



The University of Southern Queensland

Course specification

The current and official versions of the course specifications are available on the web at <http://www.usq.edu.au/coursespecification/current>.
Please consult the web for updates that may occur during the year.

Description: Financial Statement Analysis

Subject	Cat-nbr	Class	Term	Mode	Units	Campus
ACC	8105	87433	1, 2009	ONC	1.00	Toowoomba

Academic group:	FOBUS
Academic org:	FOB008
Student contribution band:	3A
ASCED code:	081199

STAFFING

Examiner: Mark Vallely
Moderator: Julie Cotter

OTHER REQUISITES

Students are required to have access to a personal computer, e-mail capabilities and Internet access to USQConnect. Current details of computer requirements can be found at <http://www.usq.edu.au/ict/students/standards/default.htm>.

SYNOPSIS

Financial statements are used extensively in decision making. People use financial statements to help them make decisions about share trading and about making and reviewing lending decisions. This course introduces students to techniques that will help them make informed decisions when using financial statements. We use financial analysis techniques to assess the quality of the accounting information provided, to derive the value of a company and to make sound financial forecasts.

OBJECTIVES

The course objectives define the student learning outcomes for a course. The assessment item/s that may be used to assess student achievement of an objective is/are shown in parentheses after each objective. On successful completion of this course, students should be able to:

1. demonstrate an understanding of the range of techniques employed in financial statement analysis and the role of both financial and non-financial data (Assignment 1, Assignment 2, Examination)
2. discuss the role of information in capital markets (Assignment 1, Assignment 2, Examination)
3. identify and evaluate information sources (Assignment 1, Assignment 2, Examination)
4. describe, explain, interpret and analyse financial statements (Assignment 1, Assignment 2, Examination)
5. describe, explain and undertake business strategy analysis and accounting analysis (Assignment 1, Examination)

6. describe, explain and undertake financial analysis and prospective analysis (Assignment 2, Examination)
7. apply the tools of business analysis and valuation to a variety of decision contexts (Examination)
8. demonstrate an ability to solve problems through the analysis of financial and non-financial data (Assignment 1, Assignment 2, Examination)
9. demonstrate the information literacy and numeracy skills required by financial analysts by extracting relevant data from business sources and utilising financial mathematics and analytical techniques (Assignment 1, Assignment 2, Examination)
10. demonstrate an ability to interpret and analyse financial information from diverse international contexts (Assignment 1, Assignment 2).

TOPICS

	Description	Weighting (%)
1.	Business analysis and valuation framework	5.00
2.	Strategy analysis	10.00
3.	Accounting analysis	15.00
4.	Financial analysis	10.00
5.	Prospective analysis	25.00
6.	Business analysis and valuation applications	35.00

TEXT and MATERIALS required to be PURCHASED or ACCESSED

ALL textbooks and materials are available for purchase from USQ BOOKSHOP (unless otherwise stated). Orders may be placed via secure internet, free fax 1800642453, phone 07 46312742 (within Australia), or mail. Overseas students should fax +61 7 46311743, or phone +61 7 46312742. For costs, further details, and internet ordering, use the 'Textbook Search' facility at <http://bookshop.usq.edu.au> click 'Semester', then enter your 'Course Code' (no spaces).

Palepu, KG, Healy, PM, Bernard, VL & Peek, E 2007, *Business analysis and valuation: text and cases (IFRS edition)*, Thomson Learning, London.

REFERENCE MATERIALS

Reference materials are materials that, if accessed by students, may improve their knowledge and understanding of the material in the course and enrich their learning experience.

Ball, R, Brown, P, Finn, F & Officer, R (eds) 1989, *Share markets and portfolio theory*, 2nd edn, Queensland University Press, St Lucia, Queensland.

Ball, R & Kothari, S 1994, *Financial statement analysis*, McGraw-Hill, New York.

Foster, G 1986, *Financial statement analysis*, 2nd edn, Prentice-Hall International, Englewood Cliffs, New Jersey.

Francis, JC 1991, *Investments: analysis and management*, 5th edn, McGraw-Hill, New York.

Horngren, C 2006, *Introduction to financial accounting*, 9th edn, Prentice-Hall, Upper Saddle River, New Jersey.

Penman, S 2007, *Financial statement analysis and security valuation*, 3rd edn, McGraw-Hill/Irwin, Boston, Massachusetts.

Popoff, B & Cowan, TK 1989, *Analysis and interpretation of financial statements*, 3rd edn, Butterworths, North Ryde, New South Wales.

