
Capital University of Economics and Business
Overseas Chinese College
Course Syllabus

Course Title: Financial Reporting and Analysis
Course Code: FA202
Semester: 2021 Spring (March 1, 2021— July 18, 2021)
Course Type: General Education (Required) General Education (Elective)
 Professional Course (Required) Professional Course (Elective)
 Basic Disciplinary Course
Course Credit: 4
Course Hours: 64
Instructor: **Professor Catherine Bu**
E-mail: buliya@cueb.edu.cn
Office Hours: Mon. 10:00-12:00 am; Wed. 3:00-5:00 pm
Thu. 1:00-3:00 pm
Learning Center: Tue. 10:00-12:00 am;
Wed. 6:00-8:00 pm
Office Number Room C203, Telephone: 83951085

Textbook: K. R. Subramanyam. Financial Statement Analysis (11th Edition).
China Renmin Univeristy Press, Beijing, ISBN
978-7-300-19634-3.

Grade/Section 2019BA/Y01//Y02
Class:

Section	Time	Location
Y01	Tue. 8:00-9:50 am	5#109
	Thu. 10:10-12:00 am	5#109
Y02	Tue. 1:30-3:20 pm	5#111
	Thu. 8:00-9:50 am	5#111

Course Description

This course builds upon what you learned in Financial Accounting: Foundations and Financial Accounting: Advanced Topics and introduces you to formal foundations of financial accounting. The main purpose of the course is to familiarize you with technical terms in financial accounting, such as debit, credit and T-account. 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.

Course Objective

After completing this course, students will be able to:

- σ Describe the objectives of cash management and internal controls over cash.
- σ Account for uncollectible receivables using the allowance and direct write-off methods.

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- σ Determine the cost of plant assets, compute depreciation methods.
 - σ Account for the disposal of plant assets.
 - σ Account for notes payable and interest expense.
 - σ Prepare an amortization table allocating payments between interest and principal.
 - σ Evaluate the safety of creditors' claims.
 - σ Account for paid-in capital and prepare the equity section of a corporate balance sheet. σ Explain the significance of book value and market value of capital stock.
 - σ Distinguish between basic and diluted earnings per share.
 - σ Describe and prepare and statement of stock holders' equity and the stock holders' equity section of the balance sheet.
 - σ Compute net cash flows from operating activities using the indirect method.

Teaching Method

This course contains lectures, class discussions, homework, quizzes, presentation and exams.

Study Time

To do well in this course, you need to devote time outside of class for practice and proper preparation. A typical student needs 8 hours of no-class time each week during a regular 16-week semester. I encourage all of you to do all assigned homework and practice extra problems.

Instructor's Office Hours

During office hours, students may check homework solutions, ask question, and discuss any other aspect of the course with the instructor. Please take advantage of this resource. If these hours conflict with your schedule, arrange to meet with the instructor at a time that is more convenient. Students are supposed to discuss their study process with their instructor at least once every two weeks. Unable to do so will result in a lower participation score.

Attendance and Class Participation

Regular attendance and class participation are expected of all students. Because the course covers great deal of material, attending every class session is very important for performing well. Attendance which is less than $\frac{2}{3}$ (42 credit hours) of the total teaching hours (64 credit hours) will cause an F (a failing grade) directly.

Group discussions of the course material are an important part of the learning process in this course. Students are expected to make a meaningful contribution to the class, whether by asking questions, responding to questions, delivering presentations or contributing in other ways to class discussion.

Homework Assignments

If you do not attempt to complete the assigned homework, it is likely that your performance in the course will suffer. Homework assignments are taken from the

Exercises in the textbook. It is expected that homework assignments will be completed prior to the start of class. The answers need not be correct. Homework will be evaluated as complete if all parts of the assignment have been attempted and all work is shown. Assignments will be collected at the beginning of class and late assignments will not be accepted. Graded homework should be well kept.

Quizzes and Examinations

There will be quizzes during the semester. Quizzes may or may not be announced in advance. Quizzes will test your knowledge of both concepts and the application of those concepts. Midterm exam and final exam may be composed of multiple-choice questions, short answer questions, essay questions, problems. Students should rely primarily on homework assignments to give them a sense of what they may see for material on exams.

Presentation

Each student is expected to give a presentation. The topic can be selected from the textbook or lectures. A summary relating to the topic is required before your presentation.

Classroom Policies

1. No eating, cellular phones, electronic dictionaries, smoking, chatting or drowsing in class.
2. **Please speak in English** rather than Chinese in class.
3. No electronic dictionary in class.
4. Students are not allowed to attend class **without textbooks**.
5. Stand up when answering questions.
6. Respect classmates' ideas, opinions, and questions of your classmates.
7. You are welcome to visit the instructor's office in his/her office hours.
8. All your classroom involvement, performance and after-class communications with instructor will affect your participation score.
9. **Group work is required in and after class. Cooperation and communication among students are encouraged.**

Academic dishonesty

Any student caught cheating on homework assignments or tests will receive an automatic grade of zero on that assignment. A second violation will result in disciplinary action in accordance with university policy. Any type of cheating on the midterm or final exam will result in a nullification of the exam paper.

Other Requirements

Please address your teacher as Professor

All students should read the textbook at least 2times before exams.

All students need to prepare a reading report according to the documents issued by the lecturer.

All students will be tested orally.

