Note:

Course content may be changed, term to term, without notice. The information below is provided as a guide for course selection and is not binding in any form, and should not be used to purchase course materials.
COURSE SYLLABUS

ACCT 370
FINANCIAL STATEMENT ANALYSIS

COURSE DESCRIPTION
This course examines the fundamental techniques of financial statement analysis and their application to strategic planning and decision making. The course covers the analysis and interpretation of financial information including the balance sheet, income statement, and statement of cash flows.

RATIONALE
Understanding the keys to effective financial statement analysis will provide finance majors and other business and accounting students with a competitive advantage in the marketplace. A working knowledge of the tools used to evaluate and adjust the financial statements to enhance their economic content for meaningful financial analysis will enhance students’ strategic decision making capabilities. The processes and methods used to reconstruct the economic reality embedded in the financial statements including ratio analysis, prospective analysis, earnings prediction and equity valuation are emphasized in the course.

I. PREREQUISITE
For information regarding prerequisites for this course, please refer to the Academic Course Catalog.

II. REQUIRED RESOURCE PURCHASE
Click on the following link to view the required resource(s) for the term in which you are registered: http://bookstore.mbsdirect.net/liberty.htm

III. ADDITIONAL MATERIALS FOR LEARNING
A. Computer with basic audio/video output equipment
B. Internet access (broadband recommended)
C. Microsoft Office
IV. **Measurable Learning Outcomes**

Upon successful completion of this course, the student will be able to:

A. Interpret financial statements using knowledge of the underlying accounting principles and financial analysis techniques.

B. Prepare prospective financial information for selected organizations.

C. Prepare a comprehensive financial statement analysis for an organization.

D. Apply biblical worldview principles to the area of financial statement analysis.

V. **Course Requirements and Assignments**

A. Textbook readings and presentations

B. Course Requirements Checklist

   After reading the Course Syllabus and **Student Expectations**, the student will complete the related checklist found in Module/Week 1.

C. Group Discussion Board Forums (2)

   For this collaborative discussion board, the instructor will place the student into a group at the beginning of the course. The student is required to provide a thread in response to the provided prompt for each forum. The thread must be at least 750 words for Forum 1, 300–500 words for Forum 2, and each must demonstrate course-related knowledge. In addition to the thread, the student is required to reply to 1 other classmates’ threads. Each reply must be at least 250 words. Threads and replies must include at least 2 peer-reviewed sources in addition to the course textbooks and the Bible.

D. Ratio Analysis Report

   The student will write a 1000 word report in current APA format that summarizes the results of a 3-year ratio analysis on the company he/she selected for the Excel project.

E. Unrecorded Assets Analysis Report

   Using knowledge of the company selected for the Excel project, the student will write a 750-word report in current APA format detailing the implications of unrecorded assets for financial statement analysis purposes.

F. Operating Activities Analysis Report

   The student will write a 1000-word report in current APA format analyzing the operating activities of the company selected for the Excel project.

G. Cash Flow Analysis Report

   After examining the cash flow statements for the company selected for the Excel project as well as MD&A from the annual reports/10Ks for the same period of time, the student will write a 750-word cash flow analysis report in current APA format.
H. Comparative Analysis Report

After examining common sized financial statements and ratios for the company selected for the Excel project and 2 of its competitors, the student will write a 1000-word comparative analysis report in current APA format.

I. Excel Project

The student will complete a project in current APA format that focuses on financial statement analysis of a selected company. The selected company must be traded on a recognized stock exchange, such as the New York Stock Exchange, or NASDAQ. In addition, instructor approval must be obtained via email. The project will be submitted in the following parts throughout the course.

Part I: Company Information & Financial Statement Templates for Balance Sheet and Income Statement
Part II: Ratio Analysis
Part III: Industry and Competitor Analysis
Part IV: Cash Flows
Part V: Common Sized Statements and Trend Analysis
Part VI: Projected Financial Statements
Part VII: Evaluation

VI. COURSE GRADING AND POLICIES

A. Points

Course Requirements Checklist 10
Group Discussion Board Forums (2 at 50 pts ea) 100
Ratio Analysis Report 50
Unrecorded Assets Analysis Report 50
Operating Activities Analysis Report 100
Cash Flow Analysis Report 100
Comparative Analysis Report 100
Excel Project:
Part I 50
Part II 50
Part III 50
Part IV 50
Part V 100
Part VI 100
Part VII 100
Total 1010

B. Scale

A = 900–1010  B = 800–899  C = 700–799  D = 600–699  F = 0–599
C. Late Assignment Policy

If the student is unable to complete an assignment on time, then he or she must contact the instructor immediately by email.

Assignments that are submitted after the due date without prior approval from the instructor will receive the following deductions:

1. Late assignments submitted within one week of the due date will receive a 10% deduction.
2. Assignments submitted more than one week late will receive a 20% deduction.
3. Assignments submitted two weeks late or after the final date of the course will not be accepted.
4. Late Discussion Board threads or replies will not be accepted.

Special circumstances (e.g. death in the family, personal health issues) will be reviewed by the instructor on a case-by-case basis.

D. Quizzes/Tests/Exams

For timed quizzes/tests/exams, the student is required to complete the quiz/test/exam within the assigned time. For the student who exceeds this time limit, a penalty of 1 point will be deducted for each minute, or part thereof, he/she exceeds the assigned time limit.

E. Disability Assistance

Students with a documented disability may contact Liberty University Online’s Office of Disability Academic Support (ODAS) at LUOODAS@liberty.edu to make arrangements for academic accommodations. Further information can be found at www.liberty.edu/disabilitysupport.
## Course Schedule

**ACCT 370**


<table>
<thead>
<tr>
<th>Module/Week</th>
<th>Reading &amp; Study</th>
<th>Assignments</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Subramanyam: Chs. 1–2</td>
<td>Course Requirements Checklist</td>
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<td>Class Introductions</td>
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<td></td>
<td>Group DB Forum 1</td>
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<td></td>
<td></td>
<td>Excel Project: Part I</td>
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<tr>
<td>2</td>
<td>Subramanyam: Ch. 3</td>
<td>Excel Project: Part II</td>
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<tr>
<td></td>
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<td>Ratio Analysis Report</td>
<td>50</td>
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<td>Subramanyam: Chs. 4–5</td>
<td>Excel Project: Part III</td>
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<tr>
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<td>Subramanyam: Ch. 6</td>
<td>Operating Activities Analysis Report</td>
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<td>Subramanyam: Ch. 7</td>
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<td>Cash Flow Analysis Report</td>
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<td>Subramanyam: Ch. 8</td>
<td>Excel Project: Part V</td>
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<td>Comparative Analysis Report</td>
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<td>Excel Project: Part VI</td>
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<tr>
<td></td>
<td>1 presentation</td>
<td>Excel Project: Part VII</td>
<td>100</td>
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</table>

**Total** 1010

DB = Discussion Board

**NOTE:** Each course module/week (except Module/Week 1) begins on Tuesday morning at 12:00 a.m. (ET) and ends on Monday night at 11:59 p.m. (ET). The final module/week ends at 11:59 p.m. (ET) on **Friday**.