

# Course Syllabus

## ACCT 6344.0W1: Financial Statement Analysis

Naveen Jindal School of Management  
The University of Texas at Dallas

---

[Course Info](#) | [Tech Requirements](#) | [Access & Navigation](#) | [Communications](#) | [Resources](#)  
[Assessments](#) | [Academic Calendar](#) | [Academic Integrity](#) | [Course Evaluation](#) | [UTD Policies](#)

### Course Information

#### Course

Course Number Section	ACCT 6344.0W1
Course Title	Financial Statement Analysis
Term and Dates	2015 Spring (01/12/2015 to 05/10/2015)

#### Professor Contact Information

Professor	Dr. Umit G. Gurun
Office Phone	972-883-5917
Email Address	umit.gurun@utdallas.edu
Office Location	JSOM 4.813
Online Office Hours	Wednesday 8:30-11:30
Other Information	Please post your questions on the eLearning Discussion Board

#### About the Instructor

Dr. Gurun is an associate professor and has been teaching at University of Texas at Dallas for 10 years. He teaches financial statement analysis and investment courses at UTD. He was a visiting faculty at University of Texas at Austin (2010-2011) and Harvard University (2014). His research interests include disclosure strategies of firms to communicate investors using financial statement analysis.

#### Course Pre-requisites, Co-requisites, and/or Other Restrictions

ACCT 6201 or equivalent. The quantitative aspects of the course will require only elementary computational skills; however a calculator and/or some spreadsheet knowledge will be required. I assume that you are familiar with basic finance/accounting concepts (such as definitions of debit/credit, balance sheet/income statement etc.) and have introduction level of accounting knowledge.

## **Course Description**

Analysis of financial statements for evaluating firm performance and risk. Topics include interpretation of financial statements and footnotes, managers' incentives for earnings manipulation, comparative analysis of firms, and ethics in financial reporting.

## **Student Learning Objectives/Outcomes**

This course provides you with a framework for business analysis and valuation using financial statement data. The focus is on integrating key concepts from accounting, economics, finance, and strategy areas and applying them to financial decision-making. You can expect to develop the following skills:

- (1) extract relevant information from financial statements and other disclosures to see the underlying business activities and strategy,
- (2) assess firm performance and risk,
- (3) assess managerial strategic motives in reporting financial information and ways to adjust for such motives,
- (4) forecast firm future performance
- (5) value the firm or project

By the end of the course students should have answers to the following questions:

- How are fundamental values (or “intrinsic values”) estimated?
- How is “value created for shareholders” identified?
- What is the relevance of cash-flows? Of earnings? Of book values?
- How does profitability tie into valuation?
- What is growth? How does one analyze growth?
- How does one analyze the quality of financial reports?
- How does one deal with the accounting methods used in financial statements?

## **Required Textbooks and Materials**

### **Required Texts**

- "Financial Statement Analysis & Valuation" by Peter Easton, Mary Lea McAnally, Patricia Fairfield, Xiao-Jun Zhang, and Robert Halsey. 3rd edition (ISBN:978-1618530097)
- The book is available at the UTD bookstore and this website:  
<http://www.cambridgepub.com/product/book/financial-statement-analysis-valuation-3rd>  
Make sure that the book you purchase has “mybusinesscourse” package.

### **Required Materials**

- You will also need to get access to “www.mybusinesscourse.com”, the book’s website that contains several course materials we will utilize throughout the course. To access to this site, please do the following:
  - Go to <https://mybusinesscourse.com/?code=946-44777>
  - Create a username/password. **Make sure that your username is your UTD-ID.**
  - Pick one of the purchase options for the online access.

- mybusinesscourse will contain quizzes and video solutions to some of the end of chapter problems.