STUDENT WORKLOAD REQUIREMENTS

ACTIVITY	HOURS
Assessments	30.00
Private Study	99.00
Seminars	36.00

ASSESSMENT DETAILS

Description	Marks out of	Wtg (%)	Due date
ASSIGNMENT 1	30.00	30.00	20 Apr 2009
ASSIGNMENT 2	30.00	30.00	18 May 2009
2 HOUR EXAMINATION	40.00	40.00	END S1 (see note 1)

NOTES

1. The examination is scheduled to be held in the end-of-semester examination period. Students will be advised of the official examination date after the timetable has been finalised.

IMPORTANT ASSESSMENT INFORMATION

- 1 Attendance requirements:
If you are an international student in Australia, you are advised to attend all classes at your campus. For all other students, there are no attendance requirements for this course. However, it is the students' responsibility to study all material provided to them or required to be accessed by them to maximise their chance of meeting the objectives of the course and to be informed of course-related activities and administration.
- 2 Requirements for students to complete each assessment item satisfactorily:
To satisfactorily complete an individual assessment item a student must achieve at least 50% of the marks. (Depending upon the requirements in Statement 4 below, students may not have to satisfactorily complete each assessment item to receive a passing grade in this course.)
- 3 Penalties for late submission of required work:
If students submit assignments after the due date without prior approval of the examiner, then a penalty of 5% of the total marks gained by the student for the assignment may apply for each working day late up to ten working days at which time a mark of zero may be recorded.
- 4 Requirements for student to be awarded a passing grade in the course:
To be assured of receiving a passing grade a student must achieve at least 50% of the total weighted marks available for the course.
- 5 Method used to combine assessment results to attain final grade:

The final grades for students will be assigned on the basis of the aggregate of the weighted marks obtained for each of the summative assessment items in the course.

- 6 Examination information:
This is an open examination. Candidates may have access to any printed or written material and a calculator during the examination. In line with regulation 5.6.4.2 'Use of Electronic Devices during Examinations', laptop and notebook computers are not permitted.
- 7 Examination period when Deferred/Supplementary examinations will be held:
Any Deferred or Supplementary examinations for this course will be held during the next examination period.
- 8 University Regulations:
Students should read USQ Regulations 5.1 Definitions, 5.6 Assessment, and 5.10 Student Academic Misconduct for further information and to avoid actions which might contravene university regulations. These regulations can be found at <http://www.usq.edu.au/corporateservices/calendar/part5.htm>. Students should also read the Faculty of Business Policies and Procedures which can be found at <http://www.usq.edu.au/business/aboutfob.htm>.

ASSESSMENT NOTES

- 1 Assignments: (i) Students must submit their assignment files online using EASE. (ii) Students must retain a copy of each assignment file submitted for assessment. This must be produced within 24 hours if required by the examiner. (iii) In accordance with university policy, the examiner may grant an extension of the due date of an assignment in extenuating circumstances. (iv) The assignment files must be submitted by 11.59pm on the due date using USQ time (as displayed on the clock on the course home page; that is, Australian Eastern Standard Time).
- 2 Referencing in assignments: Harvard (AGPS) is the referencing system required in this course. Students should use Harvard (AGPS) style in their assignments to format details of the information sources they have cited in their work. The USQ library provides advice on how to format information sources using this system. Details can be found at http://www.usq.edu.au/library/help/ehelp/ref_guides/harvard.htm and http://www.usq.edu.au/library/help/ehelp/ref_guides/harvardonline.htm.
- 3 Course weightings: Course weightings of topics should not be interpreted as applying to the number of marks allocated to questions testing those topics in assignments.
- 4 Dishonest actions: (i) Any student who is alleged to have performed a dishonest action relating to any assessment in the course will have a course of action taken against him/her as outlined in the Academic Regulations. (ii) Pieces of assessment should be the work of individual students. Joint pieces of assessment are not permitted unless written approval has been obtained from the Examiner. (iii) Dishonest action in relation to assessment includes: copying or attempting to copy the work of others; use of or attempting to use information prohibited from use in that form of assessment; submitting the work of another as your own; consciously committing acts of plagiarism, that is, taking and using another's thoughts or writings as one's own with intent to deceive, which occurs when paragraphs, sentences, a single sentence or significant parts of a sentence which are copied directly, are not enclosed in quotation marks and appropriately referenced in the text; direct quotations are not used, but text is paraphrased or summarised, and the source of the material is not acknowledged by footnoting or other reference in the text.

OTHER REQUIREMENTS

- 1 Computer, e-mail and Internet access: Students are required to have access to a personal computer, e-mail capabilities and Internet access to USQConnect. Current details of computer requirements can be found at <http://www.usq.edu.au/ict/students/standards/default.htm>.
-