



جامعة الزيتونة الأردنية
Al-Zaytoonah University of Jordan
كلية الأعمال
Faculty of Business

"الريادة والأبداع في الأعمال"
"Entrepreneurship and Innovation"

"عراقة وجودة"
"Tradition and Quality"

Detailed Course Description - Course Plan Development and Updating Procedures/ Banking and Finance Department	QF05/0408-3.0E
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Faculty	Business	Department	Finance and banking
Course number	503413	Course title	Financial Statement Analysis
Number of credit hours	3	Pre-requisite/co-requisite	Financial Management2

Brief course description

This course introduces and develops a framework financial statement analysis and valuation using financial statement data. This involves the identification of key components of effective financial statement analysis: Business strategy analysis; accounting analysis; financial analysis; and prospective analysis. The next part of the course raises the issue of how business analysis and the valuation framework can be applied to a variety of decision contexts including security analysis, credit analysis, corporate financial policies analysis, merger and acquisition analysis, and governance and communication analysis.

	Course goals and learning outcomes
Goal 1	Introduction to financial analysis
Learning outcomes	To ensure that all students understand the most important goals in financial statement analysis
Goal 2	Financial statements (balance sheet, income statement, statement of cash flows)
Learning outcomes	<ol style="list-style-type: none"> 1. Teach student the way of make balance sheet 2. Teach student the way of make income statement 3. Teach student the way of make cash flow statement
Goal 3	- Financial Ratio Analysis
Learning outcomes	<ol style="list-style-type: none"> 1. Analysis financial statements using financial ratios 2. Understand the meaning of the result of financial ratio.
Goal 4	- Vertical and horizontal analysis
Learning outcomes	1. Student will be able to analysis financial statements by applying vertical and horizontal analysis
Textbook	Financial statement analysis (A global perspective), Thomas R, Paul M, julia G. Robinsion Munter Grant, 1st edition, (2010)
Supplementary references	<ol style="list-style-type: none"> 1.- 2.- 3.-



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Course timeline				
Week	Number of hours	Course topics	Pages (textbook)	Notes
01	1 1 1	* A Framework for Business Analysis and Valuation. <ul style="list-style-type: none"> The Role of Financial Reporting in Capital Markets. From Business Activities to Financial Statements. From Financial Statements to Business Analysis.	71-58	(1) goal
02	1 1 1	* Strategy Analysis <ul style="list-style-type: none"> Industry Analysis. Applying Industry Analysis: The Personal Computer Industry. Competitive Strategy Analysis. Corporate Strategy Analysis. 	86-72	2) goal (4 +
03	1 1 1	Overview Accounting Analysis. <ul style="list-style-type: none"> The institutional Framework for Financial reporting. Factors Influences Accounting Quality. Steps in Doing Accounting Analysis Accounting Analysis Pitfalls. Value of Accounting Data and Accounting Analysis.	99-87	(1) goal
04	1 1 1	Financial Analysis. <ul style="list-style-type: none"> Financial Statements.(Income Statements, Balance Sheet, Cash Flow Statement & Statement of Changes in Owner Equity) Ratio Analysis. Cash Flow Analysis.	133-102	2) goal (4 +
05	1 1 1	* Prospective Analysis: Forecasting. <ul style="list-style-type: none"> Relation of Forecasting to Other analysis. The Techniques of Forecasting. Making Forecasting. 	155-134	(3) goal
06	1 1 1	* Credit Analysis. <ul style="list-style-type: none"> The Market for Credit. The Credit Analysis Process. Financial Statement Analysis and Public debt. Prediction of distress and turnaround	188-169	2) goal (4 +
07	1 1 1	Merger and Acquisitions. <ul style="list-style-type: none"> Motivation for Merger or Acquisition. Acquisition Pricing. Acquisition Financing. Acquisition Outcome.	211-191	(3) goal
08	1 1 1	Corporate Financing Policies. <ul style="list-style-type: none"> Factors That Determinant Firms' Debt Policies. The Optimal Long-Term Mix of Debt and Equity. Factors that determine Dividend Policies.	243-214	3) goal (4 +
09	1 1 1	Communication and Governance. <ul style="list-style-type: none"> Governance Overview. Management Communication with Investors. Communication through Financial reporting. 	71-58	(4) goal



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		Auditor analysis.		
10	1 1 1			
11	1 1 1			
12	1 1 1			
13	1 1 1			
14	1 1 1			
15	1 1 1			
16	1 1 1			

Theoretical course evaluation methods and weight	Participation = 10% First exam 20% Second exam 20% Final exam 50%	Practical (clinical) course evaluation methods	Semester students' work = 50% (Reports, research, quizzes, etc.) Final exam = 50%
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Approved by head of department		Date of approval	
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Extra information (to be updated every semester by corresponding faculty member)

Name of teacher		Office Number	
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Phone number (extension)		Email	@zug.edu.jo
Office hours			