

# Financial Statement Analysis and Liquidity Management

## FINA 4300

### Instructor Information

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Office Hours:

- Tuesday/Wednesday 2:00-3:00 pm
- By Appointment via Zoom for virtual meetings

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### Course Description

Discover the art of decoding financial statements and unleashing their real-world impact. Dive into corporate liquidity, short-term asset management, and effective liability strategies. This course bridges theory with practice and we'll immerse ourselves in tangible, industry-spanning examples, transforming you into a financial Sherlock Holmes.

Explore financial statements from managerial, investor, and creditor viewpoints, turning them into strategic assets. From adapting to market shifts to attracting investors, you'll uncover the tactics behind these moves. Become a pro at crafting pro forma statements, predicting financial scenarios, and steering decision-making with precision. Elevate your financial fluency and thrive in any economic landscape. Enjoy this class and become a master of the language of financial success.

### Course Structure

This course takes place 100% online. All your interactions with me and fellow students will take place in Canvas. There are 14 weeks of content that you will move through. I will open up a new module each week.

Note that courses that are online *must* adhere to the F-1 Visa holder policy and lab courses *must* list the [Laboratory Safety Procedures and Guidelines policy \(PDF\)](#) in their syllabi

([https://policy.unt.edu/sites/default/files/06.049\\_Standard%20Syllabus%20Policy%20Statements\\_supplement.pdf](https://policy.unt.edu/sites/default/files/06.049_Standard%20Syllabus%20Policy%20Statements_supplement.pdf)).

### Course Objectives

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

1. **Understand Financial Reporting and Analysis:** Describe the roles and importance of financial reporting, financial statement analysis, and the various financial statements (e.g., statement of financial position, comprehensive income, changes in equity, cash flows) in evaluating a company's performance and financial position.
2. **Audit and Regulatory Frameworks:** Explain the objective of financial audits, the types of audit reports, the importance of internal controls, and the roles of standard-setting bodies and regulatory authorities in establishing and enforcing financial reporting standards.

3. **Financial Analysis Tools and Techniques:** Utilize tools and techniques for financial analysis, including ratio analysis (activity, liquidity, solvency, profitability, and valuation ratios), DuPont analysis, segment reporting, and forecasting earnings.
4. **Quality of Financial Reporting:** Assess financial reporting quality, distinguish between high-quality and low-quality reporting, identify motivations for and conditions conducive to issuing low-quality reports, and detect financial reporting manipulation.
5. **Global Financial Reporting Standards:** Compare and contrast IFRS and US GAAP standards, especially regarding the classification, measurement, and disclosure of financial assets, investments, and currency transactions, and analyze the impact of different accounting methods on financial statements and ratios.
6. **Sector-Specific and Advanced Financial Analysis:** Analyze financial statements of specific sectors such as financial institutions and insurance companies, apply frameworks for detailed financial statement analysis, and make appropriate adjustments for comparability and quality of financial data.

## Prerequisites

- FINA 3770 or equivalent

## Required Texts/Recommended Materials

International Financial Statement Analysis, 4th edition by Wiley. The book is a part of the CFA investment series material.

ISBN 978-1-119-62805-7 (Hardcover)

ISBN 978-1-119-68214-1 (ePDF)

- I highly recommend having access to finance journals through library.
- Technology requirements for courses with digital materials:  
This course has digital components. To fully participate in this class, students will need internet access to reference content on the Canvas Learning Management System. You need to have access to a computer with a webcam and microphone for your final project presentation. If circumstances change, you will be informed of other technical needs to access course content. Information on how to be successful in a digital learning environment can be found at [Learn Anywhere](https://online.unt.edu/learn) (<https://online.unt.edu/learn>).

## How to Succeed in this Course

### Communication throughout the semester

Communication is key in this course. It's your compass for navigating the material and making the most of your learning adventure. When you email, make my life easier by popping the course title in the subject (I've got quite a crowd with 200+ students!). And speaking of email, let's keep it friendly and pro – yet courteous and professional tone. A quick tip: swap out "hey" for a simple "hello." For quick updates and important stuff, I'll be using Canvas announcements, so keep an eye out.

