts.</p> <p>I. Accounts Disclosure requirements.</p> <p>J. Business Strategy analysis.</p> <p>K. Accounting analysis.</p> <p>L. Prospective analysis: Forecasting.</p> <p>M. Prospective analysis: Valuation.</p> <p>N. Analyst Adjustments to Reported Financials.</p> <p>O. Corporate Governance and Financial Reporting.</p>		
Teaching Methodology	<ul style="list-style-type: none"> • Reading and resolving problems. • Working on problem-solving. • Attendance and participation in class. • Monitor discussions. • Writing and reply on objective type questions. 		

	<ul style="list-style-type: none"> • Solving unstructured questions and case studies. • Brief oral presentation before starting a new chapter and reply to queries from students. • Homework for revision purposes. • Interaction and collaborative learning. • Simulation and role Playing. • Video Watching. 								
Bibliography	<p>Palepu et al. (2019). <u>Business Analysis and Valuation: IFRS Edition</u>. 5thedition. Cengage. (ISBN: 9781473758421)</p> <p>Additional reading: Subramanyam K. R. (2015). <u>Financial Statement Analysis</u>. 11th ed. McGraw Hill – International ed. (ISBN: 9780071086838)</p> <p>ACCA (2021). <u>Financial Management - Study Text and Exam Kit 2021</u>. Kaplan Publishing.</p> <p>CFA Program Curriculum 2020 Level I, Wiley: Technical Analysis (Reading 26, 32).</p>								
Assessment	<table border="0"> <tr> <td>Participation</td> <td>10%</td> </tr> <tr> <td>Midterm Exam</td> <td>20%</td> </tr> <tr> <td>Assignment</td> <td>10%</td> </tr> <tr> <td>Final Exam</td> <td>60%</td> </tr> </table>	Participation	10%	Midterm Exam	20%	Assignment	10%	Final Exam	60%
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Language	English								