



FIN/ACCT 403: Financial Statement Analysis

Syllabus

Spring 2025

Course Modality:

This is an online course, which will be conducted fully online, asynchronously via Canvas. For more information on using Canvas and other supported learning tools, visit the IST Service Desk [Knowledgebase](#).

Instructor Information

Instructor	Email	Office Hours
Mahtab Athari	mahtab.athari@njit.edu	Office hours can be made by appointment via email.

*I will respond to all emails/Inbox messages within 48 hours. Quizzes, assignments, and discussions will be graded weekly.

General Information

Course Description

This course offers comprehensive coverage of analysis of financial statements so that students can: a) evaluate the financial position of a firm; b) assess the firm's inherent value and the value of its securities; c) assess the firm's obligations and its ability to meet them; and d) analyze sources and uses of cash.

Prerequisites/Co-requisites

[FIN 218](#) and [FIN 315](#)

Course Learning Outcomes

By the end of the course, students will be able to:

1. Identify the framework and steps for Financial Statement Analysis and Valuation.
2. Determine the linkages between Accounting, Financial Statements, Finance, and the users of financial information.
3. Apply the principles of fundamental analysis to interpret the information financial statements communicate.
4. Explain the impact of financial accounting principles, disclosure standards, and alternative accounting practices on financial reports.
5. Assess the profitability, risk, and growth of a firm.
6. Utilize Excel spreadsheet techniques to conduct fundamental financial analysis.
7. Prepare a comprehensive written assessment of a firm.
8. Demonstrate the ability to use accounting terminology accurately and effectively in various business communication contexts.
9. Apply valuation techniques to estimate the fair value of a company's stock.
10. Communicate effectively on key concepts of financial statement analysis and business valuation.

Required Materials

Easton, P.D., M.L. McNally, G.A. Sommers, and X.J. Zhang, *Financial Statement Analysis and Valuation*, 6 Edition, Cambridge Business Publishers, 2020 [ISBN: 978-1-61853-360-9].

1. [eBook subscription](#) (\$130 for 6 months). This includes a free access code to myBusinessCourse. You can [preview the book here](#).
2. [Printed Textbook](#) (\$238 plus shipping). This includes a free access code to myBusinessCourse.

○ For this course, while we use the textbook "Financial Statement Analysis and Valuation, 6th Edition" by Easton et al., purchasing access to myBusinessCourse is not required. You have the flexibility to acquire the reading materials in a way that best suits your needs and budget, including opting for a used textbook. Ensuring you have access to the textbook's content is sufficient for our course's requirements.

○ The information, charts and images used for the lectures, assignments, quizzes and PowerPoints have been adapted from Easton, P.D., M.L. McNally, G.A. Sommers, and X.J. Zhang, *Financial Statement Analysis and Valuation*, 6 Edition, Cambridge Business Publishers, 2020

Grading Policy

[NJIT Grading Legend](#)

Final Grade Calculation

Final grades for all assignments will be based on the following percentages:

Discussions/Reflections	15%
Assignments	25%
Quizzes	30%
Projects	30%

*Policies and procedures are subject to change at the discretion of the instructor. Instructor reserves the right to substitute or add additional assignments as the course progresses.

Course Work

Discussion/Reflections: (15% of grade)

Discussions: Active participation in weekly discussion forums on Canvas is a crucial component of this course. Engaging in these discussions not only promotes an active learning environment but also deepens your understanding of the course material, contributing significantly to your overall success.

Posting Schedule and Requirements:

- **Initial Response:** You are required to post an initial response to the weekly prompt by 11:59 PM (ET) every Friday. This initial post is a critical part of the discussion and will be worth 10 points.
- **Peer Responses:** Additionally, you must respond to at least two classmates' posts for each topic. These responses should be submitted by 11:59 PM (ET) every Sunday of the same week. Each response to a classmate is valued at 2.5 points for a total of 5 points.

Remember, your contributions to the discussion forums should be thoughtful, reflective, and demonstrate a clear engagement with the course material. This is not just about sharing your thoughts, but also about interacting with and learning from your peers. Quality, not just quantity, will be the key to your success in these forums.

Reflections: In every other module, you will be given the opportunity to reflect on what you have learned so far in the course and express any challenges or questions you have.

Assignments: (25% of grade)

Each module, you will be assigned assignments designed to apply and reinforce the course concepts discussed during that week. These assignments, similar to quizzes, are intended

to not only enhance your understanding of the material but also to prepare you for the more comprehensive projects in this course.

