



Analysis of Financial Statements

FIN 4307-140 (CRN: 10523)

Spring 2023, Online, Texas A&M University Central Texas

Mode of instruction and course access:

This is a 100% online course, with materials and lectures made available online via the TAMUCT Canvas LMS [<https://tamuct.instructure.com>]. The **weekly routine** will be as follows:

- Tuesdays: Weekly lecture materials and videos to be posted.
- Following Tuesdays 14:30-15:30 (TBC): Optional live clinic sessions (online via Zoom)
*Post your questions in advance to the class discussion board in Canvas.

Textbook:

Financial Reporting, Financial Statement Analysis and Valuation, **Wahlen, Baginski, Bradshaw**, 10ed., Cengage

INSTRUCTOR AND CONTACT INFORMATION

- Instructor : Kirak “Daniel” Kim
- Office : Founders Hall 323T
- Email : kdkim@tamuct.edu

Office Hours

Tuesdays 14:30-15:30, during or after the optional clinic sessions (or by appointment).

Student-instructor interaction

My preferred communication method is via the TAMUCT Outlook email system. Note that Canvas built-in email is **not** recommended as it occasionally causes problems. Make sure you check all email announcements sent to your TAMUCT Outlook. I check email regularly on weekdays and a couple of times a day on weekends.

Each week lecture materials and recordings will be uploaded for students to watch and study. A follow-up clinic (optional, online) will be used for various activities, such as Q&As, problem-solving, or discussion. Exams will be given online using **Proctorio** (see page 4 for technology requirements for Proctorio). I highly recommend that you join the clinic sessions and participate in the class discussion board. This also allows me to understand your strengths and weaknesses and helps me help you better. Do not fall behind and do not be afraid to ask for help.

COURSE INFORMATION



Course overview and description

Analyze corporate financial statements for evaluating firm performance and values. Interpret the information in firms' financial statements, analyze the performance and risk, and learn how information can be analyzed and processed to aid creditors, investors, managers, consultants, auditors, directors, regulators and employees in their business decisions. (Prerequisite(s): FIN 3301. Basic algebra, accounting, and economics required.)

Course objective

Students who successfully complete this course should be able to:

- identify the economic characteristics and competitive dynamics of the industry in which firms operate and how these attributes manifest themselves in firms' financial statements
- explain the mixed approaches to measuring different assets and liabilities and the underlying economic rationales
- identify the difference between income flows and cash flows and analyze difference sources and uses of cash flows
- conduct the profitability analysis and risk analysis
- conduct forecasting of the earnings and cash flows for valuation and apply the firm valuation methods

Required reading and textbook

- Financial Reporting, Financial Statement Analysis and Valuation, **Wahlen, Baginski, Bradshaw**, 10ed., Cengage
- Lecture notes/slides, problem sets, and other reading materials to be uploaded on Canvas
- A financial calculator and Excel spreadsheet recommended.

Course requirements

- Homework assignments (**100** points total, all assignments combined)
*NOTE: Students are required to submit their homework via Canvas, using the links provided in the Assignments section of Canvas. Late submission not accepted (any extenuating circumstances should be communicated in advance).
- Exams (300 points total)
 - Exam 1 (**100** pts), Exam 2 (**100** pts), Exam 3 (**100** pts)
*NOTE: Although exams are not cumulative, you must understand earlier chapters to be able to deal with later chapters since much of the material builds on itself.



Grading Criteria Rubric and Conversion

>= 90%	A
80–89%	B
70–79%	C
60–69%	D
< 60%	F

Posting of grades: Grades will be posted in Canvas (grades and the feedback will be provided within a week from each exam).

COURSE OUTLINE AND CALENDAR

Tentative schedule (subject to changes)

