(a) Subject Description

ACCY324 develops knowledge and skills in the principles and techniques of analysis of accounting information contained in financial statements. The emphasis is on practical application of these skills. The subject introduces the language and concepts of financial information analysis, and examines the role of financial information analysis within a framework of overall business analysis. The course applies the techniques of financial information analysis to specific areas of business analysis that are commonly met in practice. The subject explores the varied sources of financial information used in developing financial analyses of firms. The financial information considered in this course is primarily publicly available accounting information, although other sources of information relied on in corporate financial analysis are also taken into account.

(b) General Learning Objectives

Upon completion of this subject students should have sufficient theoretical understanding and analytical skills to:
- describe and discuss the main steps in business analysis and valuation using financial statements,
- enumerate and discuss the major applications of business financial analysis
- evaluate firms on the basis of available financial information,
- assess the relevance, reliability and general quality of financial information available in given contexts,
- model and allow for the incentives underlying the supply and demand for financial information,
- comprehend the reaction of equity and debt markets to the release of particular financial information,
- model the investment decisions of equity market participants and corporate lenders, and their consequent financial information requirements,
- have knowledge of the statistical and other properties of financial statement numbers,
- explain lucidly and succinctly the basic concepts and tools of corporate financial information analysis.

(c) Prescribed text

(d) Subject Requirements and Assessment

For the purposes of determining final grades for ACCY324, student performance will be evaluated on a composite mark, determined as follows:

2 Case studies

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<thead>
<tr>
<th>Case</th>
<th>Percentage</th>
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<tr>
<td>Case 1</td>
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<tr>
<td>Case 2</td>
<td>15%</td>
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Tutorial participation 10%
Final Exam 60%

Total 100%

To be awarded a Pass or higher grade in this subject, students must attain at least 40% of the total marks assigned to the final examination. Final composite marks may be scaled.

(e) Exam

A final three hour exam will be held in this subject. The exam will include subject matter covered in lectures and/or tutorials. You should study from your class notes, supplementing this material with explanations and further example problems from the textbook as necessary. The problems which you will be asked to solve and discuss in exams will not be the same as those discussed in classes but will require application of the same concepts and techniques. The objective is to test your understanding of class material rather than mere memory.

(f) Access to Lecturer

Administrative arrangements for ACCY324 will be the responsibility of Associate Professor Michael McCrae, Room 40.323, Ph.0242 214015, Email: mccrae@uow.edu.au

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<td>0930-1030</td>
<td>20.4</td>
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<tr>
<td>Wednesday</td>
<td>0930-1030</td>
<td>38.G01</td>
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</table>

(g) Tutorial Attendance

Attendance at tutorials is a compulsory requirement of this subject.

Solutions to tutorial problems are to be submitted to tutors as required. Your tutor will provide further details on what is required.

Your participation in weekly tutorial discussions will be taken into account when awarding your mark for tutorial work (see above).

(h) Case Studies

Two case studies are required to be undertaken during the course to be submitted by the dates below.

Case study 1 1700 hrs, Thursday, 18th April
Case Study2 1700 hrs, Wednesday, 30th May

A submission box will be located outside the coordinator’s office door on these dates.
Any request for consideration must be accompanied by a medical certificate. Any case studies submitted after the due date will incur a penalty (one mark per day) which may reduce the mark to zero, unless special exemption has been granted prior to the due date.

- The case studies are to be undertaken by class members working in groups of three/four. Class members may change groups between each case study, but may not change groups for any particular case study once the group is well established. This is subject to the requirement that each class member must participate in case studies on two different areas of business analysis application as outlined in Palepu and must complete two separate cases as listed in Palepu.
- Each of the two case studies in which a class member participates must be on a separate area of business analysis application as outlined in Palepu. Any class member doing more than one case study in predominantly one area of business analysis application will only have the first study counted towards assessment.
- It is intended that groups should choose the area of business analysis application for each case study from the areas covered by lectures up until the submission date of each study.
- Groups should not use the cases which are extensively used as the basis of lectures given before the relevant submission dates.
- The final group mark for each case study becomes the mark of each individual group member.
- It is likely that each case study in Palepu will be chosen by several groups. Evidence of plagiarism between group reports either within each case study or between any of the two required case studies is viewed seriously and will result in loss of marks for all parties.

Assessment of case studies will be based on a report submitted by each group. Each group is to consider itself as a team of analysts submitting a business analysis report to a client which they will then use as a basis for action or decision making.