- **Deadline:** All assignments must be submitted by 11:59 PM (ET) on Sunday of the respective week.
- **Attempts:** You will be allowed two attempts for each assignment. This is to encourage review and improvement based on your first attempt.
- **Feedback:** For assignments that are auto-graded, you will receive feedback immediately after the due date. This will help you understand areas of strength and those requiring further attention.
- **Late Submissions:** To ensure fairness and maintain the integrity of the learning process, late submissions will not be accepted. Correct answers and detailed solutions will be made available post the assignment's due date, which makes late submissions impractical.

Quizzes: (30% of grade)

To reinforce your understanding and mastery of course concepts, there will be a quiz per module throughout the duration of the course. These quizzes are designed not only to assess your grasp of the material but also to provide an opportunity for regular practice and review. The questions may include formats such as true/false, mix and match, and multiple-choice, encompassing both conceptual queries and problem-solving exercises.

- **Deadline:** Each quiz must be completed and submitted by 11:59 PM (ET) on Sunday of the corresponding week.
- **Attempts:** You will have one attempt to complete each quiz. It's important to note that quizzes cannot be saved and completed later. Once you start a quiz, you will have 60 minutes to finish it. Please manage your time accordingly.
- **Feedback:** To facilitate learning and self-assessment, correct answers will be made available after each quiz's submission deadline.
- **Late Submissions:** To ensure fairness and maintain the integrity of the learning process, late submissions will not be accepted. Correct answers and detailed solutions will be made available after the quiz's due date, rendering late submissions impractical.

Make sure that you do not have an internet connection problem before you start the quiz. I suggest running a speed test of your connection beforehand. You can do this through a [Speedtest](#). Anything above 50 Mbps should be fine, but the higher, the better. You may also run a few tests throughout the day to determine the best time for taking the quiz.

Projects: (30% of grade)

Project Structure:

This course includes two major projects that contribute significantly to your final grade. These projects are designed to apply and integrate the course concepts in practical scenarios, enhancing your learning experience.

Project 1 will be available in module 10 and Project 2 will be available in module 12. For Projects 1 and 2, you have until Sunday of Module 14 at 11:59 PM(ET) to submit your initial work.

Feedback

- ***Auto-Graded Assignments and Quizzes:*** For assignments and quizzes that are automatically graded, feedback will be provided immediately after the respective deadlines. This immediate feedback aims to help you understand your performance and areas for improvement.
- ***Projects:*** Feedback for projects will be given in a timely manner, allowing you to incorporate the suggestions and insights into your work. You will have the opportunity to revise and resubmit your project once for reconsideration of your grade. This process is designed to encourage reflective learning and continuous improvement.
- ***Delivery of Feedback:*** I will provide feedback on each project assigned using the comments feature in Canvas. This feedback will not only address your performance but also offer guidance on how to enhance your skills and understanding of the course material.

Letter to Number Grade Conversions

The table below indicates the grading scale.

A	90-100
B+	85-89
B	80-84
C+	75-79
C	70-74
D	65-69
F	0-64

For rounding purposes, any decimal .50 and above rounds up and any decimal below .49 rounds down (For example: 89.50% rounds to 90% and 89.49% rounds to 89%)

All grades will be posted to Canvas. It is your responsibility to make sure they are recorded correctly.

Exam Information and Policies

This course does not have any exams. Per the NJIT [Online Course Exam Proctoring Policy](#), this course will use authentic assessment, meaning you will be assessed and graded on your ability to deliver real-world outputs as well as your participation and feedback to other students.

Policy for Late Work

Assignments and Quizzes: Generally, no make-up opportunities will be provided for missed assignments and quizzes, as correct answers will be made available immediately after each assignment or quiz deadline. However, in exceptional cases of documented emergencies or extenuating circumstances, exceptions may be considered, subject to approval.

Discussion Assignments and Projects: Late submissions for discussion assignments and projects will incur a 5% deduction in points for each day of delay. Please note the following limits on late penalties:

- **Maximum Penalty Cap:** The late penalty will be applied up to a maximum of two weeks. Beyond this two-week period, late submissions will not be accepted, and no points will be awarded.
- **Final Submission Deadline:** All discussions, projects, and other acceptable late submissions must be submitted by the end of classes at 11:59 PM on the last day of the course. Submissions after this deadline will not be considered for grading, ensuring we can finalize the course assessments timely and fairly for everyone.

Exceptional Circumstances: If you face unforeseen emergencies or extenuating circumstances that prevent you from meeting deadlines, please contact the instructor as soon as possible to discuss potential accommodations. Documentation may be required to support such exceptions.

Academic Integrity

“Academic Integrity is the cornerstone of higher education and is central to the ideals of this course and the university. Cheating is strictly prohibited and devalues the degree that you are working on. As a member of the NJIT community, it is your responsibility to protect your educational investment by knowing and following the [NJIT academic code of integrity policy](#).”