Got questions or thoughts? I've got your back, aiming to reply within 24 hours on weekdays. Just a heads-up: I take weekends to recharge, so Monday's the day for my responses. Feel free to reach out via email or drop by during my office hours to connect. Just a heads-up, when things get bustling, my inbox tends to fill up. If you don't receive a response within one business day, feel free to send a follow-up email – a friendly reminder is always welcomed. Let's keep the conversation going and ensure your questions find their answers!

For further information on online communication guidelines please visit [Online Communication Tips](#) | Center for Learning Experimentation, Application, and Research (unt.edu)

On Videos: I strongly encourage you to comment on any questions you have after watching lecture videos on Canvas. I will provide answers to your comments and this way the entire class can benefit from the interaction.

If you have a private question, please contact me via email and I will respond within 24 hours on weekdays (usually sooner). Please do not expect a response over the weekend. Please use my phone number as a last resort - but, also, please use it if you need to!

Normally, I will return feedback on all written assignments within 1 week of the due date however, if I see that I will be unable to return your feedback that quickly I will post an Announcement to let everyone know when it can be expected. You can expect to see me participate in the discussion board after all student original posts have been posted - usually on the Friday of the first week of the module.

#### **ADA accommodation statement:**

The University of North Texas makes reasonable academic accommodations for students with disabilities. Students seeking reasonable accommodation must first register with the Office of Disability Access (ODA) to verify their eligibility. If a disability is verified, the ODA will provide you with a reasonable accommodation letter to be delivered to the faculty to begin a private discussion regarding your specific needs in a course. You may request reasonable accommodations at any time; however, ODA notices of reasonable accommodation should be provided as early as possible in the semester to avoid any delay in implementation. Note that students must obtain a new letter of reasonable accommodation for every semester and must meet with each faculty member prior to implementation in each class. Students are strongly encouraged to deliver letters of reasonable accommodation during faculty office hours or by appointment. Faculty members have the authority to ask students to discuss such letters during their designated office hours to protect the privacy of the student. For additional information, refer to the [Office of Disability Access](#) website (<http://www.unt.edu/oda>). You may also contact ODA by phone at (940) 565-4323.

Consider announcing in your class or putting in your syllabus how students can connect with the [Office of Disability Access](#) to begin the registration process (<https://studentaffairs.unt.edu/office-disability-access>).

### **Supporting Your Success and Creating an Inclusive Learning Environment**

In our course, we are committed to fostering an inclusive learning environment where every student feels valued and supported. We believe that diversity enriches our learning experiences, and we strive to create a space where all voices are heard and respected. To support your success, we will work together to establish community norms that promote respect, collaboration, and open communication. By doing so, we aim to prevent barriers such as feelings of isolation, unequal participation, and misunderstandings stemming from cultural differences. Together, we will build a supportive community that empowers everyone to thrive and achieve their academic goals.

### **Assessing Your Work**

<i><b>Assignment</b></i>	<i><b>% of Final Grade</b></i>
<i>3 Exams – online with proctoring</i>	<i>45%</i>
<i>9 Quizzes – on <b>Canvas</b></i>	<i>27%</i>
<i>Group Financial statement project</i>	<i>28%</i>
<i>Total</i>	<i>100%</i>

A = 90% or more of possible points

B = 80% - 89% of possible points

C = 70% - 79% of possible points

D = 60% - 69% of possible points F = less than 60% of possible points

\*\*\*There will not be any extra assignment for extra credit unless I announce it to the class\*\*\*

- **Grade Communication:** Please understand that grades will not be discussed via email or phone conversations. For any inquiries regarding your grades, let's meet up in person or through Zoom.
- **Grade Appeals:** If you wish to appeal a grade, you have one week from the time grades are released to do so, and this must be done in writing. Your appeal should clearly state the reasons for re-evaluation, although it's important to note that this process could *potentially lead to a lower grade upon re-evaluation*.
- **Grade Adjustments:** Be aware that final letter grades might be adjusted based on the overall class performance at the end of the semester. This ensures fairness and consistency in grading across the board.

Tutoring Services: An additional tutoring service is available for this course: <https://cob.unt.edu/lab/tutor>.