### **Other Suggested Course Materials**

- Financial Statement Analysis and Security Valuation Hardcover – by Stephen Penman
- Financial Statement Analysis Hardcover – by K. R. Subramanyam
- The Intelligent Investor: The Definitive Book on Value Investing. A Book of Practical Counsel, by Benjamin Graham
- The Essays of Warren Buffett: Lessons for Corporate America, by Warren E. Buffett (Author), Lawrence A. Cunningham

### **Course Policies**

#### *Make-up exams*

No make up exam will be given unless a proper document is provided (such a doctor's report) to explain the unanticipated absences.

#### *Late Work*

Late work will get no credit.

#### *Extra Credit / Special Assignments*

None.

#### *Class Participation*

Students are required to login regularly to the online class site. The instructor will use the tracking feature in eLearning to monitor student activity. Students are also required to participate in all class activities such as discussion board, chat or conference sessions. Class participation will count 10% towards your end of semester grade.

#### *Virtual Classroom Citizenship*

The same guidelines that apply to traditional classes should be observed in the virtual classroom environment. Please use proper netiquette when interacting with class members and the professor.

#### *Policy on Server Unavailability or Other Technical Difficulties*

The university is committed to providing a reliable online course system to all users. However, in the event of any unexpected server outage or any unusual technical difficulty which prevents students from completing a time sensitive assessment activity, the instructor will extend the time windows and provide an appropriate accommodation based on the situation. Students should immediately report any problems to the instructor and also contact the UTD eLearning Help Desk: <http://www.utdallas.edu/elearninghelp>, 1-866-588-3192. The instructor and the UTD eLearning Help Desk will work with the student to resolve any issues at the earliest possible time.

[Top](#)

## Technical Requirements

In addition to a confident level of computer and Internet literacy, certain minimum technical requirements must be met to enable a successful learning experience. Please review the important [technical requirements](#) on the [Getting Started with eLearning webpage](#).

[Top](#)

## Course Access and Navigation

This course was developed using a web course tool called eLearning. It is to be delivered entirely online. Students will use their UTD NetID account to login at: <http://elearning.utdallas.edu>. Please see more details on [course access and navigation information](#).

To get familiar with the eLearning tool, please see the [Student eLearning Tutorials](#).

UTD provides eLearning technical support 24 hours a day/7 days a week. The services include a toll free telephone number for immediate assistance (1-866-588-3192), email request service, and an online chat service. Please use this link to access the UTD eLearning Support Center:  
<http://www.utdallas.edu/elearninghelp>.

[Top](#)

## Communications

This eLearning course has built-in communication tools which will be used for interaction and communication. Some external communication tools such as regular email and a web conferencing tool may also be used during the semester. For more details, please visit the [eLearning Tutorials webpage](#) for video demonstrations on numerous tools in eLearning.

### **Interaction with Instructor**

The instructor will communicate with students mainly using the Announcements and Discussions tools. Students may send personal concerns or questions to the instructor using the course email tool. The instructor will reply to student emails or Discussion board messages within 3 working days under normal circumstances.

[Top](#)

## Student Resources

The following university resources are available to students:

**UTD Distance Learning:**

<http://www.utdallas.edu/elearning/students/cstudents.htm>

**McDermott Library:**

Distance Learners (UTD students who live outside the boundaries of Collin, Dallas, Denton, Rockwall, or Tarrant counties) will need a UTD-ID number to access all of the library's electronic resources (reserves, journal articles, ebooks, interlibrary loan) from off campus. For UTD students living within those counties who are taking online courses, a Comet Card is required to check out materials at the McDermott Library. For more information on library resources go to <http://www.utdallas.edu/library/distance.html>.

[Top](#)

## Student Assessments

**Grading Information**

*Weights*

Exam 1	45%
Exam 2	45%
Participation	10%
<i>Total</i>	<i>100%</i>

*Grading Scale*

Scaled Score	Letter Equivalent
95-100	A
90-94	A-
85-89	B+
80-84	B
75-79	B-
70-74	C+
65-69	C
Less than 65	F

## Grading Policy

10% of the course grade will be given based on participation under elearning. I will utilize the publisher's supplementary materials under mybusinesscourse.com to prepare and disseminate weekly quizzes. These quizzes will not be graded however they will constitute the base for discussion board issues as well as office hour discussions.

