# Syllabus

## *Course Description*

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| **Course Title** | Financial Statement Analysis |
| **Course Code** | 27354 |
| **Course Title Additional** | |
| **Scientific-Disciplinary Sector** | SECS-P/07 |
| **Language** | Italian |
| **Degree Course** | Bachelor in Economics and Management |
| **Other Degree Courses (Loaned)** | |
| **Lecturers** | dr. Fabio Ciaponi, Fabio.Ciaponi@unibz.it https://www.unibz.it/en/faculties/economics-management/academic-staff/person/40631 |
| **Teaching Assistant** | |
| **Semester** | Second semester |
| **Course Year/s** | 3 |
| **CP** | 6 |
| **Teaching Hours** | 36 |
| **Lab Hours** | - |
| **Individual Study Hours** | - |
| **Planned Office Hours** | |
| **Contents Summary** | The main objective of this course is to provide the basic knowledge to: (a) read, interpret and analyse financial statements in order to make business decisions regarding investments, credit or resource allocation; (b) compare financial statements; (c) analyse the quality of results d) understand and present the company's financial results to stakeholders. |
| **Course Topics** | The course introduces the main techniques for the critical analysis |

|  | of financial statements, aimed at assessing company performance and forecasting future results. The relationships between operational decisions, financial structure and economic results are deepened, also from a prospective perspective. Financial statement analysis is approached with a quantitative approach, integrating Excel tools, interpretative models and critical reading of accounting data.<br><br>Main topics:<br><br>Reclassification of financial statements and analysis by margins and indices<br><br>Analysis of the cash flow statement<br><br>Operating profitability and financial sustainability<br><br>Profit quality and earning management<br><br>Economic and financial forecasts<br><br>Business valuation and communication of results |
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| Keywords | Budgetary analysis<br><br>Indices and margins<br><br>Reclassification<br><br>Cash Flows<br><br>Quality of earnings<br><br>Company valuation<br><br>Financial communication<br><br>Prospective analysis<br><br>Excel tutorials |

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| Recommended Prerequisites | Prior attendance of the 'Introduction to Accounting' course and a sound knowledge of:<br><br>Financial statements and the double-entry method<br><br>Descriptive statistics and data analysis<br><br>Concepts of Excel and basic table and formula construction skills |
| Propaedeutic Courses | |
| Teaching Format | The course alternates:<br><br>Lectures with real-life examples<br><br>Analysis of case studies<br><br>Classroom exercises with spreadsheets<br><br>Individual readings and insights |
| Mandatory Attendance | Participation not compulsory, but strongly recommended |
| Specific Educational Objectives and Learning Outcomes | Area: quantitative methods for decision-making<br>knowledge of basic and intermediate level mathematical tools for understanding and analysing economic mechanisms through theoretical models and empirical applications<br>knowledge of tools for static, dynamic, and comparative analysis of data on individuals, firms and economies<br>knowledge and understanding of descriptive statistics, the fundamentals of probability theory and sample methods, standard distributions and their application to economic analysis as well as linear and non-linear regression<br>understanding of parametric estimation and hypothesis testing<br>Knowledge of computer tools necessary for reading and analysing economic data and models<br>knowledge of the structure of computer networks, their main applications and security techniques as well as techniques for data collection, presentation and analysis using appropriate software<br>knowledge of international accounting systems and the double-entry method for the recognition and measurement of business operations<br>"understanding of financial statements |