An integral part of the report involves each group defining the area of business analysis application which is to be the focus of the report. In other words, the group is to carefully and fully define the business analysis application area they are targeting in each case study and the particular problem areas they will address in their report to the client. It is envisaged that reports will address at least the following areas in their structure

- The area of analysis and the specific issues under investigation - assume the client who employs your group as analysts has a specific purpose or action in mind that motivates them to seek a business analysis report.
- The scope of the investigation and any limitations
- The aim of the investigation and the purposes to be achieved
- The method of analysis and details of analysis
- The results of analysis
- Interpretation of results
- Recommendations to client

Suggestions
- Include a two page executive summary with the report that summarises the purpose and scope of the investigation, limitations, method, results, interpretation and recommendations to the client.
- Most of the actual analysis should be included in well-structured appendices supporting the document with only the main calculations or results in the report. Make sure you make appropriate reference to the appendices in the report.
- Structure and plan the report carefully making use of headings and sub-headings so that the client can easily follow your report and any subsequent committee discussions with the client are facilitated.
- Include within the report evidence of wider reading about the issues and problems which may arise in the chosen area of business analysis.

**Mandatory case study presentation standards are as follows:**
1. The case study is to be typed using a computer word processing package.
2. A duplicate of the essay is not required. You must ensure, however, that you have the capacity to provide a duplicate, should this be requested. Problems with computers, software, lost disks etc will *not* be accepted as excuses.
3. The pages should be numbered.
4. At the front of the essay there must be a title page showing your name, your tutorial class, the date the essay is due and the topic as given.
5. An executive summary of not more than two pages to preface the case study.
6. There must be a margin of about 40 mm to allow for written comments.
7. All essays should include a list of references in academic form. All sourced material, including direct quotations, should be appropriately acknowledged.

Case studies will be penalised for failure to meet any of these requirements. *Students not submitting all two case studies by the due dates will, in the absence of accepted documented reasons, fail the subject.*

**(i) Supplementary Exam and Special Consideration Policy**

Refer to the University of Wollongong Calendar on supplementary exams and special consideration. Also refer to the statement of Departmental policy, copies of which are available in the Faculty of Commerce Resource Room in Building 40.

The Department wishes to emphasise that the response to requests for supplementary or special consideration will normally be to refuse a supplementary exam and assess the students on available evidence. If supplementary exams are granted they may be written or oral and they will be held under exam conditions and held in the week commencing 3 weeks after the last date of the formal examination period. Only one supplementary exam may be held per subject.

If a student requests a supplementary exam or special consideration, it is the student's responsibility to be available during the above period, in case a supplementary is granted.

The highest grade that can be assigned to the overall results of a student having done a supplementary exam will normally be a pass.

The attention of each student is drawn to the Code of Practice section in the University Calendar 2000 and particularly the section on assessment.

If special consideration is sought in relation to any of the elements of assessment (essay, computer assignments, tutorial attendance, exams), a signed request for special consideration must be submitted to the lecturer before the element is taken, or if not undertaken, then as soon after as possible. Requests must be accompanied by a medical certificate.
(j) **Plagiarism**

Candidates for the course should read the sections on examinations, plagiarism, code of practice - students, and code of practice - teaching as set out in the Calendar contained in the 'General Information' section of the General Information Calendar. As a student you must become familiar with, read and adopt the University of Wollongong Acknowledgment Practice/Plagiarism as set out in the General Information Calendar. It will be assumed that everyone in the subject has read these sections and understands their implications. Any questions about the issue should be directed to the subject coordinator within the first two weeks of the course. The cover sheets provided for handing-in of assignments also require acknowledgement of this issue.

(k) **Workload**

As an indication of the amount of time to be spent on the subject each week, the Course Rules are taken as the basis. The rules state that:

"'credit point' is the value attached to a subject as a component of a degree and, for a subject other than a research subject, each credit point has an implied workload of 28 hours over the duration of the subject.". (Calendar 2000).

This unit is worth 6 credit points.

(l) **Disability**

“If a student with a disability requires reasonable accomodation in this subject, they are strongly advised to discuss the issues early in the session with one of the following people: the Disability Liaison Officer, Faculty Disability Advisor and/or the Subject Coordinator”. For the Faculty of Commerce, please see the Sub-Dean, in room 40.337.
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<td>Case: Hawkeye Corp.</td>
<td></td>
<td>Revision</td>
</tr>
</tbody>
</table>
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1. CALL # 657.3/121.
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IMPRINT Reading [Mass.]
LIB. HAS 2043 657.3/32 <845649>
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2 > Main Lending-1st Floor 657.3/32 c.2
3 > Main Lending-1st Floor 657.3/32 *SUPPL c.2
4 > Main Lending-1st Floor 657.3/32

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TITLE Financial reporting and statement analysis : a strategic perspective / Clyde P. Stickney.
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