Please note that it is my professional obligation and responsibility to report any academic misconduct to the Dean of Students Office. Any student found in violation of the code by cheating, plagiarizing or using any online software inappropriately will result in disciplinary action. This may include a failing grade of F, and/or suspension or dismissal from the university. If you have any questions about the code of Academic Integrity, please contact the Dean of Students Office at dos@njit.edu”

Netiquette

Throughout this course, always interact with your peers and instructors respectfully, as you would in a professional setting. Avoid slang and informal language that may be misinterpreted or considered inappropriate. You are expected to be an active participant, responding to discussion forum assignments in a timely manner so that your classmates have adequate time to respond to your posts. Please respect opinions, even those that differ from your own, and avoid using profanity or offensive language.

Use of Artificial Intelligence (AI) in This Course

AI tools may be used as a resource for learning and exploration in this course. However, students are not permitted to rely on AI tools to complete assignments, quizzes, projects, or other graded work. Doing so undermines the learning process and the achievement of course outcomes.

Weekly Expectations

This course includes a total of 14 modules. For each module, you are required to:

- Read the assigned materials.
- Watch the lecture and a series of review videos.
- Participate in weekly discussions, posting initial responses by Friday at 11:59 pm and engaging with at least two classmates' posts by Sunday at 11:59 pm. Please note that you will not see the posts of your peers until you have submitted your initial post.
- Complete one assignment and one quiz per module. Assignments are not timed but must be submitted by the deadline. Quizzes are timed and require completion in one sitting. You have two attempts for assignments and one for quizzes. Assignments, quizzes and reflections are due by Sunday at 11:59 pm.

Please note that in some modules, there are 'Recommended Viewing' videos. While these videos are optional, they are suggested for a more in-depth exploration of the topics. Watching these can enrich your understanding and complement the required learning materials. You are encouraged to view these in the specified modules for an enhanced learning experience.

For the assigned readings from the textbook, you will notice that the chapters are referred to as “modules”.

Course Schedule

Module	Topic	Reading/Assignment	Due Dates
1	Framework for Analysis and Valuation	Read: Module 1 (Textbook) Watch: <ul style="list-style-type: none">• Module 1 Lecture Videos• Downloading the 10K from the SEC Website• Reviews 1.4-1.7 Review: <ul style="list-style-type: none">• Module 1 PPT• Appendix 1A• SEC Website Submit: <ul style="list-style-type: none">• Module 1: Discussion• Module 1: Assignment• Module 1: Quiz	Initial Post-Fri Peer Replies-Sun Sun Jan 26 Sun Jan 26
2		Read: Module 2 (Textbook)	

Module	Topic	Reading/Assignment	Due Dates
	Review of Business Activities and Financial Statements	Watch: <ul style="list-style-type: none"> Module 2 Lecture Videos Reviews 2.2-2.5 Review: Module 2 PPT Submit: <ul style="list-style-type: none"> Module 2: Assignment Module 2: Quiz Module 2: Reflection 	Sun Feb 2 Sun Feb 2 Sun Feb 2
3	Profitability, Analysis and Interpretation	Read: Module 3 (Textbook) Watch: <ul style="list-style-type: none"> Module 3 Lecture Videos Reviews 3.1-3.6 and 3.9 Review: Module 3 PPT Submit: <ul style="list-style-type: none"> Module 3: Discussion Module 3: Assignment Module 3: Quiz 	Initial post-Fri Peer Replies-Sun Sun Feb 9 Sun Feb 9
4	Credit Risk Analysis and Interpretation	Read: Module 4 (Textbook) Watch: <ul style="list-style-type: none"> Module 4 Lecture Video Review 4.3 Review: Module 4 PPT Submit: <ul style="list-style-type: none"> Module 4: Assignment Module 4: Quiz Module 4: Reflection 	Sun Feb 16 Sun Feb 16 Sun Feb 16
5	Revenue Recognition and Operating Income	Read: Module 5 (Textbook) Watch: <ul style="list-style-type: none"> Module 5 Lecture Video Reviews 5.3, 5.5 and 5.6 Review: Module 5 PPT Submit: <ul style="list-style-type: none"> Module 5: Discussion Module 5: Assignment Module 5: Quiz 	Initial Post-Fri Peer Replies-Sun Sun Feb 23 Sun Feb 23
6		Read: Module 6 (Textbook) Watch: <ul style="list-style-type: none"> Module 6 Lecture Video Reviews 6.1-6.4 and 6.6 	

