



Capital University of Economics and Business

Overseas Chinese College

Course Syllabus

<u>Year and Semester</u>	2022 Spring (Feb 27, 2022— July 17, 2022)	
<u>Course Name</u>	Financial Reporting and Analysis	
<u>Course Code</u>	FA202	
<u>Course Type</u>	<input type="checkbox"/> General Education (Required)	<input type="checkbox"/> General Education (Elective)
	<input type="checkbox"/> Basic Disciplinary Course	<input checked="" type="checkbox"/> Professional Course (Required)
	<input type="checkbox"/> Professional Course (Elective)	<input type="checkbox"/> Professional Course (Expanded)
<u>Course Credits</u>	4	
<u>Course Hours</u>	64	
<u>Prerequisites</u>	FA102	
<u>Instructor:</u>	Yuanyuan Lyu	
<u>Contact</u>	Lvyuanyuan@cueb.edu.cn	
<u>Information</u>		
<u>Office Hours</u>	Tue. & Thu. 8:00-9:35; Fri. 9:55-11:30	
<u>Learning Center</u>	Wed. 15:24-17:00 & 18:00-20:00	
<u>Grade/Section</u>	2020BA	
<u>Course Time/Place</u>	Tue. & Thu. 9:55-11:30; Boxue 111	
<u>Textbook:</u>	K. R. Subramanyam. Financial Statement Analysis (11th Edition). China Renmin University Press, Beijing, ISBN 978-7-300-19634-3.	
<u>Reference Book</u>	<ul style="list-style-type: none"> • Martin Fridson. Financial Statement Analysis (4th Edition). China Renmin University Press, Beijing, ISBN: 978-7-300-23037-5 	

Course Description

“Financial Reporting and Analysis” is a course of advanced level financial accounting for International Accounting Class. After completing this course, students will be able to apply the basic professional skills of financial statement analysis, understand the relevant business and accounting environments, and explore the real business operations. In the process of teaching, how to analyze financial statement and financial ratios in professional treatment is practiced by students who will be qualified for further study on investment decision-making.

This course builds upon what you learned in Financial Accounting and forges a professional path in financial statement analysis. The main purpose of the course is to equip students with analytical skills necessary to make credit analysis, value analysis and business activities analysis. While knowledge on technical aspects of financial accounting is not necessary to understand and interpret financial statements, this knowledge is critical to be able to understand advanced topics in accounting.

Student Learning Outcomes

After completing this course, students will be able to:

Knowledge

- ◆ Understand the general environment that accounting operates in, particularly about the creditors, owners, business context and accounting standards
- ◆ Identify the elements of the financial statements to distort the true business operation
- ◆ Illustrate how to convert reliable financial information to relevant financial information

Capability

- ◆ Apply the credit analysis, value analysis and financial ratio analysis into real case
- ◆ Present and analyze cash flow statement
- ◆ Demonstrate effective professional financial statement skills

Mindset

- ◆ Establish the objective perception on investment decision-making
- ◆ Be logical, ethical, methodical, consistent and accurate
- ◆ Apply critical thinking and professional judgment in the process of financial statement analysis
- ◆ Realize the active influence of successful investment on the economic development in China

Website Source

1. <https://www.principlesofaccounting.com>
2. <https://www.accaglobal.com>

Teaching Methods

This course contains lectures, case studies, discussions, homework, quizzes, presentation and exams. Exercises and practice questions will be delivered to students as a way to test their understanding of the knowledge. This will require individual or group assignment before, in or after class.

Assignments will be collected at the beginning of class and late assignments will not be accepted.

Graded homework should be well kept.