Critical Thinking

In the overall 100 points of the subject, critical thinking is related to 10 points. A minimum of 25% of both the midterm exam (5 of the 20%) and the final exam will consist of questions utilizing the application of critical thinking.

Course Evaluation

	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)

Course Outline

Week	Contents
1	*Syllabus Chapter 1 Overview of Financial Statement Analysis <input type="checkbox"/> financial statement users and their information needs <input type="checkbox"/> business analysis and financial statement analysis <input type="checkbox"/> business activities in relation to financial statement
	Chapter 1 Overview of Financial Statement Analysis <input type="checkbox"/> purpose of financial statement <input type="checkbox"/> Types of data available for analysis
2	Chapter 2 Financial reporting and analysis <input type="checkbox"/> Rules followed by accountants <input type="checkbox"/> Environmental factors affect financial reporting.
	Chapter 2 Financial reporting and analysis <input type="checkbox"/> Key accounting concepts to financial statements and reporting income. <input type="checkbox"/> Key limitations to financial statements.
3	Chapter 4 Analyzing investing activities <input type="checkbox"/> current assets
	Chapter 4 Analyzing investing activities <input type="checkbox"/> long-lived assets
	Chapter 4 Analyzing investing activities <input type="checkbox"/> intangible assets

4	Chapter 3 Analyzing financing activities <input type="checkbox"/> Liabilities
5	Chapter 3 <input type="checkbox"/> Capital versus Operating lease
	Chapter 3 <input type="checkbox"/> Capital
6	Chapter 3 <input type="checkbox"/> Off-balance sheet transaction
	Chapter 5 Analyzing investing activities: intercorporate <input type="checkbox"/> Debt security <input type="checkbox"/> Equity security <input type="checkbox"/> Equity method accounting
7	Chapter 5 Analyzing investing activities: intercorporate <input type="checkbox"/> Business combination <input type="checkbox"/> Derivative securities <input type="checkbox"/> Fair value option
	Chapter 6 Analyzing operating activities <input type="checkbox"/> Income measurement <input type="checkbox"/> Non-recurring items <input type="checkbox"/> Revenue recognition
8	Chapter 6 Analyzing operating activities <input type="checkbox"/> Deferred charges <input type="checkbox"/> Employee benefits <input type="checkbox"/> Interest costs
	* Quiz 1 Chapter 6 Analyzing operating activities <input type="checkbox"/> Divisional structure and performance measure
9	Chapter 7 Cash flow analysis <input type="checkbox"/> Relevance of Cash <input type="checkbox"/> Reporting by Activities
	Chapter 7 Cash flow analysis <input type="checkbox"/> Indirect method for Preparation of the SCF <input type="checkbox"/> Steps in Constructing the Statement <input type="checkbox"/> Special Topics
10	Mid Review
	Mid-term test
11	Chapter 8 Return on Invested Capital and Profitability Analysis <input type="checkbox"/> Importance of Joint Analysis <input type="checkbox"/> Analysis of ROI <input type="checkbox"/> Analysis of ROA
	Chapter 8 Return on Invested Capital and Profitability Analysis <input type="checkbox"/> Analysis of ROCE <input type="checkbox"/> Profit margins

	<input type="checkbox"/> Assets turnover
12	Chapter 9 Prospective Analysis <input type="checkbox"/> Projected Income Statement <input type="checkbox"/> Projected Balance Sheet
	Chapter 9 Prospective Analysis <input type="checkbox"/> Sensitivity Analysis <input type="checkbox"/> Trends in Value Drivers
13	Chapter 10 Credit Analysis <input type="checkbox"/> Liquidity and Working Capital <input type="checkbox"/> Operating Activity Analysis of Liquidity <input type="checkbox"/> Additional Liquidity Measures
	Chapter 10 Credit Analysis <input type="checkbox"/> Basics of Solvency <input type="checkbox"/> Capital Structure Composition and Solvency <input type="checkbox"/> Earnings Coverage
14	Chapter 11 Equity Analysis and Valuation <input type="checkbox"/> Earnings Persistence <input type="checkbox"/> Earnings Based Equity Valuation
	* Quiz 2 Chapter 11 Equity Analysis and Valuation <input type="checkbox"/> Earning Power and Forecasting for Valuation
15	Presentation I (2-3groups)
	Presentation II (2-3 groups)
16	Final Review
	Final Review
17	Final Exams
18-20	Sophomore student's Social Practice

Note:

In the first 3 weeks, Tengxun Meeting, Yunbanke and the Wechat group will be used as the main teaching methods. Tengxun Meeting will be used as the main study platform to organize the study activities. Yunbanke will be mainly used to upload PPTs and release some study materials. The Wechat group will be mainly used to inform the students daily study activities and tasks. When classes shift back to school, Yunbanke will be still used for releasing study materials.

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.

2021 Spring Important Dates

Spring Semester, 2021	Feb 28, 2021— July 18, 2021
Feb. 28	Registration
Mar. 1	Classes Begin
Apr.4	Qing Ming Festival
Apr.16	Spring Sports
Apr.26 -30	Midterm Test (tentative)
May 1	Labor Day
June 14	Dragon-Boat Festival
June 21-25	Final Exams for Sophomores and Juniors
June 28-July18	Social Practice for Sophomores and Juniors (tentative)
July 3-11	Revision (Freshmen)
July 12-16	Final Exam Period (Freshmen)
July 19	Summer Vacation Begins