Syllabus
Course description

Course title	Financial Statement Analysis
Course code	27161
Scientific sector	SECS-P/07
Degree	Economics and Management (L-18)
Semester and academic year	1st Semester 2016-2017
Year	
Credits	6
Modular	No

Total lecturing hours	36
Total lab hours	Not foreseen
Total exercise hours	Not foreseen
Attendance	suggested, but not required
Prerequisites	The frequency of the course "Introduction to Accounting" is strongly suggested to properly follow these lectures.
Course page	

Specific educational objectives	The course refers to the educational activities chosen by the student and belongs to the scientific area of Business Administration. **Educational objectives:** The main objective of this course is to equip you with the knowledge to read, interpret and analyze financial statement data in order to make informed business decisions regarding investment, credit, or resource allocation. Such skills are required for equity and credit analysts, executives, bankers, auditors, consultants and other users of financial information. The course addresses questions such as 1) How do operating and financial decisions contribute to a firm's return? 2) Why does a firm's performance differ from its competitors? 3) Has the firm distorted its accounting numbers and how will this influence its reported performance? 4) How does the financial performance today predict future events, such as credit default or equity valuation? 5) How can a firm forecast financial statements over multiple years? 6) How to derive the "right cash flow" for DCF valuation?

Lecturer	Prof. Massimiliano Bonacchi, Office E207 massimiliano.bonacchi@unibz.it
Scientific sector of the lecturer	SECS-P/07

Teaching language	English
Office hours	please refer to the lecturer's web page
Lecturing assistant	Not foreseen
Teaching assistant	Not foreseen
Office hours	No assistant
List of topics covered	The course consists of three integrated parts: 1. Understanding the business environment and financial reporting quality. We need to understand the business environment and company-reported accounting information, in particular: 2. Adjusting and assessing financial information. We will apply tools for adjusting and assessing financial statement information for profitability and credit risk analysis. 3. Forecasting financial information and using it for valuation: We will translate our knowledge of the business environment and a company's current status to form predictions about future financial performance and conditions. We apply the forecasted information in a discounted valuation model.
Teaching format	The course will combine in-class explanation, problem-solving and case discussion. Students are expected to participate actively in class.

Learning outcomes	Knowledge and understanding of financial statement analysis and evaluation tools. Ability to apply knowledge and understanding ratio analysis, cashflow analysis and evaluation models. Making judgments on the appropriate ratio analysis, cash flow analysis and evaluation models. Communication skills to evaluate reporting performance of a firm. Learning skills: Ability to apply ratio analysis, cashflow analysis and evaluation models.

Assessment	Non-attending student: Written exams Attending students: Midterm and Final written exam, Assignments, Group

	Project
Assessment language	English
Evaluation criteria and criteria for awarding marks	<u>Not Attending Students</u> Not attending students are evaluated through a final exam (100%) that covers the following textbook Chapters: 1, 2, 8, 9, 10, 11, 12, 18, 20 <u>Attending Students</u> Midterm 30%, Final 40%, Assignments 20%, Class Participation 2%.

Required readings	FINANCIAL STATEMENT ANALYSIS AND SECURITY VALUATION Edition: 5 Authors: Stephen H Penman ISBN: 9780071326407
Supplementary readings	Also, for most course topics, I will provide additional readings and exercise