PELLISSIPPI STATE COMMUNITY COLLEGE
MASTER SYLLABUS

ANALYZING FINANCIAL STATEMENTS
BKG 2100

Class Hours: 2.0
Credit Hours: 2.0
Laboratory Hours: 0.0
Date Revised: Spring 00

NOTE: This course is not designed for transfer credit.

Catalog Course Description:
A study of financial statement analysis. Topics include generation of statement data and limitations of the accounting information provided, business funds flow and analysis tools and techniques.

Entry Level Standards:
Basis competencies in logic, reading, English, and accounting are presumed.

Prerequisites:
None

Textbook(s) and Other Course Materials:

I. Week/Unit/Topic Basis:

<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
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<tbody>
<tr>
<td>1</td>
<td>Financial Analysis: An Overview</td>
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<tr>
<td>2</td>
<td>A Conceptual Framework</td>
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<tr>
<td>3</td>
<td>The Income Statement</td>
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<td>4</td>
<td>The Balance Sheet</td>
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<tr>
<td>5</td>
<td>The Funds Flow Statement; Midterm</td>
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<tr>
<td>6</td>
<td>Ratios</td>
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<tr>
<td>7</td>
<td>Ratios (Continued)</td>
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<tr>
<td>8</td>
<td>The Pro Forms Statement</td>
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<tr>
<td>9</td>
<td>Cash Budgets</td>
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<tr>
<td>10</td>
<td>Other Analytical Techniques; Final Exam</td>
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II. Course Objectives*:

A. Understand the technical and interpretive aspects of financial analysis. I,II
B. Know the basic components of the income statement and balance sheet. I,II,III
C. Become familiar with a funds flow statement. I,II,III
D. Understand key financial ratios. I,II,III
E. Discuss pro-forms statements and cash budgets. I,II,III

*Roman numerals after course objectives reference goals of the Business and Community Services department.

III. Instructional Processes*:

Students will:

1. Use critical thinking skills to interpret and evaluate the financial statements of existing companies and make informed judgements about these statements to facilitate in decision making and problem solving strategies. Problem Solving and Decision Making Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies

2. Discuss the impact of social, political, economic, and environmental issues on the financial statements of selected companies. Communication Outcome, Problem Solving and Decision Making Outcome, Cultural Diversity and Social Adaptation Outcome, Numerical Literacy Outcome, Information Literacy Outcome, Active Learning Strategies, Transitional Strategy

3. Use electronic mail to correspond with the instructor and other students enrolled in the course. Communication Outcome, Technological Literacy Outcome

*Strategies and outcomes listed after instructional processes reference TBRs goals for strengthening general education knowledge and skills, connecting coursework to experiences beyond the classroom, and encouraging students to take active and responsible roles in the educational process.

IV. Expectations for Student Performance*:

Upon successful completion of this course, the student should be able to:

1. List the basic steps of financial analysis. A
2. Explain the importance of financial analysis in consumer lending. A
3. Explain how a company's funds flow cycle affect its loan requirements and its ability to repay debt. A
4. Apply the concepts of comparison, change, distribution analysis, and projection in revenue analysis. B
5. Evaluate liability accounts in terms of repayment requirements. B
6. Identify the various types of equity accounts and their availability as a source of financing. B
7. Use a funds flow statement in financial analysis. C
8. Identify the fine ratio analysis groups and the various ratios of each category. D
9. Use financial ratios to compare a company's performance with that of the industry. D
10. Construct and analyze pro-forms income statements and balance sheets. E

11. Do an interpretive analysis of a cash budget as part of a comprehensive financial analysis. E

12. Apply working investment analysis calculations. A

*Letters after performance expectations reference the course objectives listed above.

V. Evaluation:

A. Testing Procedures:

Four one-hour quizzes and a final exam will be given. Each quiz will count 20% of your final grade. The quizzes will be given over the assigned material. One quiz will be dropped in the final calculation of your grade. Exams will be given on the date per the assignment schedule. If you miss an exam, you will be expected to take the make-up exam the first day you return to school. Make-up exams are given at the discretion of the instructor. You must have an excused absence to request a make-up exam.

B. Laboratory Expectations:

N/A

C. Field Work:

N/A

D. Other Evaluation Methods:

N/A

E. Grading Scale:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>A</td>
<td>92 - 100</td>
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<tr>
<td>B+</td>
<td>89 - 91</td>
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<tr>
<td>B</td>
<td>82 - 88</td>
</tr>
<tr>
<td>C+</td>
<td>79 - 81</td>
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<tr>
<td>C</td>
<td>72 - 78</td>
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<tr>
<td>D</td>
<td>65 - 71</td>
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<tr>
<td>F</td>
<td>Below 65</td>
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VI. Policies:

A. Attendance Policy:

Pellissippi State Community College expects students to attend all scheduled instructional activities. As a minimum, students in all courses must be present for at least 75 percent of their scheduled class and laboratory meetings in order to receive credit for the course.

B. Accommodations for disabilities:

Students who need accommodations because of a disability, have emergency medical information to share, or need special arrangements in case the building must be evacuated should inform the instructor immediately, privately after class or in her or his office. Students must present a current accommodation plan from a staff member in Services for Students with Disabilities (SSWD) in order to receive accommodations in this course. Services for Students
with Disabilities may be contacted by going to Goins 127, 132, 134, 135, 131 or by phone: 539-7153 or TTY 694-6429. More information is available at www.pstcc.edu/departments/swd/.