Grade Criterion

Component	Weight	Description
Final Exam	20%	A cumulative final examination will be given based on all of the contents of the class. The exam paper may be composed of multiple-choice questions, short answer questions, essay questions, problems, and preparation of financial statements. Students should rely primarily on homework assignments to give them a sense of what they may see for material on exams.
Mid-Term Test	20%	A cumulative midterm test will be given based on all of the contents that have been taught in class. The test paper may be mainly composed of multiple-choice questions and it should be completed in class.
Homework	15%	Most of the assigned homework is taken from the Exercises in the textbook. Assignments will be collected at the clearly stated date. Late assignments will not be accepted. The graded assignments may be kept



		by the tutor for reference and won't be returned to students.
Quizzes	15%	There will be at least 2 quizzes during the semester. Quizzes may or may not be announced in advance. It may also be used as a way to check the attendance. Quizzes will test your knowledge of both concepts and the application of those concepts.
Presentation	10%	The students will be divided into several groups to prepare a presentation. Each student is required to be involved in the presentation. The topics can be selected from the textbook or lectures. Each group need to finish a PPT related to the topic which is given and hand in the related resources to the teacher before the presentation.
Participation	10%	Individuals will be asked to participate individually in a question and answer at least 5 times during the semester. The performances should be counted in their participation.
Attendance	10%	Refer to attendance policy listed below
Total	100%	

Detailed Grade Computation

	Before Midterm	After Midterm
Attendance and participation	10%	10%
Assignments	5%	10%
Quizzes	5%	10%
Presentation		10%
Midterm test	20%	
Final exam		20%
Total	40%	60%

A+ (100-97, Superior)

A (96-93)

A- (92-90)

B+ (89-87)

B (86-83, Good)

B- (82-80)

C+ (79-75)

C (74-70, competent)

C- (69-67)

D+ (66-63)

D (62-60)

F = failure (59 and below)

Exam Schedule

Midterm Test: April 25th – 29th

Final Exam: June 20th – 24th

Assessment of Student Performance

Self-Study and Reading ability Practice

Instructor will give out the chapters or the reference books to read and use class hours to have discussion; students should be able to show a proactive attitude and ability for self-study and reading. Knowledge and oral English will be elements of homework or presentation score.

Homework

Students should finish their homework by themselves. Copying from others will be treated as cheating and the homework scores will be lowered. Students should hand in all assignments on time. Late assignments will be accepted at the discretion of the instructor (i.e., when the student was ill or had an

excused absence). Late assignments without reasonable proof will be refused and the score will be zero.

Attendance

Because the course covers a great deal of material, attending every class session is very important for performing well.

- ♦ Being late for 15 minutes or more is considered an absence.
- ♦ Five hours or above of unexcused absences will result in the lower level of the final grade by one grade band (e.g. from C – to D +). Any excused absence must be discussed directly with the teacher.
- ♦ Absence which is more than 1/3 of the total teaching hours will cause an F (a failing grade) directly. but students are welcome to continue attending classes.
- ♦ An incomplete grade (I) will be considered in case of medical or family emergencies.

Participation

- ♦ Students should participate in classes actively. Half of participation grade is determined by their presentation in class. They are encouraged to ask questions relevant to the subject and express their own opinions. Every student should respect the ideas, opinions, and questions of their classmates.
- ♦ Students should also use office hours to ask questions or talk with the instructor for good communication and effective learning.
- ♦ Frequent visiting the instructor and chatting in English during office hours is highly recommended.
- ♦ Any misbehavior and non-class related activities in class will result in the lower level of the participation grade, including ringing cell phones.
- ♦ All above behaviors will be solely evaluated by the instructor for scoring.

Textbook

Students must bring the textbook to class.

Teacher's Office Hour

- ♦ The instructor's office hour is shown in the front of the office door.
- ♦ Students are suggested to use the instructor's office hour and learning center to ask questions or talk with the instructor once at least per week for good communication and effective learning, which is recorded in the students' participation.
- ♦ The time can be scheduled by instructors or students, or both.