Week/dates	Topics covered	WBB chapters	Assignments & Exams
Jan 16 -20	[Part i, #1] Overview of the approach	Ch 1	
Jan 23 -27	[Part i, #2] Asset, liability, and income	Ch 2	HW Problem set 1 due Jan 27
Jan 30 -Feb 3	[Part i, #3] Income flows vs. cash flows	Ch 3	
Feb 06 -10	*Part i review		HW PS 2 due Feb 8
Feb 13 -17	*Exam 1 (Feb 15-16): Part i. [Part ii, #1] Profitability analysis	Ch 4	*Exam 1 (Feb 15-16).
Feb 20 -24	[Part ii, #2] Risk analysis	Ch 5	
Feb 27 -Mar 3	[Part iii, #1] Financing activities	Ch 7	HW PS 3 (ii #1) due Mar 1
Mar 06 -10	[Part iii, #2] Investing activities	Ch 8	HW PS 4 (ii #2) due Mar 10
University Spring break (Mar 13-17)			
Mar 20 -24	[Part iii, #3] Operating activities	Ch 9	
Mar 27 -31	*Part ii & iii review		HW PS 5 (iii) due Mar 29
Apr 03 -07	*Exam 2 (Apr 5-6): Part ii & iii. [Part iv, #1] Forecasting the earnings/cash flows	Ch 10	*Exam 2 (Apr 5-6).
Apr 10 -14	[Part iv, #1] Forecasting the earnings/cash flows (2)		
Apr 17 -21	[Part iv, #2] Discount rate and valuation	Ch 11 & 12	
Apr 24 -28	[Part iv, #2] Discount rate and valuation (2)		HW PS 6 (iv) due Apr 26
May 01 -05	*Part iv review		
May 08 -12	*Exam 3 (May 8-10): Part iv.		*Exam 3 (May 8-10).

*NOTE: **Important University dates** can be found in this website:

<https://www.tamuct.edu/registrar/academic-calendar.html>



Emergency Warning System for Texas A&M University-Central Texas

SAFEZONE. SafeZone provides a public safety application that gives you the ability to call for help with the push of a button. It also provides Texas A&M University-Central Texas the ability to communicate emergency information quickly via push notifications, email, and text messages. All students automatically receive email and text messages via their myCT accounts.

Downloading SafeZone allows access to push notifications and enables you to connect directly for help through the app.

You can download SafeZone from the app store and use your myCT credentials to log in. If you would like more information, you can visit the [SafeZone](http://www.safezoneapp.com) website [www.safezoneapp.com].

To register SafeZone on your phone, please follow these 3 easy steps:

1. Download the SafeZone App from your phone store using the link below:
 - o [iPhone/iPad](https://apps.apple.com/app/safezone/id533054756): [https://apps.apple.com/app/safezone/id533054756]
 - o [Android Phone / Tablet](https://play.google.com/store/apps/details?id=com.criticalarc.safezoneapp)
[https://play.google.com/store/apps/details?id=com.criticalarc.safezoneapp]
2. Launch the app and enter your myCT email address (e.g. {name}@tamuct.edu)
3. Complete your profile and accept the terms of service

For updates on COVID information, please monitor the University website [<https://www.tamuct.edu/covid19/>]

TECHNOLOGY REQUIREMENTS AND SUPPORT

Technology Requirements

This course will use the A&M-Central Texas Instructure Canvas learning management system. **We strongly recommend the latest versions of Chrome or Firefox browsers. Canvas no longer supports any version of Internet Explorer.**

Logon to A&M-Central Texas Canvas [<https://tamuct.instructure.com/>] or access Canvas through the TAMUCT Online link in myCT [<https://tamuct.onecampus.com/>]. You will log in through our Microsoft portal.

Username: Your MyCT email address. Password: Your MyCT password

Canvas Support

Use the Canvas Help link, located at the bottom of the left-hand menu, for issues with Canvas. You can select “Chat with Canvas Support,” submit a support request through “Report a Problem,” or call the Canvas support line: 1-844-757-0953.

For issues related to course content and requirements, contact your instructor.

Online Proctored Testing

A&M-Central Texas uses Proctorio for online identity verification and proctored testing. This service is provided at no direct cost to students. If the course requires identity verification or proctored testing, the technology requirements are: Any computer meeting the minimum computing requirements, plus web camera, speaker, and microphone (or headset). Proctorio also requires the Chrome web browser with their custom plug in.

Other Technology Support

For log-in problems, students should contact Help Desk Central, 24 hours a day, 7 days a week



Email: helpdesk@tamu.edu

Phone: (254) 519-5466

[Web Chat](http://hdc.tamu.edu): [http://hdc.tamu.edu]

Please let the support technician know you are an A&M-Central Texas student.

UNIVERSITY RESOURCES, PROCEDURES, AND GUIDELINES

Academic Accommodations

At Texas A&M University-Central Texas, we value an inclusive learning environment where every student has an equal chance to succeed and has the right to a barrier-free education. The Warrior Center for Student Success, Equity and Inclusion is responsible for ensuring that students with a disability receive equal access to the university's programs, services and activities. If you believe you have a disability requiring reasonable accommodations, please contact the Office of Access and Inclusion, WH-212; or call (254) 501-5836. Any information you provide is private and confidential and will be treated as such.

