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**SYLLABUS**

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<b>Date/ Revision</b>	November 30, 2016
<b>Faculty</b>	Business and Social Sciences
<b>Approval</b>	Dr. Samuel Prasetya

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**SUBJECT : FINANCIAL STATEMENT ANALYSIS**

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Name of Subject	: Financial Statement Analysis
Code of Subject	: ACCO-2100
SKS/ECTS	: 4 SKS
Semester	: 4
Study Program	: B-MGT/B-IBA
Lecturer	: Aemy Widiati, MSi, Afera Wijayanti, M.Ak & Dr. Wiryawan

**1. Identification of Subject:**

Financial statement analysis refers to multiple processes in reviewing and analyzing financial statements to support for better economic decisions-making. Such processes include techniques in risk evaluation, performance, and financial soundness to evaluate the future prospects and sustainability. Various financial statements include the income statements, balance sheets, statement of cash flows, and a statement of changes in equity. Financial statement analysis is used by stakeholders of any organizations. Though each of those stakeholders have different interests, they apply different techniques in performing the analysis. Common methods of financial statement analysis are certainly included; fundamental analysis, DuPont analysis, horizontal and vertical analysis and the use of financial ratios. Historical information combined with a series of assumptions and adjustments to the financial information may be used to project future performance. The Chartered Financial Analyst designation is available for professional financial analysts.

**2. Competency**

After having the course, students are expected to:

- Students will have an overview of the most important financial statement analysis.
- Students will be able to describe the core aspects of basic financial statement and will be able to illustrate, contrast, and apply the main concepts and theories to analyze the financial statements.
- Students are also able to discuss critically the role of an financial manager to analyze and take decision in company.

**3. Description of Subject:**

This course discusses about principles of financial management related with: asses and liability valuation, operating activities, investing activities, financing activities, risk analysis, cash flow analysis, profitability analysis, credit analysis, and accounting quality.

**4. Learning Approach**

Approach : Combination of Expository - inquiry and collaborative

Method : Discussions, questions/answers, sample problems/cases, group works  
 Student Task : Home work, presentation  
 Media : LCD projector

## 5. Evaluation

- a) Absence maximum : 25%  
 b) Participation in discussion : 5 points  
 c) Homework, Class-work : 5 points  
 d) Presentation, Simulation : 10 points  
 e) Daily Quiz : 20 points  
 f) Final Examination : 60 points  
 Total : 100 Points

## 6. Contents/Topics of Lecturing

Week	Content/ Topics of Lecturing	Text Book Chapter	Remarks
1	<b>Introduction Session</b> <ul style="list-style-type: none"> <li>Identify the industry economic characteristics</li> <li>Identify the company strategies</li> <li>Assess the quality of the financial statements</li> </ul>	Ch. 1	Group formation  Group Topic selections for Group writing project
2	<b>Asset and Liability Valuation and Income Recognition</b> <ul style="list-style-type: none"> <li>The mixed attribute accounting model</li> <li>Asset and liability valuation</li> <li>Income recognition</li> <li>Framework for analyzing the effects of transaction of the financial statements</li> </ul>	Ch. 2	
3	<b>Cash Flow Analysis</b> <ul style="list-style-type: none"> <li>Understanding the relations among cash flows from operating, investing, and financing activities</li> <li>Understanding the relations among net income, statement of financial position, and cash flows</li> <li>Preparing the statement of cash flows</li> </ul>	Ch. 3	<b>Draft I</b>
4	<b>Profitability Analysis</b> <ul style="list-style-type: none"> <li>Alternative definition of profits</li> <li>Rate of return on assets</li> <li>Rate of return common shareholders</li> <li>Interpreting financial statement ratio</li> </ul>	Ch. 4	<b>Quiz I</b>
5	<b>Risk Analysis</b> <ul style="list-style-type: none"> <li>Disclosures regarding risk and risk management</li> <li>Financial statement analysis of risk</li> <li>Analyzing financial flexibility</li> </ul>	Ch. 5	<b>Draft II</b>

Week	Content/ Topics of Lecturing	Text Book Chapter	Remarks
6	<b>Credit Analysis</b> <ul style="list-style-type: none"> <li>Analyzing credit risk</li> <li>Analyzing bankruptcy risk</li> <li>Financial reporting manipulation risk</li> </ul>	Ch. 5	<b>Quiz II</b>
7	<b>Evaluation from previous discussion and chapters</b>	Ch. 1-5	
8	<b>Semester Break: Only Make-Up Classes</b>		
9	<b>Financing Activities I</b> <ul style="list-style-type: none"> <li>Equity financing</li> <li>Debt financing</li> </ul>	Ch. 6	<b>Draft III</b>
10	<b>Financing Activities II</b> <ul style="list-style-type: none"> <li>Additional issues in liability recognition</li> <li>Leases</li> </ul>	Ch. 6	<b>Quiz III</b>
11	<b>Investing Activities I</b> <ul style="list-style-type: none"> <li>Investments in long-lived operating assets</li> <li>Investments in securities</li> </ul>	Ch. 7	<b>Draft IV</b>
12	<b>Investing Activities II</b> <ul style="list-style-type: none"> <li>Functional currency concept</li> <li>Translation methodology</li> </ul>	Ch. 7	<b>Quiz IV</b>
13	<b>Operating Activities</b> <ul style="list-style-type: none"> <li>Revenue recognition</li> <li>Expense recognition</li> </ul>	Ch. 8	<b>Draft V</b>
14	<b>Accounting Quality</b> <ul style="list-style-type: none"> <li>Specific events and conditions that affect earnings quality</li> <li>Financial reporting worldwide</li> <li>Earnings management</li> </ul>	Ch. 9	<b>Quiz V</b>
15	<b>Review chapters for final exams &amp; group projects</b>	Ch 6-9	<b>Final draft</b>
16	<b>Semester Break: Only Make-Up Classes</b>		
17	<b>Final Examination</b>	Ch 6-9	

## 7. Book Reference:

### a) Main Textbook

Wahlen, J. M., Baginski, S. P., & Bradshaw, M. T. (2011). *Financial Reporting, Financial Statement Analysis, and Valuation: A Strategic Perspective 7th Edition*. Ohio: South Western Cengage Learning. ISBN # 978-1-285-19090-7

### b) Supplement Textbook

Subramanyam, K. R., & Wild, J. (2014). *Financial Statement Analysis 11th Edition*. New York: McGraw Hill. ISBN # 978-0-07-811096-2

### c) Supplement Articles

Various online journal articles