Cheating and Plagiarism

Cheating is not tolerated. Any student caught cheating on a quiz; test or exam will be given a mark of zero (0) for the particular work. At the beginning of the semester the definition of plagiarism will be carefully explained, when any thoughts or writings of another person are used, they must be clearly identified (usually one uses quotation marks) and the source notes. **If any student is caught cheating on any homework assignment, the highest score the student can earn in that course is a "C".**

Course Outline

Week	Date	Content	Homework
An overview of financial statement analysis			
1		Syllabus Chapter 1 • Business analysis • Financial statement – basis of analysis	—
		Chapter 1 • Financial statement – basis of analysis • Financial statement analysis preview	Textbook Exercise
2		Chapter 2 • Reporting environment	—
		Chapter 2 • Accruals • Importance of accounting standards towards the capital market in China	Textbook Exercise
Explain and analyze the accounting measurement and reporting practices underlying financial statements			
3		Chapter 3 • Liabilities	—
		Chapter 3 • Capital versus Operating lease	—
4		Chapter 3 • Realize the strategic importance of successful investing and financing activities to development of Chinese race	Textbook Exercise
		Chapter 4 • Introduction to current assets	—
5		Chapter 4 • Current assets	—
		Chapter 4 • Long-lived assets	—
6		Qing Ming Festival	
		* Quiz 1	
		Chapter 5 • Debt security • Equity security • Equity method accounting	
7		Chapter 5 • Business combination • Derivative securities • Fair value option • Study combination cases for Chinese businesses	

		Chapter 5 • The fair value option	
8		Chapter 6 • Deferred charges • Employee benefits • Interest costs	Textbook Exercise
		Chapter 6 • Divisional structure and performance measure	—
9		Chapter 6 • Income taxes	—
		Mid-term test	
Examine the processes and methods of financial analysis (including prospective analysis).			
10		Chapter 7 • Relevance of Cash • Understand the importance of cash flow towards existence of Chinese businesses	—
		Chapter 7 • Indirect method for Preparation of the SCF • Steps in Constructing the Statement • Special Topics	Textbook Exercise
11		Chapter 8 • Importance of Joint Analysis • Analysis of ROI • Analysis of ROA	—
		Chapter 8 • Analysis of ROCE • Profit margins • Assets turnover	Textbook Exercise
12		* Quiz 2	
		Chapter 9 • Projected Income Statement • Projected Balance Sheet	—
		Chapter 10 • Liquidity and Working Capital	Textbook Exercise
13		Chapter 10 • Operating Activity Analysis of Liquidity • Additional Liquidity Measures	
		Chapter 10 • Earnings Coverage • Realize the liquidity and solvency of Chinese enterprises will make impact on macro-economic environment in China	Textbook Exercise
14		Chapter 11 • Earnings Persistence	—



		• Earnings Based Equity Valuation	
		Chapter 11 • Earning Power and Forecasting for Valuation	_____
15		* Quiz 3	
		Presentation	
		Presentation	
16		Presentation	
		Final Review	
17		Final Exams	
18		Sophomore student's Social Practice	

Note: Over the course of the semester, every attempt will be made to follow the daily schedule listed in the syllabus. However, depending on overall class progress, the syllabus may be adjusted. Any departures from the syllabus will be announced in class. Chapters that are not mentioned in the plan might be tested as well, students are advised to self-study these contents.

In the first three weeks, Xuexitong and the Wechat group will be used as the main teaching methods. The Wechat group will mainly be used to inform the students daily study activities and tasks. Xuexitong will be used as the main study platform to organize the study activities. When classed change back to school, Xutxitong will be mainly used to upload PPT and release some leaning materials and quizzes.

Important Dates

Spring Semester, 2022

Feb 27, 2022— July 17, 2022

Feb.27	Registration
Feb.28	Classes Begin
Mar.4	Last Day to Drop or Add a Course
Apr.5	Qing Ming Festival
Apr.22	Spring Sports
Apr.25 -29	Midterm Test (tentative)
May 1	Labor Day
June 3	Dragon-Boat Festival
June 20-24	Sophomore and Junior students' Final Exam
June 27-July17	Sophomore and Junior students' Social Practice
July11-15	Revision and Final Exam Period
July 18	Summer Vacation Begins



Note: This syllabus is tentative and may be changed or modified throughout the semester. All students will be notified and a new syllabus will be given.

