

Capital University of Economics and Business

Overseas Chinese College

Course Syllabus

<u>Year and Semester</u>	2023 Spring
<u>Course Name</u>	Financial Reporting and Analysis I
<u>Course Code</u>	CFA105
<u>Course Type</u>	<input type="checkbox"/> General Education (Required) <input type="checkbox"/> General Education (Elective) <input type="checkbox"/> Basic Disciplinary Course <input type="checkbox"/> Professional Course (Required) <input checked="" type="checkbox"/> Professional Course (Elective) <input type="checkbox"/> Professional Course (Expanded)
<u>Course Credits</u>	2
<u>Course Hours</u>	32
<u>Prerequisites</u>	Principles of Accounting
<u>Instructor:</u>	Yuanyuan Lyu
<u>Contact</u>	Lvyuanyuan@cueb.edu.cn
<u>Information</u>	
<u>Office Hours</u>	Mon. & Wed. 9:55-11:30; Fri. 8:00-9:35
<u>Learning Center</u>	Tue. 9:55-11:30; 18:00-20:00 (on-line)
<u>Grade/Section</u>	2022CFA
<u>Course Time/Place</u>	Fri. 13:30-15:05

Textbook

Schweser Notes for the CFA Exam – Financial Statement Analysis, Level 1 Book 2, 2023

Reference Book

Financial Reporting and Analysis, CFA Program Curriculum, Level 1 Volume 3, 2020, ISBN 978-1-946442-78-9.

Course Description

The students will be able to demonstrate a thorough knowledge of financial reporting procedures and the standards that govern financial reporting disclosure. Emphasis is on basic financial statements and how alternative accounting methods affect those statements and the analysis of them. Then the students should demonstrate the ability to analyze a company's reported results with its economic reality, normalize differences in accounting treatment to make valid cross company comparisons, identify quality issues that may exist in reported financial statements, and discern evidence of financial statement manipulation by management. The whole subject will be broken into two sections, and this is the first one.

Learning Objectives

After learning this course, the students will be able to:

Knowledge:

- Explain the principal information sources used to evaluate a company's financial performance;

- Describe primary financial statements (income statement, balance sheet, cash flow statement, and statement of changes in equity) in addition to notes to these statements and management reporting;
- Summarize the general framework for conducting financial statement analysis.

Capability:

- Apply the process of recording a business's activities through the accounting process including necessary accruals and adjustments;
- Explain the purpose, elements of, construction, pertinent ratios, and common-size analysis for each major financial statement;
- Demonstrate the application of DuPont analysis of return on equity and calculate and interpret effects of changes in its components.

Mindset:

- Distinguish ethical from unethical behavior in personal and professional contexts;
- Resolve ethical dilemmas using an ethical framework;
- Apply critical thinking in the process of decision making.

Website Source

1. <https://www.cfainstitute.org>
2. <https://www.sec.gov>

Teaching Methods

This course contains lectures, class discussions, homework, quizzes, presentation and exams. Textbook content will be introduced first. Then real case 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 in or after class.

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. 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 exam paper may be composed of multiple-choice questions, short answer questions, essay questions.
Homework	15%	Assignments will be collected at the clearly stated date. Late assignments will not be accepted. The graded assignments will 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. 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	5%	5%
Participation	5%	5%
Homework	5%	10%
Quizzes	5%	10%
Presentation		10%
Midterm test	20%	
Final exam		20%
Total	40%	60%

Grading Policy

A+ 97-100	A 93-96	A- 90-92	B+ 87-89	B 83-86	B- 80-82
C+ 75-79	C 70-74	C- 67-69	D+ 63-66	D 62-60	F 0- 59

Exam Schedule

Midterm Test: TBN

Final Exam: TBN

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. However, students are still 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".**

Topical Course Outline

Week	Topics	Homework
1	<ul style="list-style-type: none"> ✓ Introduction to the course ✓ Reading 21 Financial statement analysis: an introduction <ul style="list-style-type: none"> - Module 21.1 Financial statement roles <ul style="list-style-type: none"> ◆ Balance sheet ◆ Income statement ◆ Statement of changes in equity ◆ Cash flow statement 	
2		
3		
4	<ul style="list-style-type: none"> Reading 21 Financial statement analysis: an introduction <ul style="list-style-type: none"> - Module 21.1 Financial statement roles - Module 21.2 Footnotes, audit, and analysis 	Module quiz & Practice problems
5	Reading 22 Financial reporting standard	Module quiz & Practice

	<ul style="list-style-type: none"> - Model 22.1 Standards overview - Model 22.2 IFRS and US GAAP 	problems
6	Reading 22 Financial reporting standards <ul style="list-style-type: none"> - Model 22.2 IFRS and US GAAP - Model 22.3 Financial reporting framework 	
7	Reading 23 Understanding income statement <ul style="list-style-type: none"> - Module 23.1 Income statement overview - Module 23.2 Percentage of completion - Module 23.3 Installment sales 	Module quiz
8	Reading 23 Understanding income statement <ul style="list-style-type: none"> - Module 23.4 Expense recognition - Module 23.5 EPS and dilutive securities - Module 23.6 common-size income statements Quiz 1	Module quiz
9	Mid-term test	
10	Reading 24 Understand balance sheets	Module quiz
12	Reading 24 Understand balance sheets	Module quiz
13	Reading 24 Understand balance sheets	Module quiz
14	Reading 25 Understanding cash flow statements	
15	Reading 25 Understanding cash flow statements	Module quiz
16	Reading 25 Understanding cash flow statements	Module quiz
17	Reading 26 Financial analysis techniques	
16	Reading 26 Financial analysis techniques	Module quiz
17	Quiz 2	
18	Presentation	---

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.

The Wechat group will mainly be used to inform the students daily study activities and tasks. Xuexitong will be mainly used to upload PPT and release some leaning materials and quizzes.

Important Dates

Spring Semester, 2023	
Feb. 11-12	Registration
Feb. 13	Classes Begin
Apr. 5	Qing Ming Festival
Apr.21	Spring Sports
	Midterm Test
May 1	Labor Day
June 22	Dragon-Boat Festival
	Final Exams for Sophomores and Juniors
	Social Practice for Sophomores and Juniors

	Revision (Freshmen)
	Final Exam Period (Freshmen)
	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.

Instructor: _____

Department Head: _____