## Importance of reading

I anticipate that you will have finished reading the assigned chapters before attending the class. The class lectures should not be your first exposure to the concepts. PowerPoint slides corresponding to each textbook chapter will be available on Canvas. To ensure effective note-taking during lectures, I suggest printing these slides and bringing them to class. While these presentations are designed to enhance your note-taking, they do not cover all the material presented in class and should not be considered a substitute for attending the class in person.

## Assessing Your Knowledge: Exams and Expectations

The exams provide you with the platform to showcase your grasp of the course content we covered. These assessments are designed as multiple-choice exams and are held during regular class hours, allowing you the full duration to complete them. Please note that arriving on time is essential, as delay can affect your performance compared to those who arrive early. To maintain fairness, no extra time will be granted in any circumstances. There will be 3 exams in this course each comprised of the chapters that we cover before the exam. Both the lectures and the required textbook will furnish you with the necessary information to excel in the course. Anticipate that exam content will be drawn from lecture notes and assigned readings.

While I expect to spend some time on the session before the exam to review the material for the exam, your best bet in testing your knowledge before the exam is the quiz that is associated with those chapters. They will be conducted under closed-note, closed-book, and closed-internet conditions. There are no makeup exams under any circumstance.

## Quizzes

Our quizzes are designed to gauge your comprehension of the chapters we delve into. These quizzes will be accessible through Canvas, and each one aligns with the material we cover on a given day. Expect multiple-choice questions that mirror the kinds of inquiries you'll encounter in the exams, offering valuable practice. Throughout the course, there will be a total of 9 quizzes, each corresponding to a specific chapter. Stay engaged with the quizzes – they serve as vital indicators of your progress and provide a platform to solidify your understanding of the course material. Quizzes will be given using Canvas Lockdown Browser. **While I understand that sometimes we get busy in life and forget things, but unfortunately, I will not re-open any quizzes after the due date has passed. Please understand this and do not send an email and request opening it if you miss them. This is an online class and requires great time managements skills to succeed.**

## Group Financial Statement Project

Get ready for an exciting group project that's all about diving into the world of financial statement analysis. Throughout the semester, you will collaborate with peers to undertake in-depth company and industry-level analyses. This project is structured into three progressive submissions, allowing your groups to refine their analytical skill over time while getting constant feedback to improve your work. At the end of the semester, it's showtime – your group will have the opportunity to present their insights to your professor. The project's focal points encompass mastering financial analysis techniques, strategic investment applications, and the critical evaluation of financial reports. Effective communication, equitable task distribution, adherence to deadlines, and the pursuit of excellence are pivotal elements for the successful execution of this endeavor. Beyond the academic realm, this undertaking nurtures teamwork and communication skills that have lasting professional significance.

Each group will comprise 5 students. I will assign students in random groups, but I will not moderate the group and the relationship between members. If any of the members are not putting enough effort into the work, you can omit the student's name from your submission. However, you need to inform the student about this decision before doing so. Before each submission, you need to compare your work with the rubric and check for grammar and plagiarism. Any plagiarism will result in receiving a grade of 0 for that part of the assignment. I will send detailed instructions on how to do this homework assignment.

**Remember, while this is a group project, your final grade in this assignment is not dependent on other students in your group and the quality of their work. You will be graded based on your work individually.**

## Using AI for group project and other assignments

In this course, students are encouraged to integrate AI tools in their financial analysis and report writing to enhance learning. AI can assist in interpreting financial statements, performing trend analysis, and refining written reports. However, responsible and transparent AI usage is required.

### Permitted Uses of AI:

- **Data Analysis:** AI chatbots or tools (such as ChatGPT, Bard, or other financial AI tools) may assist in summarizing financial trends, identifying patterns, and enhancing analysis.
- **Writing Assistance:** AI may be used to improve clarity, coherence, and structure of reports, but students must ensure originality.
- **Rubric Compliance:** AI may be used to check compliance with grading criteria before submission.

### Required AI Integration:

At least one aspect of the project must incorporate AI chatbot assistance. Students should document:

- **How AI was used** (e.g., summarizing financial data, explaining industry trends, proofreading).
- **Refinements made to AI-generated content** to ensure originality and accuracy.
- **Limitations of AI** encountered during the project.

### Documentation and Disclosure:

- Students must include an **AI Disclosure Statement** in their final report, specifying which AI tools were used and their role in the analysis.
- A **reflection section** must discuss how AI assisted in learning and analysis.