For more information, please visit our [Access & Inclusion](https://tamuct.instructure.com/courses/717) Canvas page (log-in required) [https://tamuct.instructure.com/courses/717]

Academic Integrity

Texas A&M University-Central Texas values the integrity of the academic enterprise and strives for the highest standards of academic conduct. A&M-Central Texas expects its students, faculty, and staff to support the adherence to high standards of personal and scholarly conduct to preserve the honor and integrity of the creative community. Any deviation by students from this expectation may result in a failing grade for the assignment and potentially a failing grade for the course. All academic misconduct concerns will be referred to the Office of Student Conduct. When in doubt on collaboration, citation, or any issue, please contact your instructor before taking a course of action.

For more [information regarding the student conduct process](https://www.tamuct.edu/student-affairs/student-conduct.html), [https://www.tamuct.edu/student-affairs/student-conduct.html].

If you know of potential honor violations by other students, you may [submit a referral](https://cm.maxient.com/reportingform.php?TAMUCentralTexas&layout_id=0), [https://cm.maxient.com/reportingform.php?TAMUCentralTexas&layout_id=0].

Drop Policy

If you discover that you need to drop this class, you must complete the [Drop Request](#) Dynamic Form through Warrior Web.

[https://federation.ngwebsolutions.com/sp/startSSO.ping?PartnerIdId=https://eis-prod.ec.tamuct.edu:443/samlSso&SpSessionAuthnAdapterId=tamuctDF&TargetResource=https%3a%2f%2fdynamicforms.ngwebsolutions.com%2fSubmit%2fStart%2f53b8369e-0502-4f36-be43-f02a4202f612].

Faculty cannot drop students; this is always the responsibility of the student. The Registrar's Office will provide a deadline on the Academic Calendar for which the form must be completed. Once you submit the completed form to the Registrar's Office, you must go into Warrior Web and confirm that you are no longer enrolled. If you still show as enrolled, FOLLOW-UP with the Registrar's Office immediately. You are to attend class until the procedure is complete to avoid penalty for absence. Should you miss the drop deadline or fail to follow the procedure, you will receive an F in the course, which may affect your financial aid and/or VA educational benefits.

Important information for Pregnant and/or Parenting Students



Texas A&M University-Central Texas supports students who are pregnant, experiencing pregnancy-related conditions, and/or parenting. In accordance with requirements of Title IX and related guidance from US Department of Education's Office of Civil Rights, the Dean of Student Affairs' Office can assist students who are pregnant and/or parenting in seeking accommodations related to pregnancy and/or parenting. Students should seek out assistance as early in the pregnancy as possible. For more information, please visit [Student Affairs](https://www.tamuct.edu/student-affairs/pregnant-and-parenting-students.html) [https://www.tamuct.edu/student-affairs/pregnant-and-parenting-students.html]. Students may also contact the institution's Title IX Coordinator. If you would like to read more about these [requirements and guidelines](http://www2.ed.gov/about/offices/list/ocr/docs/pregnancy.pdf) online, please visit the website [http://www2.ed.gov/about/offices/list/ocr/docs/pregnancy.pdf].

Title IX of the Education Amendments Act of 1972 prohibits discrimination on the basis of sex and gender—including pregnancy, parenting, and all related conditions. A&M-Central Texas is able to provide flexible and individualized reasonable accommodation to pregnant and parenting students. All pregnant and parenting students should contact the Associate Dean in the Division of Student Affairs at (254) 501-5909 to seek out assistance. Students may also contact the University's Title IX Coordinator.

Tutoring

Tutoring is available to all A&M-Central Texas students, both virtually and in-person. Student success coaching is available online upon request.

If you have a question, are interested in becoming a tutor, or in need of success coaching contact the Warrior Center for Student Success, Equity and Inclusion at (254) 501-5836, visit the Warrior Center at 212 Warrior Hall, or by emailing WarriorCenter@tamuct.edu.

To schedule tutoring sessions and view tutor availability, please visit [Tutor Matching Services](https://tutormatchingservice.com/TAMUCT) [https://tutormatchingservice.com/TAMUCT] or visit the Tutoring Center in 111 Warrior Hall. Chat live with a remote tutor 24/7 for almost any subject from on your computer! Tutor.com is an online tutoring platform that enables A&M-Central Texas students to log in and receive online tutoring support at no additional cost. This tool provides tutoring in over 40 subject areas except writing support. Access Tutor.com through Canvas.

