

FINANCIAL STATEMENT ANALYSIS

Winter Term 2024/2025

6 ECTS, 1st Semester

Course Type: Seminar

INSTRUCTOR

Prof. Francesco Mazzi

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WORKLOAD

Workload: 180h

Class time: 2SWS / 30h

Private Study: 150h

COURSE DESCRIPTION AND AIMS

The course begins with the basic concepts of financial statement analysis. The course covers the analysis of the main financial statements: balance sheet, income statement, and cash flow statement. Particular attention is given to how these statements relate to each other and how they can provide information about the financial health of a company. Additionally, financial statement analysis through ratio analysis is covered. The aim is to help students become advanced readers of the financial statements. The course focuses on the analysis and use of these reports, especially through specific techniques that allow comparison over time and across firms. A solid understanding of the fundamentals covered in this course enable students to master the analysis of financial statements that is generally required on the job market.

TRANSFERABLE SKILLS

Given that this is a postgraduate course, an opportunity will be provided for students to further develop personal transferable skills:

- The module will help students develop good time management and good work habits.
- Application of accounting principles to numerical problems will help develop numeracy.
- Assignment of problems will further develop analytical thinking.

COURSE MATERIALS

- Robinson, T. R. (2020). International Financial Statement Analysis. 4th Edition, Wiley.
- Lecture slides and any other materials referenced during lectures

GRADING POLICY

Final grades will be determined as follows:

- Final Essay 100%

Final essay: At the end of the module, each student will be assigned a European firm. By Monday 31st March 2025 the latest, each student will have to submit electronically a report of maximum 3,000 words (excluding appendices). The report should provide the following:

- ✓ Industry analysis and company analysis;
- ✓ Vertical and horizontal analysis;
- ✓ Ratio analysis;
- ✓ 3-years ahead forecasts;
- ✓ Report on the prior point highlighting strengths and weaknesses.

Grading guidelines: I strive to create a course that challenges students. According to the German grading system, the grade falls in a range from 1 (outstanding) to 5 (not passed). The minimum grade for passing the exam is 4, while the median grade should fall in a range between 2 and 3. Hence, not all students qualify for the highest grade possible.

CLASSES

The classes will take place to the following dates:

Day	Time	Topic/Teaching
14.01.2025 (Tuesday)	8:30 p.m – 12:00 p.m. (s.t.)	Introduction to FSA – Income Statement and Balance Sheet Analysis
14.01.2025 (Tuesday)	02:00 p.m – 5:30 p.m. (s.t.)	Tutorials
15.01.2025 (Wednesday)	8:30 p.m – 12:00 p.m. (s.t.)	Cash Flow Statement Analysis – Financial Analysis
15.01.2025 (Wednesday)	02:00 p.m – 5:30 p.m. (s.t.)	Tutorials
16.01.2025 (Thursday)	8:30 p.m – 12:00 p.m. (s.t.)	Financial Forecasting
16.01.2025 (Thursday)	02:00 p.m – 5:30 p.m. (s.t.)	Tutorials + Guidelines for the essay
From 01.02.2025 to 15.03.2025 by appointment	30 minutes	One-to-one meeting to discuss final essay