## *Accessing Grades*

Students can check their grades by clicking "My Grades" on the course menu after the grade for each assessment task is released.

## Assignments

Weekly self quizzes provided under [www.mybusinesscourse.com](http://www.mybusinesscourse.com).

## Participation/Discussions

10% of the course grade will be given based on participation under elearning.

## Proctored Exam Information

This course requires 2 proctored final examination. Please read the following instructions carefully.

Local students can take their exams on-campus at the **UTD Student Success Center (Testing Center)** (free of charge) during these time windows: **(First Exam: 03/02/15 – 03/04/15 ; Second Exam: 05/04/15 – 05/06/15).**

- Please see the [UTD Student Success Center - Testing Center Website](#) for more information and check the hours of operation and testing center policies.
- Please be sure to view and follow the [Test Center Student Guidelines](#).
- If an exam is scheduled with multiple-day exam time window, students are required to make an appointment using the [RESERVE-A-SEAT](#) application to take the exam during the required exam test window as specified.
- If an exam is scheduled only for one day (or set with a specific time window within the same day), students can just walk in to the UTD Testing Center to take the exam during that scheduled date (or on the set time). No reservation is needed.
- The UTD Testing Center is located at the McDermott Library basement (**Room MC 1.304**).
- When you arrive to take your exam, you will sign in with your **Comet Card** (or a **photo ID & UTD ID number** if you do not have a Comet Card).

Students who find UTD geographically inconvenient may use a testing service of their choice at a convenient location to have the exam proctored. All exams must be completed within these required time windows: **(First Exam: 03/02/15 – 03/04/15; Second Exam: 05/04/15 – 05/06/15)**

- All students must inform the instructor of their outside testing location.
- A proctored exam application **must** be completed before **(First Exam: 02/23/15 ; Second Exam: 04/27/15)**
- Please go to the [Proctored Exam Information](#) page to check out **Procedures for Arranging an Individual Proctored Exam** and to access and complete the **Online Proctored Exam application**. Please note students are responsible for any fee charge of their testing services.
- Students are responsible for the cost of taking exams at external testing centers.
- All completed exams must be received by **(First Exam: 03/06/15; Second Exam: 05/08/15)** to allow timely grade reporting to the UTD Registrar.

The UTD Testing Center requests all students strictly follow the proctored exam scheduling deadlines. If any student needs special accommodations, please seek the instructor's approval in advance. If you have any questions about using either UTD or outside testing center service, please email [TestingCenter@utdallas.edu](mailto:TestingCenter@utdallas.edu).

[Top](#)

## Academic Calendar

WEEK/ DATES	TOPIC/LECTURE	READING	ASSESSMENT / ACTIVITY	DUE DATE
0 01/12 – 01/16	Module 0: Course Access and Self-Orientation	<ul style="list-style-type: none"> <li>Syllabus</li> <li>Instructor's video</li> </ul>	Post Self Introduction on Discussion board	01/18
1 01/12 – 01/16	Module 1: Framework for Analysis and Valuation	<ul style="list-style-type: none"> <li>Online Lecture</li> <li>Text Module 1</li> </ul>	Quiz 1 (publisher's website)	01/18
2 01/19 – 01/23	Module 2: Overview of Business Activities and Financial Statements	<ul style="list-style-type: none"> <li>Online Lecture</li> <li>Text Module 2</li> </ul>	Quiz 2 (publisher's website)	01/25
3 01/26 – 01/30	Module 3: Profitability Analysis and Interpretation	<ul style="list-style-type: none"> <li>Online Lecture</li> <li>Text Module 3</li> </ul>	Quiz 3 (publisher's website)	02/01
4 02/02 – 02/06	Module 4: Credit Risk Analysis and Interpretation	<ul style="list-style-type: none"> <li>Online Lecture</li> <li>Text Module 4</li> </ul>	Quiz 4 (publisher's website)	02/08