University Library & Archives

The University Library & Archives provides many services in support of research across campus and at a distance. We offer over 200 electronic databases containing approximately 400,000 eBooks and 82,000 journals, in addition to the 96,000 items in our print collection, which can be mailed to students who live more than 50 miles from campus. Research guides for each subject taught at A&M-Central Texas are available through our website to help students navigate these resources. On campus, the library offers technology including cameras, laptops, microphones, webcams, and digital sound recorders.

Research assistance from a librarian is also available 24 hours a day through our online chat service, and at the reference desk when the library is open. Research sessions can be scheduled for more comprehensive assistance, and may take place virtually through WebEx, Microsoft Teams or in-person at the library. [Schedule an appointment here](https://tamuct.libcal.com/appointments/?g=6956) [https://tamuct.libcal.com/appointments/?g=6956]. Assistance may cover many topics, including how to find articles in peer-reviewed journals, how to cite resources, and how to piece together research for written assignments.

Our 27,000-square-foot facility on the A&M-Central Texas main campus includes student lounges, private study rooms, group work spaces, computer labs, family areas suitable for all ages, and many other features. Services such as interlibrary loan, TexShare, binding, and laminating are available. The library frequently offers workshops, tours, readings, and other events. For more information, please visit



our [Library website](#)

[<http://tamuct.libguides.com/index>]

University Writing Center

University Writing Center: Located in Warrior Hall 416, the University Writing Center (UWC) at Texas A&M University–Central Texas (A&M–Central Texas) is a free service open to all A&M–Central Texas students. The hours of operation are from 10:00 a.m.-5:00 p.m. Monday thru Thursday in Warrior Hall 416 (with online tutoring available every hour as well) with satellite hours available online only Monday thru Thursday from 6:00-9:00 p.m. and Saturday 12:00-3:00 p.m.

Tutors are prepared to help writers of all levels and abilities at any stage of the writing process. While tutors will not write, edit, or grade papers, they will assist students in developing more effective composing practices. By providing a practice audience for students' ideas and writing, our tutors highlight the ways in which they read and interpret students' texts, offering guidance and support throughout the various stages of the writing process. In addition, students may work independently in the UWC by checking out a laptop that runs the Microsoft Office suite and connects to WIFI, or by consulting our resources on writing, including all of the relevant style guides. Whether you need help brainstorming ideas, organizing an essay, proofreading, understanding proper citation practices, or just want a quiet place to work, the UWC is here to help!

Students may arrange a one-to-one session with a trained and experienced writing tutor by making an appointment via [WConline](#) [<https://tamuct.mywconline.com/>]. In addition, you can email Dr. Bruce Bowles Jr. at bruce.bowles@tamuct.edu if you have any questions about the UWC, need any assistance with scheduling, or would like to schedule a recurring appointment with your favorite tutor.

OPTIONAL POLICY STATEMENTS

A Note about Sexual Violence at A&M-Central Texas

Sexual violence is a serious safety, social justice, and public health issue. The university offers support for anyone struggling with these issues. University faculty are mandated reporters, so if someone discloses that they were sexually assaulted (or a victim of Domestic/Dating Violence or Stalking) while a student at TAMUCT, faculty members are required to inform the Title IX Office. If you want to discuss any of these issues confidentially, you can do so through Student Wellness and Counseling (254-501-5955) located on the second floor of Warrior Hall (207L).

Sexual violence can occur on our campus because predators often feel emboldened, and victims often feel silenced or shamed. It is incumbent on ALL of us to find ways to actively create environments that tell predators we don't agree with their behaviors and tell survivors we will support them. Your actions matter. Don't be a bystander; be an agent of change. For additional information on campus policy and resources visit the [Title IX webpage](#) [<https://www.tamuct.edu/compliance/titleix.html>].

Behavioral Intervention

Texas A&M University-Central Texas cares about the safety, health, and well-being of its students, faculty, staff, and community. If you are aware of individuals for whom you have a concern, please make a referral to the Behavioral Intervention Team. Referring your concern shows you care. You can complete the [referral](#) online

[https://cm.maxient.com/reportingform.php?TAMUCentralTexas&layout_id=2].

Anonymous referrals are accepted. Please see the [Behavioral Intervention Team](#) website for more information [<https://www.tamuct.edu/bit>]. If a person's behavior poses an imminent threat to you or another, contact 911 or A&M-Central Texas University Police at 254-501-5805.



OTHER POLICIES

Copyright Notice

Students should assume that all course material is copyrighted by the respective author(s).
Reproduction of course material is prohibited without consent by the author and/or course instructor.
Violation of copyright is against the law and Texas A&M University-Central Texas' Code of Academic
Honesty. All alleged violations will be reported to the Office of Student Conduct.

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