Module Topic	Reading/Assignment	Due Dates
	Assets Recognition and Operating Assets Review: Module 6 PPT Submit: <ul style="list-style-type: none"> Module 6: Assignment Module 6: Quiz Module 6: Reflection 	Sun Mar 2 Sun Mar 2 Sun Mar 2
7	Liability Recognition Read: <ul style="list-style-type: none"> Module 7 (Textbook) Appendix 7B Watch: <ul style="list-style-type: none"> Module 7 Lecture Video Reviews 7.1-7.4 and 7.6 What is Earnings Management? Understanding Earnings Management Review: <ul style="list-style-type: none"> Module 7 PPT Appendix 7A Submit: <ul style="list-style-type: none"> Module 7: Discussion Module 7: Assignment Module 7: Quiz 	Initial Post-Fri Peer Replies-Sun Sun Mar 9 Sun Mar 9
8	Equity Recognition Read: Module 8 (Textbook) Watch: <ul style="list-style-type: none"> Module 8 Lecture Video Reviews 8.1, 8.2 and 8.4 Reviews 8.5 and 8.7* Review: Module 8 PPT Submit: <ul style="list-style-type: none"> Module 8: Assignment Module 8: Quiz Module 8: Reflection 	Sun Mar 23 Sun Mar 23 Sun Mar 23
9	Analyzing Leases Read: <ul style="list-style-type: none"> Module 10 (Textbook) Appendix 10A Watch: <ul style="list-style-type: none"> Module 9 Lecture Video Review 10.1 Review 10.3* Review: Module 9 PPT	

Module Topic	Reading/Assignment	Due Dates
	Submit: <ul style="list-style-type: none"> • Module 9: Discussion • Module 9: Assignment • Module 9: Quiz 	Initial Post-Fri Peer Replies-Sun Sun Mar 30 Sun Mar 30
10	Financial Statement Forecasting Read: Module 11 (Textbook) Watch: <ul style="list-style-type: none"> • Module 10 Lecture Videos • Reviews 11.1-11.3 and 11.5-11.6 • Review 11.4* Review: <ul style="list-style-type: none"> • Module 10 PPT • Project 1- Forecasting Financial Statements Assigned Submit: <ul style="list-style-type: none"> • Module 10: Assignment • Module 10: Quiz • Module 10: Reflection 	Sun Apr 6 Sun Apr 6 Sun Apr 6
11	Cost of Capital & Valuation Basics Read: Module 12 (Textbook) Watch: <ul style="list-style-type: none"> • Module 11 Lecture Videos • Reviews 12.1-12.6 Review: Module 10 PPT Submit: <ul style="list-style-type: none"> • Module 11: Discussion- Project 1 Check-in • Module 11: Assignment • Module 11: Quiz 	Initial Post-Fri Peer Replies-Sun Sun Apr 13 Sun Apr 13
12	Cash-Flow Based Valuation Read: <ul style="list-style-type: none"> • Module 13 (Textbook) • Appendix 13A & 13B Watch: <ul style="list-style-type: none"> • Module 12 Lecture Video • Reviews 13.1-13.2 Review: <ul style="list-style-type: none"> • Module 12 PPT • Project 2- Estimating Share Value Using the DCF Model Assigned Submit: <ul style="list-style-type: none"> • Module 12 Discussion 	Initial Post-Fri

Module Topic	Reading/Assignment	Due Dates
	<ul style="list-style-type: none"> Module 12: Assignment Module 12: Quiz Module 12: Reflection 	Peer Replies-Mon Apr 21 Mon Apr 21 Mon Apr 21 Mon Apr 21
13	Final Project Revision	Submit: Module 13: Discussion- Project 2 Check in
14	Final Project Submission	Submit <ul style="list-style-type: none"> Project 1- Forecasting Financial Statements Project 2- Estimating Share Value Using the DCF Model
		Initial Post-Fri Peer Replies-Sun Apr 27 Wed May 7 Wed May 7

* 'Recommended Viewing' videos for additional insights and a more comprehensive understanding of the module's topics. These are optional but highly beneficial for enhancing your learning experience.

**The instructor reserves the right to make modifications to the course schedule if necessary. All such changes, including any additional assignments, will be communicated at least two weeks in advance via an announcement on Canvas and/or an email. Please note that changes will be limited to the scheduling and content of assignments; the final grade calculation methods as outlined in the syllabus at the start of the course will remain unchanged. It is your responsibility to stay informed of these updates.

Additional Information and Resources

Accessibility:

This course is offered through an accessible learning management system. For more information, please refer to Canvas's [Accessibility Statement](#).

Requesting Accommodations:

The Office of Accessibility Resources and Services works in partnership with administrators, faculty, and staff to provide reasonable accommodations and support services for students with disabilities who have provided their office with medical documentation to receive services.

If you are in need of accommodations due to a disability, please contact the [Office of Accessibility Resources and Services](#) to discuss your specific needs.

Resources for NJIT Online Students

NJIT is committed to student excellence. To ensure your success in this course and your program, the university offers a range of academic support centers and services. To learn more, please review the “Student Services” page in Canvas, which includes information related to technical support.