

**City University of Hong Kong  
Course Syllabus**

**offered by Department of Accountancy  
with effect from Semester A 2015/16**

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**Part I Course Overview**

**Course Title:** Financial Reporting Analysis for Business Decisions

**Course Code:** FB5810

**Course Duration:** 1 Semester

**Credit Units:** 2

**Level:** P5

**Medium of Instruction:** English

**Medium of Assessment:** English

**Prerequisites:**  
*(Course Code and Title)* Nil

**Precursors:**  
*(Course Code and Title)* Nil

**Equivalent Courses:**  
*(Course Code and Title)* AC5803 Financial Statement Analysis;  
AC5815 Financial Reporting and Analysis; and  
AC5870 Accounting Issues for the Global Manager

**Exclusive Courses:**  
*(Course Code and Title)* FB5803 Financial Reporting and Analysis for Decision Making

## Part II Course Details

### 1. Abstract

This course aims to develop managers' ability to:

1. interact with accountants and finance professionals with regard to the accounting craft;
2. appreciate the process of financial statement preparation and analysis;
3. assess the accountant's professional judgement from both the functional and ethical perspective that impact on the determination of profitability and financial situation of a business entity;
4. measure and evaluate risk of business entities;
5. apply financial and accounting tools in making business decisions within the legal, professional and ethical framework.

### 2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

No.	CILOs	Weighting (if applicable)	Discovery-enriched curriculum related learning outcomes (please tick where appropriate)		
			A1	A2	A3
1.	Demonstrate and explain the conceptual and practical aspects including the functional perspective of financial reporting and the ethical issues thereof.		✓	✓	
2.	Apply the value concepts in assessing the value of individual assets and a corporation as a whole		✓	✓	
3.	Analyze and interpret financial statements using analytic techniques with a consideration of risk elements.		✓	✓	
4.	Perform distress analysis to pinpoint risks of possible corporate failures.		✓	✓	
5.	Demonstrate the use of tools and models in making sound economic decisions		✓	✓	
6	Communicate effectively both individually and in group.		✓	✓	
		100%			

A1: Attitude

*Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.*

A2: Ability

*Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to self-life problems.*

A3: Accomplishments

*Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.*

### 3. Teaching and Learning Activities (TLAs)

(TLAs designed to facilitate students' achievement of the CILOs.)

TLA	Brief Description	CILO No.						Hours/week (if applicable)
		1	2	3	4	5	6	
Seminar class	Students will learn and interact with lecturer and other students on various knowledge, theories and practices.	✓	✓	✓	✓	✓	✓	
Live case studies <sup>#</sup>	Students will be assigned live cases to study practical tax treatments and tax planning.	✓	✓	✓	✓	✓	✓	

<sup>#</sup>DEC TLA element

### 4. Assessment Tasks/Activities (ATs)

(ATs are designed to assess how well the students achieve the CILOs.)

Assessment Tasks/Activities	CILO No.						Weighting	Remarks
	1	2	3	4	5	6		
Continuous Assessment: <b>50%</b>								
Class participation and quizzes	✓	✓	✓	✓	✓	✓	20%	
Mid-term test	✓	✓	✓	✓	✓	✓	30%	
Examination: <b>50%</b> (duration: 3 hours)								
Final examination	✓	✓	✓	✓	✓	✓	50%	
							100%	

***Students are required to pass both coursework and examination components in order to pass the course.***

## 5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

	Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Adequate (C+, C, C-)	Marginal (D)	Failure (F)
1.	Class participation and quizzes	Performance in class activities	Students have demonstrated excellent initiative and interactions in raising sensible questions and giving insightful discussion of issues and cases relating to the course topics in class.	Students have demonstrated good initiative and interactions in raising reasonable questions and joining discussion of issues and cases relating to the course topics in class.	Students have demonstrated reasonable interactions in raising questions and joining discussion of issues and cases relating to the course topics in class.	Students have demonstrated occasional interactions in joining discussion of issues and cases relating to the course topics in class.	Students randomly or rarely join discussion of issues and cases with little contribution to the course topics in class.
2.	Mid-term test	Performance in answering questions in the mid-term test	Students perform excellently in the test and provide very good answers to test questions.	Students perform well in the test and provide good answers to test questions.	Students perform reasonably well in the test and provide some good answers to test questions.	Students fairly perform in the test and provide some acceptable answers to test questions.	Students perform badly in the test and cannot provide acceptable answers to test questions.
3.	Final examination	Performance in answering questions in the final examination	Students perform excellently in the exam and provide very good answers to exam questions.	Students perform well in the exam and provide good answers to test questions.	Students perform reasonably well in the exam and provide some good answers to exam questions.	Students fairly perform in the exam and provide some acceptable answers to exam questions.	Students perform badly in the exam and cannot provide acceptable answers to exam questions.

**Part III Other Information** (more details can be provided separately in the teaching plan)

**1. Keyword Syllabus**

*(An indication of the key topics of the course.)*

Functions of Financial Reporting, Conceptual framework, agency theory, positive theory, valuation concepts, financial statement preparation, analysis and interpretation, horizontal and vertical analysis, risk analysis, investment appraisals and relevant application analysis

**2. Reading List**

**2.1 Compulsory Readings**

*(Compulsory readings can include books, book chapters, or journal/magazine articles. There are also collections of e-books, e-journals available from the CityU Library.)*

1.	Palepu, et al., Business Analysis and Valuation, latest edition, Thompson
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**2.2 Additional Readings**

*(Additional references for students to learn to expand their knowledge about the subject.)*

1.	Penman, S., Financial Statement Analysis and Security Valuation, latest edition, McGraw Hill
2.	HKICPA website, <a href="http://www.hkicpa.org.hk">www.hkicpa.org.hk</a>
3.	Hong Kong Stock Exchange website, <a href="http://www.hkex.com.hk">www.hkex.com.hk</a>