

SYLLABUS

FI403E_0101_26

Financial Analysis

ACADEMIC AREA :	FINANCE AND GEOPOLITICS
PROGRAMME :	MASTER IF / PGE / UGTC LEVEL 4 PGE
PERIOD :	SPRING
COORDINATOR :	Mr. Hichem REZGUI
INSTRUCTOR(S) :	Mr. Hichem REZGUI
CONTACT HOURS :	24.0 hours
STUDY TIME :	95 hours (Class preparation, homework and assessments)
CREDITS :	4.0 ECTS
AOL :	NO

PRE-REQUISITE MODULES :

The students should have basics in financial accounting (financial statements, depreciation, inventory ...) and financial analysis (basic ratios to analyze profitability, liquidity, and solvency).

MODULE DESCRIPTION :

This module provides the necessary tools to understand different aspects of a company's financial features (performance, risk) as part of a strategic analysis to make important decisions related to investments and financing. We aim to understand the mechanisms of phenomena that impact the company's performance (operational leverage, debt leverage, etc.). We will attempt to go beyond a basic analysis to highlight the issues that a financial analyst may encounter (e.g., earnings management).

CONTRIBUTION TO PROGRAMME LEARNING OBJECTIVES :

- Leverage the economic, ecological, social performance of the firm and its operations to Change Business models #ChangeBusiness

MODULE INTENDED LEARNING OUTCOMES (ILOs) :

Upon successful completion of the module, the student will be able to: 1. Understand the need for Financial Analysis and the role of a Financial Analyst in independently assessing the financial health of a firm 2. Use various financial analysis techniques to understand different aspects of a company's financial health (Profitability, solvency, efficiency, liquidity) 3. Use a Cost-Volume-Profit analysis to make relevant decisions inside firms 4. Understand the structure of the debt and its effect on the financial performance. 5. Understand the significance and importance of financial reporting quality

TOPICS COVERED :

Financial Statements - Income Statement, Balance Sheet, Cash Flows Statement Basics of Financial Analysis - commonly used techniques (Liquidity Analysis, Solvency Analysis, Profitability Analysis) The Cost-Volume-Profit analysis The operational leverage Structure of the debt The debt leverage The quality of financial accounting Earning management

RESEARCH-LED TEACHING :

Recent academic articles are used especially in the following topics ; Quality of accounting, structure of debt.

CSR AND SUSTAINABLE DEVELOPMENT GOALS :

By studying the importance of evaluating accounting quality, students learn to identify practices that undermine the transparency of financial information and disrupt the proper functioning of markets, such as earnings management. These practices have been at the root of major financial scandals, including Enron

CSR NB HOURS :

3

SUSTAINABLE DEVELOPMENT GOALS COVERED :

- 12 - Responsible consumption and production

TEACHING METHODS :

The teaching pedagogy comprises a mix of in-class lectures, reading material and slides posted on Moodle, and corresponding chapters of the prescribed text-book.

In the last session of the course, students will be required to discuss and present in groups, their findings in relation to a case-study provided to them at the start of the course.

METHODS OF ASSESSMENT :

Continuous/Final	Group/Individual	Assessment	Weight	Duration	ILOs assessed
Continuous	Individual	Quiz	20%	1 Heure	1-2-3
Continuous	Group	Participation or task completion	20%	3 Heures	All
Final	Individual	Final written exam	60%	3 Heures	All

Assessment 2 details:

This evaluation will take place during the last session and will be divided into two phases:

The first part (1h30): Topics related to current financial events will be assigned to groups, who will work on them.

The second part (1h30): The groups will present their topics using a PowerPoint presentation.

The test is designed to assess the groups' ability to analyze quickly (as the topic is revealed on the same day) and to demonstrate their organizational skills in effectively structuring and presenting their work within a limited timeframe.

Example of topics ; By studying the annual reports, explain the financial difficulties of firm X

ACADEMIC INTEGRITY :

Academic misconduct encompasses various behaviors or actions that violate the principles of academic integrity, fairness, and honesty, thereby undermining the credibility of academic work, assessments, or research. Examples of academic misconduct include:

- Cheating
- Plagiarism
- Fabrication
- Gaining an unfair advantage
- Assisting others in committing academic misconduct, such as by utilizing generative AI
- Falsification of records or official documents
- Unauthorized access to restricted information or data
- Unauthorized or unethical use of generative AIS

Academic misconduct is a serious offense and can result in consequences such as module failure, research project failure, or even expulsion from the school. To prevent unintentional academic misconduct, it is essential to consult with your instructor to understand the specific rules and instructions pertaining to the use of AI in learning and assessment.

For more comprehensive information on academic integrity rules, principles, and disciplinary procedures, please refer to the Academic Integrity section of the Student Handbook.

BIBLIOGRAPHY :

-> Gibson C.H. (2013). Financial Statement Analysis. (13th edn). Cengage Learning.
-->International Financial Statement Analysis, Set (CFA Institute Investment Series) 4th Edition
by CFA Institute. Ebook [<https://urls.fr/9D9iYu>]

Additional Reading

-> Vernimmen P. (Latest Edition). Corporate Finance: Theory and Practice, John Wiley & Sons. [eBook available].
-> Brealey R.A., Myers S. (2016). Principles of Corporate Finance. (12th edn). Mc Graw Hill Higher Education. [eBook available].

MODULE PLAN SESSIONS :

Plan Session 01 :

1 / An introduction to financial Analysis and the first chapter: Understanding Financial statement. Exercises on the financial statements

Plan Session 02 :

2 / Basics of financial analysis (trend analysis, common size and ratio calculation)

Plan Session 03 :

3 / Using basics of financial analysis to understand firms' solvency, liquidity, and profitability: Case studies

Plan Session 04 :

4 / The Cost-Volume-Profit analysis and the operating leverage. Exercises.

Plan Session 05 :

5 / Cost and Structure of the Debt (debt leverage, the time value of money, bond valuation)

Plan Session 06 :

6 / The quality of financial reporting (1/2)

Plan Session 07 :

7 / The quality of financial reporting (2/2). Case studies
First continuous assessment concerning ILOs 1-2-3

Plan Session 08 :

8 / Last session. Second continuous assessment: Group presentation