

Financial Statement Analysis

Section 1

Instructor/Title	Mayumi Nakagawa, Associate Professor
Office/Building	Rm902 (Main Building)
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【Course Outline / Description】

This course focuses on understanding the mechanism of Financial Statements and the ways to analyze them by going through the financial statements issued by the globally operated corporations. At the same time, the differences between the statements prepared under the U.S. GAAP and the IFRS, and the various analysis methods are discussed.

Section 2

【Course Objectives/Goals/Learning Outcomes】

To understand how to interpret and analyze various financial statements, and how to make a decision as managers and/or investors.

Section 3

【Class Schedule/Class Environment, Literature and Materials】

Class Meeting	Date	Themes	Supplementary Information
1	9/4	Introduction to the course Accounting cycles and Business	Review the materials
2	9/5	Understanding the internationally accepted Accounting Standards 1 – USGAAP, IFRS	Understand financial statements
3	9/11	Understanding – Financial Statements: How to read the Balance Sheet 1	Review about Balance Sheets
4	9/12	Understanding – Financial Statements: How to read the Balance Sheet 2	Review about Balance Sheets
5	9/18	Understanding – Financial Statements: How to read the Income Statement 1	Review about Income Statements
6	9/19	Understanding – Financial Statements: How to read the Income Statement 2	Review about Income Statements
7	9/25	Understanding – Financial Statements: How to read the Cash Flow Statement	Review about Cash Flow Statements
8	9/26	Accounting system: Merchandising Business and Manufacturing Business	Review the materials
9	10/2	How these statements are related 1	Review the materials
10	10/3	How these statements are related 2	Review the materials

11	10/9	How these statements are related 3	Review the materials
12	10/10	Review: Financial statements and how they are related one another	Review the materials
13	10/16	Mid-term Exam	
14	10/17	Purpose of analyzing Financial Statements	Review the materials
15	10/23	How to analyze Financial Statements – various methods 1	Review the materials
16	10/24	How to analyze Financial Statements – various methods 2	Review the materials
17	10/30	How to analyze financial condition: Diagram 1	Understand and prepare the drawings
18	10/31	How to analyze financial condition: Diagram 2	Understand and prepare the drawings
		No class (11/1 ~ 11/4)	
19	11/6	How to analyze financial condition 1	Review the materials
20	11/7	How to analyze financial condition 2	Review the materials
21	11/13	Case Study 1 – the cases of financially good condition & Excess of Debt	Review the materials
22	11/14	Case Study 2 – the cases of struggling or expanding business	Review the materials
23	11/20	How to analyze financial condition: Ratio Analysis –Liquidity	Review the materials
24	11/21	How to analyze financial condition: Ratio Analysis – Profitability	Review the materials
25	11/27	How to analyze financial condition: Ratio Analysis – Activity and Leverage	Review the materials
26	11/28	Comparison between Drawing and Ratio Analysis	Review the materials
27	12/4	Case study 1	Prepare a draft of project
28	12/5	Cash study 2 & Review	Prepare a draft of project
29	12/11	Presentation	
30	12/12	Presentation	
		Final Exam (12/17~)	

● Possible changes on the schedule

【Textbooks/Reading Materials】

Materials are provided.

Section 4

【Learning Assessments/Grading Rubric】

Grading:

Final Exam 30%

Mid-term 20%

Project 30%

Homework 20%

* regarding the project, the details will explained in class.

Section 5

【Additional Information】

References:

Financial Statement Analysis by Charles H. Gibson

13th edition SOUTH-WESTERN CENGAGE Learning

Financial Statements for Non-Accounting People The Trilateral Approach by Katsunori

Jack Kunisada 2014, Bona Vita Corporation