|  | "<br>"in-depth knowledge of accounting data recognition or management control<br>"<br><br>Knowledge of the analysis method for estimating present values and discount factors for estimating the cost of capital and valuation of bonds and shares<br>Knowledge of medium and long-term financial forecasting methodologies and sensitivity analysis with simulation under uncertainty to manage risks in corporate and international finance<br>knowledge and understanding of the international financial environment, multinational risk defence techniques and competitive strategies adopted by global banks<br>knowledge of the mechanisms underlying effective communication of quantitative topics in three languages: Italian, German and English<br><br>Economic field<br>knowing how to carry out an analysis of the demand for goods and services and assessing the cost structure, its role and its importance for company decisions<br>being able to critically compare the various theories of enterprise<br>to be able to conduct an analysis of the role and function of macroeconomic variables in closed economies, in the short, medium and long term<br>knowing how to carry out an analysis of the economic behaviour of public and private actors using game theory<br>being able to assess the role of governments and the need for political-economic interventions in market economies<br>being able to formulate economic policy objectives and assess their results, and to use available information to assess the appropriateness of monetary and fiscal policies with respect to macroeconomic variables<br>be able to use available information to apply and understand the fundamentals and operational implications of theories of competition and industrial policies<br>knowing how to analyse economic activity with regard to sustainability<br>be able to communicate the results of economic analyses prepared according to international professional standards in three |
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| | languages: Italian, German and English |
| | Area: quantitative methods for decision-making |
| | being able to analyse (unconstrained) optimisation problems and mathematically interpret models of social and economic dynamics to formalise economic problems by means of mathematical models, to solve such problems and to interpret the results conceptually |
| | being able to analyse economic data using descriptive statics, parametric and non-parametric methods as well as linear and non-linear regression and interpret the results |
| | knowing how to apply international accounting standards to the various contexts of business reality |
| | knowing how to derive and interpret economic information taken from the web |
| | knowing how to use computers and computer networks to analyse large quantities of data in solving complex problems and to write theses and articles |
| | knowing how to evaluate fixed-income and equity financial instruments of companies listed on stock markets through the use of spreadsheet programs |
| | knowing how to analyse financial statements by means of balance sheet ratios and communicate the results in accordance with international professional standards |
| | being able to apply the main theories on capital, foreign exchange and commodity markets to actually observed data, also in an international context |
| | knowing how to set up and carry out an empirical project using econometric software and financial or economic databases |
| | knowing how to use techniques for evaluating the performance of financial investments and understanding the price formation mechanisms of risky financial assets and spot and forward interest rates |
| | knowing how to work with basic and intermediate level mathematical tools, and basic level statistics, to study the behaviour of economic actors, from a theoretical and empirical point of view |
| | knowing how to analyse economic datasets using spreadsheets or other suitable software |
| | knowing how to use computer tools for the analysis of economies |
| | being able to communicate the results of quantitative analyses |

| | prepared according to international professional standards in three languages: Italian, German and English<br><br>Autonomy of judgement<br>carry out a critical analysis of facts and situations<br>choose the most appropriate quantitative and qualitative methods of analysis<br>find the necessary information in databases, legal sources and scientific literature<br><br>Learning ability<br>find the necessary information to keep up to date with the changing context of reference, both general and specialised |
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| Specific Educational Objectives and Learning Outcomes (additional info.) | Knowledge and understanding:<br><br>Knowledge of the main financial statement items and schedules<br><br>Knowledge of tools for static, dynamic and comparative analysis of company data<br><br>Understanding of the quality of reporting and techniques for forecasting results<br><br>Application and judgement skills:<br><br>Building worksheets for automated analysis<br><br>Assess the quality of accounting data and identify biases<br><br>Simulate alternative scenarios and estimate economic and financial impacts<br><br>Apply forecasting methods and sensitivity analysis under conditions of uncertainty<br><br>Transversal competences<br><br>Use IT tools and software for accounting and economic analysis<br><br>Effectively communicate quantitative results in Italian, German and |

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| | English<br><br>Work in teams and develop reports consistent with international professional standards |
| Assessment | Attending students:<br><br>Midterm written (30%)<br><br>Final written exam (70%)<br><br>Non-attending students<br><br>Final written examination (100%)<br><br>The exact formula will be communicated on the first day of class. |
| Evaluation Criteria | Completeness and technical correctness of the analysis<br><br>Capacity for synthesis and critical interpretation<br><br>Quality of written/oral communication<br><br>Accuracy in the use of quantitative and computer tools<br><br>Active participation (for those attending) |
| Required Readings | Slides, exercises and supplementary readings provided by the lecturer<br>Handouts and Excel templates available on OLE/Teams<br>Case studies distributed in the classroom |
| Supplementary Readings | **F. Giunta, M. Pisani**, *L'analisi di bilancio*, Apogeo - Maggioli Editore, 2016 |
| Further Information | Compulsory registration on OLE to access materials<br><br>The use of a laptop is strongly recommended<br><br>The course is held in Italian, with possible materials also in English |
| Sustainable Development | Decent work and economic growth |