

AC5713P: CORPORATE FINANCIAL STATEMENT ANALYSIS AND STRATEGIC BUSINESS VALUATION

Effective Term

Semester A 2025/26

Part I Course Overview

Course Title

Corporate Financial Statement Analysis and Strategic Business Valuation

Subject Code

AC - Accountancy

Course Number

5713P

Academic Unit

Accountancy (AC)

College/School

College of Business (CB)

Course Duration

Non-standard Duration

Other Course Duration

Intensive mode: 6 days

Credit Units

3

Level

P5, P6 - Postgraduate Degree

Medium of Instruction

Other Languages

Other Languages for Medium of Instruction

Putonghua supplemented by English

Medium of Assessment

Chinese

Prerequisites

Nil

Precursors

Nil

Equivalent Courses

Nil

Exclusive Courses

Nil

Part II Course Details

Abstract

This course aims to facilitate students acquiring:

- Financial reporting framework in the contemporary Chinese business context;
- Ability to analyze and evaluate financial reports using relevant financial analysis tools;
- Ability to apply relevant financial analytical tools for business valuation and financial decisions.

Course Intended Learning Outcomes (CILOs)

CILOs		Weighting (if app.)	DEC-A1	DEC-A2	DEC-A3
1	Explain the theory knowledge of the regulatory and framework of financial reporting.		x	x	
2	Analyze and evaluate financial reports by using relevant financial analysis tools.		x	x	x
3	Apply relevant analytical tools in performing analysis and evaluation process for sound business decisions.		x	x	
4	Describe effectively in verbal, written and electronic formats.		x	x	

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 real-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.

Learning and Teaching Activities (LTAs)

LTAs	Brief Description	CILO No.	Hours/week (if applicable)
1	Lectures	Students will learn to illustrate and demonstrate important concepts through class lectures. The discussion shall be supplemented by examples, both hypothetical and real life situational.	1, 2, 3, 4

2	In-class learning activities	Students will participate in in-class learning activities in relation to problems designed and used for illustration purposes. Students are encouraged to solve these problems whilst lecturer will provide guidance to students in problem solving.	1, 2, 3, 4	
3	Case analyses	Students will be introduced to cases at appropriate times to provide simulated experiences for students to familiarize with practical application of the knowledge and skills acquired in the course.	1, 2, 3, 4	

Assessment Tasks / Activities (ATs)

ATs		CILO No.	Weighting (%)	Remarks ("-" for nil entry)	Allow Use of GenAI?
1	In-class Discussion and Learning Activities: Students need to participate actively in in-class activities such as case study, group discussion, and exercises designed to facilitate their understanding of knowledge taught in class.	1, 2, 3, 4	40	-	Yes

2	Individual Case Analysis Report: Students will carry out case analysis within the given case scope. Students are required to search information related to the topics from multiple information sources to discuss and exemplify the topics and create a case analysis report.	1, 2, 3, 4	60	-	Yes
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Continuous Assessment (%)

100

Assessment Rubrics (AR)**Assessment Task**

In-class Discussion and Learning Activities (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

Criterion

Ability to contribute to in-class learning activities and discussion.

Excellent

(A+, A, A-) Strong evidence of active participation in, as well as initiation of, class discussions with excellent business sense and comments.

Good

(B+, B, B-) Sufficient evidence of active participation in, as well as initiation of, class discussions with excellent business sense and comments.

Fair

(C+, C, C-) Some evidence of active participation in, as well as initiation of, class discussions with excellent business sense and comments.

Marginal

(D) Marginal evidence of active participation in class discussions.

Failure

(F) Lacking evidence of punctual attendance of lectures and active participation in class discussions.

Assessment Task

Individual Case Analysis Report (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

Criterion

Ability to evaluate corporate performance and business valuation in report writing.

Excellent

(A+, A, A-) Strong evidence of ability to analyze and evaluate corporate financial performance and business valuation with excellent report writing skills.

Good

(B+, B, B-) Sufficient evidence of ability to analyze and evaluate corporate financial performance and business valuation with good report writing skills.

Fair

(C+, C, C-) Some evidence of ability to analyze and evaluate corporate financial performance and business valuation with satisfactory report writing skills.

Marginal

(D) Marginal ability to analyze and evaluate corporate financial performance and business valuation with barely shown report writing skills.

Failure

(F) Little evidence of familiarity with the subject knowledge. Students have demonstrated little evidence of ability to discover and innovate, and showed little evidence of accomplishments of discovery.

Assessment Task

In-class Discussion and Learning Activities (for students admitted from Semester A 2022/23 to Summer Term 2024)

Criterion

Ability to contribute to in-class learning activities and discussion.

Excellent

(A+, A, A-) Strong evidence of active participation in, as well as initiation of, class discussions with excellent business sense and comments.

Good

(B+, B) Some evidence of active participation in, as well as initiation of, class discussions with excellent business sense and comments.

Marginal

(B-, C+, C) Marginal evidence of active participation in class discussions.

Failure

(F) Lacking evidence of punctual attendance of lectures and active participation in class discussions.

Assessment Task

Individual Case Analysis Report (for students admitted from Semester A 2022/23 to Summer Term 2024)

Criterion

Ability to evaluate corporate performance and business valuation in report writing.

Excellent

(A+, A, A-) Strong evidence of ability to analyze and evaluate corporate financial performance and business valuation with excellent report writing skills.

Good

(B+, B) Some evidence of ability to analyze and evaluate corporate financial performance and business valuation with satisfactory report writing skills.

Marginal

(B-, C+, C) Marginal ability to analyze and evaluate corporate financial performance and business valuation with barely shown report writing skills.

Failure

(F) Little evidence of familiarity with the subject knowledge. Students have demonstrated little evidence of ability to discover and innovate, and showed little evidence of accomplishments of discovery.

Part III Other Information

Keyword Syllabus

Financial Reporting Functions; Regulatory Framework; Value Judgement; Ratio Analysis; Investment Analysis; Business Valuation Process; Risk and Distress Analysis

Reading List

Compulsory Readings

Title	
1	K.G. Palepu, V.L. Bernard, P.M. Healy and E. Peek, Business Analysis and Valuation: IFRS Edition (Latest Edition), CENGAGE Learning EMEA
2	R. Lundholm and R. Sloan, Equity Valuation & Analysis (Latest International Edition), McGraw-Hill
3	Chinese Accounting and Financial Reporting Standards – Chinese Financial Accounting Standards Board, Ministry of Finance
4	International Financial Reporting Standards – International Accounting Standard Board (IASB)

Additional Readings

Title	
1	Canvas site of the course
2	Hong Kong Stock Exchange www.hkex.org.hk
3	Euronext: https://europeanequities.nyx.com/en
4	London Stock Exchange: http://www.londonstockexchange.com
5	Securities and Exchange Commission: http://www.sec.gov/
6	Hong Kong Accounting Standards www.hkicpa.org.hk
7	International Accounting Standards Board (IASB): http://www.ifrs.org
8	Company Law, the People's Republic of China