

<b>DEREE COLLEGE SYLLABUS FOR: AF 4323 FINANCIAL STATEMENT ANALYSIS AND EQUITY VALUATION</b>	
(Updated Fall 2021)	<b>UK LEVEL: 6</b> <b>UK CREDITS: 15</b> <b>US CREDITS: 3/0/3</b>
<b>PREREQUISITES:</b>	AF 2007 Financial Accounting FN 2128 Principles of Finance FN 3213 Corporate Finance
<b>CATALOG DESCRIPTION:</b>	Review and analysis of financial statements. Tools and techniques for financial valuation using cash flow information and present value analysis. Topics of ratio analysis, liquidity, capital structure, trend analysis, profitability, industry standards, changes in working capital, changes in financial position, sources and uses of funds, business valuation techniques, and analysis of earnings quality.
<b>RATIONALE:</b>	Through this course, students will gain knowledge and understanding of the tools employed in fundamental analysis and equity valuation. This course is designed primarily for students who expect to be intensive users of financial statements as part of their professional responsibilities.
<b>LEARNING OUTCOMES:</b>	As a result of taking this course, the student should be able to: <ol style="list-style-type: none"> <li>1. Analyse and manipulate financial data so as to assess corporate strategy.</li> <li>2. Perform financial projections and apply various methods for valuating securities.</li> <li>3. Critically evaluate the usefulness of financial and non-financial information in the valuation of securities and corporate strategy</li> <li>4. Summarize the effects that different accounting measurements have on equity valuation</li> </ol>
<b>METHOD OF TEACHING AND LEARNING:</b>	In congruence with the teaching and learning strategy of the college, the following set of tools are used: <ul style="list-style-type: none"> <li>➤ Class lectures, interactive learning (class discussions and group work) and practical problems (case studies) worked in class. Classes will be held entirely in the Simulated Trading Room.</li> <li>➤ Homework assignments: Exercises and primary source documents are assigned as homework, and the solution of which are reviewed in class. Solutions should include supportive material downloaded from Bloomberg in the Simulated Trading Room.</li> <li>➤ Guest lectures</li> <li>➤ Office hours: students are encouraged to make full use of</li> </ul>

	<p>the office hours of their instructor.</p> <ul style="list-style-type: none"> <li>➤ Use of blackboard.</li> <li>➤ Daily readings of news and analysis using the Bloomberg news service.</li> </ul>				
<b>ASSESSMENT:</b>	<p><b>Summative:</b></p> <table border="1"> <tr> <td>First Assessment: Individual project (1,800 – 2,200 words)</td> <td style="text-align: center;"><b>50%</b></td> </tr> <tr> <td>Second Assessment: 2-hour, final written examination, in-class, unseen (problems/essays combination)</td> <td style="text-align: center;"><b>50%</b></td> </tr> </table> <p>The first summative assessment tests Learning Outcomes 1 and 4. The second summative assessment tests Learning Outcomes 2 and 3.</p> <p>Students are required to resit failed assessments in this module.</p>	First Assessment: Individual project (1,800 – 2,200 words)	<b>50%</b>	Second Assessment: 2-hour, final written examination, in-class, unseen (problems/essays combination)	<b>50%</b>
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<b>INDICATIVE READING:</b>	<p><b>REQUIRED READING:</b></p> <p>Krishna G. Palepu, Paul M. Healy, &amp; Erik Peek. Cengage Learning EMEA, 20160411.</p> <p><b>RECOMMENDED READING:</b></p> <p>Tim Koller, Marc_Goedhart &amp; David_Wessels (2015). McKinsey Valuation 7E. Measuring and Managing the Value of Companies.</p> <p>Other library sources, including journal articles accessed through the library databases are recommended by the instructor throughout the semester.</p>				
<b>INDICATIVE MATERIAL:</b> <i>(e.g. audiovisual, digital material, etc.)</i>	Instructor PowerPoint Lectures uploaded on Blackboard.				
<b>COMMUNICATION REQUIREMENTS:</b>	Participation in class discussions and written work should be delivered in a professional manner, using proper English communication skills.				
<b>SOFTWARE REQUIREMENTS:</b>	Word, Excel, PowerPoint, financial platform				
<b>WWW RESOURCES:</b>	<p>Students are expected to use the internet at their own discretion to select information on the individual project. Databases available through the ACG library</p> <p>www.damodaran.com  www.naftemporiki.gr  www.icap.gr  www.finance.yahoo.com</p>				

	<a href="http://www.bloomberg.com">www.bloomberg.com</a>
<b>INDICATIVE CONTENT:</b>	<ul style="list-style-type: none"><li>• Overview of Financial Statement Analysis - Fundamental analysis.</li><li>• Financial Statement Forecasting and Value generation</li><li>• Pro forma financial statement analysis and Strategy valuation.</li><li>• Fundamental analysis and Risk valuation</li><li>• Capital Structure analysis</li><li>• WACC calculation</li><li>• Security Valuation</li><li>• Intrinsic Value per Share Estimation</li></ul>