5 02/09 – 02/13	Module 5: Revenue Recognition and Operating Income	<ul style="list-style-type: none"> <li>• Online Lecture</li> <li>• Text Module 5</li> </ul>	Quiz 5 (publisher's website)	02/15
6 02/16 – 02/20	Module 6: Asset Recognition and Operating Assets	<ul style="list-style-type: none"> <li>• Online Lecture</li> <li>• Text Module 6</li> </ul>	Quiz 6 (publisher's website)	02/22
7 02/23 – 02/27	Module 7: Liability Recognition and Non- owner Financing	<ul style="list-style-type: none"> <li>• Online Lecture</li> <li>• Text Module 7</li> </ul>	Quiz 7 (publisher's website)	03/01
8 03/02 – 03/06	<b>Proctored Exam 1</b> <b>Exam Window : 03/02 – 03/04</b>			
9 03/09 – 03/13	Module 8: Equity Recognition and Owner Financing	<ul style="list-style-type: none"> <li>• Online Lecture</li> <li>• Text Module 8</li> </ul>	Quiz 8 (publisher's website)	03/08
10 03/16 – 03/20	Module 9: Inter-corporate Entities	<ul style="list-style-type: none"> <li>• Online Lecture</li> <li>• Text Module 9</li> </ul>	Quiz 9 (publisher's website)	03/15
11 03/23 – 03/27	Module 10: Off- Balance Sheet Financing	<ul style="list-style-type: none"> <li>• Online Lecture</li> <li>• Text Module 10</li> </ul>	Quiz 10 (publisher's website)	03/22
12 03/30 – 04/03	Module 11: Forecasting Financial Statements	<ul style="list-style-type: none"> <li>• Online Lecture</li> <li>• Text Module 11</li> </ul>	Quiz 11 (publisher's website)	04/05
13 04/06 – 04/10	Module 12: Cost of Capital and Valuation Basics	<ul style="list-style-type: none"> <li>• Online Lecture</li> <li>• Text Module 12</li> </ul>	Quiz 12(publisher's website)	04/12
14 04/13 – 04/17	Module 13: Cash Flow Based Valuation	<ul style="list-style-type: none"> <li>• Online Lecture</li> <li>• Text Module 13</li> </ul>	Quiz 13 (publisher's website)	04/19
15 04/20 – 04/24	Module 14: Operating Income Based Valuation	<ul style="list-style-type: none"> <li>• Online Lecture</li> <li>• Text Module 14</li> </ul>	Quiz 14(publisher's website)	04/26
16 04/27 – 05/01	Module 15: Market Based Valuation	<ul style="list-style-type: none"> <li>• Online Lecture</li> <li>• Text Module 15</li> </ul>	Quiz 15(publisher's website)	05/03
05/04 – 05/06	<b>Proctored Exam 2</b> <b>Exam Window : 05/04 – 05/06</b>			

[Top](#)

## Academic Integrity

The University has policies and discipline procedures regarding academic dishonesty. Detailed information is available on the [UTD Judicial Affairs](#) web page. All students are expected to maintain a



high level of responsibility with respect to academic honesty. Students who violate University rules on academic honesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since such dishonesty harms the individual, all students and the integrity of the University, policies on scholastic dishonesty will be strictly enforced.

[Top](#)

## Course Evaluation

As required by UTD academic regulations, every student must complete an evaluation for each enrolled course at the end of the semester. An online instructional assessment form will be made available for your confidential use. Please watch for the email notification at your UTD email inbox with course evaluation access information towards the end of semester.

[Top](#)

## University Policies

The information contained in the following link constitutes the University's policies and procedures segment of the course syllabus.

Please go to <http://go.utdallas.edu/syllabus-policies> for these policies.

***These descriptions and timelines are subject to change at the discretion of the professor.***

[Top](#)