- AI references must be acknowledged in a dedicated section of the report.

### AI Detection and Ethics Policy:

- The instructor will not use AI detection tools; instead, students are expected to uphold academic integrity by transparently disclosing AI usage.
- Unethical AI use (e.g., misrepresenting AI-generated work as entirely original) may result in discussions on academic honesty.

### Use of Generative AI (GenAI) in Online Quizzes and Exams

To ensure fairness and academic integrity, the use of Generative AI (GenAI) tools such as ChatGPT, Claude, Gemini, or similar platforms is **strictly prohibited** during **all online quizzes and exams** in this course. Quizzes and exams must reflect your own independent work and understanding of the material. Using AI tools in any form on these assessments will be treated as a violation of the UNT Honor Code and subject to academic misconduct procedures.

You are welcome to use AI responsibly outside of formal assessments, for example, to review concepts, clarify difficult terms, or explore additional perspectives on course topics—but all graded quizzes and exams must be completed without AI assistance.

### Late Work

No late work will be accepted under any circumstance.

### Attendance & Participation

Students are expected to actively participate in all course activities as outlined in the course schedule. Engaging with classmates through discussion forums and group projects is encouraged to enhance learning and build a supportive online community. Comprehensive lecture PowerPoint slides are available on Canvas, reflecting the main points of my lecture notes. I strongly recommend you to participate in discussions by commenting on lecture videos and course blogs.

### Syllabus Change Policy

Modifications to this syllabus are within the instructor's purview, as required. Any updates will be communicated both during class sessions and through the Canvas platform.

### Course Requirements/Schedule

Week	Topic	Reading	Assignment(s) Due	Percentage towards the Final Grade
Week 1	Syllabus Overview/Forming groups for project			
Week 2	Intro to Financial Statement Analyses	Chapter 1	Quiz 1	3%
Week 3	Financial Reporting Standards	Chapter 2	Quiz 2	3%
Week 4	Financial Analyses Techniques	Chapter 6	Quiz 3	3%
Week 5	Exam 1: Chapters 1, 2, and 6	Chapters 1, 2, and 6	Exam 1: Chapters 1, 2, and 6	15%
Week 6	Financial Reporting Quality	Chapter 11	Quiz 4	3%
Week 7	First submission- 10/4/2024		First group submission	10.00%
Week 8	Incorporate Investment	Chapter 12	Quiz 5	3%
Week 9	Applications of FSA	Chapter 13	Quiz 6	3%
Week 10	Exam 2: Chapters 11, 12, and 13	Chapters 11, 12, and 13	Exam 2: Chapters 11, 12, and 13	15%

Week 11	Second submission- 11/1/2024		Second group submission	10.00%
Week 12	Multinational Operations	Chapter 15	Quiz 7	3%
Week 13	Analysis of Financial Institutions	Chapter 16	Quiz 8	3%
Week 14	Integration of FSA techniques	Chapter 18	Quiz 9	3%
Week 15	Group homework Presentation		Final group submission	8.00%
Week 16	Exam 3: Chapters 15, 16, and 18	Chapters 15, 16, and 18	Exam 3: Chapters 15, 16, and 18	15%
Week 16	Optional Comprehensive Exam	All Chapters	Optional Comprehensive Exam	Replaces the score of the lowest exam

There are 9 quizzes, each worth 3% of your final grades.

\*\* You will get 3 different grades for your 3 submissions of group projects, the first two worth 10% of your grade (total of 20%) and the last worths 8%.

Grades are based on mastery of the content. As a rule, I do not grade on a “curve” because that is a comparison of your outcomes to others. I do, however, encourage you to find opportunities to learn with and through others. Explore [Navigate’s Study Buddy](https://navigate.unt.edu) (<https://navigate.unt.edu>) tool to join study groups. Maximize your learning with our coaching staff at the Learning Center. Focus on areas where you are struggling in this course by attending scheduled study group sessions with me the week before each exam. Forward together!

## Course Evaluation:

Student Perceptions of Teaching (SPOT) is the student evaluation system for UNT and allows students the ability to confidentially provide constructive feedback to their instructor and department to improve the quality of student experiences in the course.