

Date Prepared: April 5, 2004

New Revised
(Check One)

COURSE OUTLINE

Effective Date: Fall 2004

1. **COURSE PREFIX NUMBER:** FIN 95 **CREDIT HOURS:** 1
2. **COURSE TITLE:** Analysis of Financial Statements
3. **PREREQUISITES:** None
4. **COURSE DESCRIPTION:** Explores the tools necessary to analyze financial statements from both a credit grantor's and investor's perspective. Course includes ratio analysis, cash flow generation measurements, liquidity, leverage profitability, and asset utilization. Lecture 1 hour per week.
5. **CONTENT:** (Major Headings)
 - a. Introduction to financial ratios: vertical and horizontal analysis, solvency and investor profitability ratios.
 - b. Analysis of cash flows and development of schedules reporting cash inflows and outflows from operating, financing and investing decisions.
 - c. Introduction to liquidity, leverage, and profitability concerns related to financial statements.
 - d. Coverage of asset utilization and management including evaluation of methods used in analysis of asset/revenue generation.
6. **GENERAL COURSE OBJECTIVES:**

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

 - a. Demonstrate competency in use of ratios as they relate to financial statement preparation and analysis.
 - b. Prepare a cash flow statement under the direct and indirect methods of cash flows.
 - c. Provide detailed knowledge and written summary of corporate financial reports including statements, attachments, memorandums, accounting practices, etc.
 - d. Be familiar with real estate financing or leasing, equipment procurement or trade credit analysis.