

SCHOOL OF ACCOUNTING & COMMERCIAL LAW

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ACCY 306 FINANCIAL STATEMENT ANALYSIS

Trimester Two 2005

COURSE OUTLINE

Contact Details

Course Coordinator/Lecturer: Dr Wares Karim RH 713 Phone: 463 5233 Ext 8547
Email: Wares.Karim@vuw.ac.nz
Office Hours: Mondays: 10.00am-12.00pm
Wednesdays: 11.00am-12.00pm

Lecturers: Mr Martin Turner RH 723 Phone 463 5233 Ext 8538
Email: Martin.Turner@vuw.ac.nz
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Prof Tony van Zijl RH 606 Phone: 463 5329
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Office Hours: Tue 5.00-6.00pm and Fri 4.00-5.00pm

Administrative: Mrs Debbie Fowler RH 708 Phone: 463 5383
Email: Debbie.Fowler@vuw.ac.nz
Office Hours: Monday – Friday 9.30am-6.00pm

Class Times and Room Numbers

Wednesday 8.30am - 10.20am RH LT2
Friday 8.30am - 9.20am RH LT2

The university examination period takes place between 14 October and 5 November 2005.

Course Objectives

The course aims to facilitate understanding of the use of financial statement information for making investment decisions.

Course Content

The broad topics to be covered are:

- Analysing the financial statements
- Valuation models
- Forecasting
- Quality of financial statement information
- Risk analysis

Required Text

Financial Statement Analysis and Security Valuation, Penman, S., McGraw-Hill Irwin, New York, 2nd Edition, 2004.

Tutorials

You should sign up for tutorials using Blackboard during the first week of classes. Tutorial numbers and times to be advised. Tutorial sign-up instructions are on page 6 of this course outline.

Assessments

There will be a 2-hour term exam during the lecture time on **Wednesday 7 September**, and a registry conducted 3-hour final examination at the end of the course. The test will cover all the material presented before the mid term break. The overall grade for the course will be determined as follows:

	Weighting %
Term Exam	40
Final Exam	60

Mandatory Course Requirements

There are no mandatory course requirements (terms). However, failure to complete the assignments satisfactorily would lose you the benefit of any doubt if your final mark were close to a grade borderline, and might make it impossible to assess an aegrotat pass if you were unable to take the final examination.

Assignment Due Dates

Assignments are due by noon on Fridays. They should be placed in the ACCY 306 boxes on the mezzanine floor of Rutherford House. Please ensure that all pages are stapled, and that your name and tutorial number are clearly visible on the first page.

Communication of Additional Information

Please refer to Blackboard for all information regarding this course.

General University Policies and Statutes

Students should familiarise themselves with the University's policies and statutes, particularly those regarding assessment and course of study requirements, and formal academic grievance procedures.

Student Conduct and Staff Conduct

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps can be taken if there is a complaint. For queries about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor. This Statute is available in the Faculty Student Administration Office or on the website at: www.vuw.ac.nz/policy/StudentConduct.

The policy on Staff Conduct can be found on the VUW website at: www.vuw.ac.nz/policy/StaffConduct.

Academic Grievances

If you have any academic problems with your course you should talk to the tutor or lecturer concerned or, if you are not satisfied with the result of that meeting, see the Head of School or the Associate Dean (Students) of your Faculty. Class representatives are available to assist you with this process. If, after trying the above channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Policy which is published on the VUW website:

www.vuw.ac.nz/policy/AcademicGrievances.

Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means **no cheating**. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. Plagiarism is **prohibited** at Victoria.

The University defines plagiarism as follows:

Plagiarism is presenting someone else's work as if it were your own, whether you mean to or not.

'Someone else's work' means anything that is not your own idea, even if it is presented in your own style. It includes material from books, journals or any other printed source, the work of other students or staff, information from the Internet, software programmes and other electronic material, designs and ideas. It also includes the organization or structuring of any such material.

Plagiarism is not worth the risk.

Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct (www.vuw.ac.nz/policy/studentconduct) and may be penalized severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- suspension from class or university
- cancellation of your mark for an assessment or a fail grade for the course.

Find out more about plagiarism and how to avoid it, on the University's website at:

www.vuw.ac.nz/home/studying/plagiarism.html.

Students with Disabilities

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities an equal opportunity with all other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, then please contact the Course Coordinator as early in the course as possible. Alternatively you may wish to approach a Student Adviser from Disability Support Services to confidentially discuss your individual needs and the options and support that are available. Disability Support Services are located on Level 1, Robert Stout Building, or phoning 463-6070, email: disability@vuw.ac.nz. The name of your School's Disability Liaison Person can be obtained from the Administrative Assistant or the School Prospectus.

Student Support

Staff at Victoria want students' learning experiences at the University to be positive. If your academic progress is causing you concern, please contact the relevant Course Co-ordinator, or Associate Dean who will either help you directly or put you in contact with someone who can.

The Student Services Group is also available to provide a variety of support and services. Find out more at www.vuw.ac.nz/st_services/ or email student-services@vuw.ac.nz.

VUWSA employs two Education Coordinators who deal with academic problems and provide support, advice and advocacy services, as well as organising class representatives and faculty delegates. The Education Office is located on the ground floor, Student Union Building, phone 463 6983 or 463 6984, email education@vuwsa.org.nz.

Course Programme

<i>Week</i>	<i>Commencing</i>	<i>Topic</i>	<i>Lecturer</i>	<i>Readings</i>	<i>Tutorial</i>	<i>Assignment</i>
1	4 July	Introduction	Karim	Ch 1, 2, 3		
2	11 July	Valuation models	Karim	Ch 4, 5		1
3	18 July	Valuation models	Karim	Ch 5, 6	1	2
4	25 July	Analysis of financial statements	van Zijl	Ch 7, 8	2	3
5	1 August	Analysis of financial statements	van Zijl	Ch 9, 10	3	4
6	8 August	Profitability	van Zijl	Ch 11	4	5
Mid-trimester break						
7	29 August	Growth and sustainable earnings	Turner	Ch 12	5	
8	5 September	Value of operations	Turner	Ch 13	6	Mid Term Test
9	12 September	Forecasting and Valuation	Turner	Ch 14, 15	7	6
10	19 September	Accounting and economic value	Karim	Ch 16	8	7
11	26 September	Quality of accounting	Karim	Ch 17	9	8
12	3 October	Cost of capital and credit risk	Karim	Ch 18, 19	10	–

Tutorial Sign-up Instructions

To sign up for your ACCY 306 tutorial you need to follow the instructions below. Please note that the [Blackboard](#) login procedure has changed. To login to [Blackboard](#) you must use your Victoria University student domain (SCS) user name and password.

1. To sign up select the '**Discussion Board**' button on the left hand side of the screen.
2. Click on '**Tutorial Sign-up**', which will open a list of tutorial times. Click on the tutorial time of your choice. To register your name for this tutorial you must then click on the '**Reply**' button at the bottom of the page.
3. Place an 'x' in the **message** box which is below **subject** and click on '**submit**' at the bottom of the page. You have now registered for this tutorial. Your name should appear under the tutorial of your choice. **Please remember only 15 students per tutorial are accepted.** Count the number of names under the tutorial to ensure that there are **less than 15** names.
4. If you need to change your tutorial group, please **remove** your name from the first tutorial you signed up for. To do this, follow steps 1-3. Select '**Tutorial Sign-up**' and double click on the tutorial time beside your name. Click the '**remove**' button, followed by **OK**. You can now choose a different tutorial time by following steps 2 and 3.
5. Any student who signs up more than **once** may either be placed into their last requested tutorial or they may have their name deleted from all multiple sign ups.
6. Any student who has signed up **after** a tutorial group has been filled will be emailed by the course administrator and requested to select another tutorial group.