

Financial statement analysis  
(0504334)

- First week: Introductions to financial analysis:
- Definition of financial analysis
  - Concept of financial analysis
  - Objectives of financial analysis
- Second week: Accounting principles and financial analysis
- Accounting principles and assumptions
  - Relation of accounting principles and financial analysis
- Third week: Elements of financial analysis
- Elements of financial analysis and accounting
  - Steps of financial analysis
  - Approaches of financial analysis
- Fourth week: Methods of financial analysis
- Vertical financial analysis
  - Horizontal financial analysis
  - Trend analysis
  - Cases' and exercises
- Fifth week: Short term debt paying ability
- Liquidity concept
  - Current Ratios
  - Cash ratio
  - Cases' and exercises
- Sixth week: Long term debt paying ability
- Time interest earned
  - Fixed charge coverage
  - Debt ratio
  - Working capital
- Seventh week: Performance analysis
- Current assets turnover
  - Current liabilities turnover
  - Cases' and exercises
- Eight week: Profitability
- Profitability measures
  - Net profit margin
  - Total assets turnover
  - Return on assets
  - DuPont return on assets
  - Cases' and exercises
- Ninth week: Profitability
- Operating income margin
  - Operating assets turnover
  - Return on operating assets
  - Sales to fixed assets
  - Return on equity
  - Cases' and exercises

Tenth week: For the investor

- Financial leverage
- definition of financial leverage
- Earning per share
- Basic Earnings per share
- Cases' and exercises

Eleventh week: For the investor

- Price\Earning ratios
- Dividends payout
- Book value per share
- Dividend Yield
- Cases' and exercises

Twelfth week: Cash flow statement analysis

- Statement structure
- Operating activities
- Investing activities
- Financing activities
- Cases' and exercises

Thirteenth week: Cash flow statement analysis

- Cash flow from operating
- Cash flow from investing
- Cash flow from financing
- Cases' and exercises
- Direct method for operating activities
- Indirect method for operating activities
- Cases' and exercises

Fourteenth week: Cash flow statement analysis

- Financial ratios and cash flow statement
- Operating Cash flow \current maturities
- Operating Cash flow\Total debt
- Operating Cash flow per Share
- Cases' and exercises

Fifteenth week: Cash flow statement analysis

- Operating Cash flow to cash dividends
- Procedure to develop the cash flow
- Cases' and exercises

Fifteenth week: Cases' and exercises for all chapters

**Reference:**Financial reporting analysis, Charles, H, Gibson, Thomson, USA, 2007,