

Date Prepared: July 7, 2000

New Revised

Effective Date: Fall 2000

## COURSE OUTLINE

1. COURSE PREFIX and NUMBER: **ACC 217** CREDIT HOURS: 3
2. COURSE TITLE: **Analyzing Financial Statements**
3. PREREQUISITES: ACC 211, Principles of Accounting I or equivalent
4. COURSE DESCRIPTION: Explains how financial data are generated and the limitations of the data, techniques for analyzing the flow of a business's funds, and the methods for selecting and interpreting financial ratios. Highlights the conceptual framework for analysis, offers basic and advanced analytical techniques through the use of comprehensive case studies. (AIB Approved). Lecture 3 hours per week.
5. CONTENT: (Major Headings)
  - a. Fundamental Accounting Concepts and Financial Statement Introduction
  - b. Basics of Analysis, Including Liquidity Measures of Short-Term Assets, and Related Liabilities, Long-Term Debt Paying Ability and Profitability
  - c. Trend Analysis and Other Financial Information Including Working Capital, Cash Flow, and Statement of Changes in Financial Position
  - d. Financial Statement Analysis Coverage for Specialized Industries Including Banking, Transportation, Etc.
6. GENERAL COURSE OBJECTIVES:

Upon successful completion of the course, the student will be able to:

  - a. demonstrate an understanding of the need for financial analysis in business.
  - b. demonstrate the uses of financial analysis data for decision-making purposes.
  - c. define and discuss the methods used to determine ratios and other analytical means data used by a firm, which provides information regarding solvency, profitability, and stability.
  - d. demonstrate an understanding of the investment and credit concern and criteria on the part of stockholders, potential investors, and lenders.