

<b>Module code</b>	FIN7F3	<b>Level</b>	7
<b>Module title</b>	Financial Statements Analysis & Valuation	<b>Credit value</b>	10
<b>Common/Core/Elective</b>	Core	<b>ECTS Credits</b>	5
		<b>Notional learning hours</b>	100
<b>Courses on which the module is taught</b>	MSc Finance, Investment and Wealth Management MSc Finance and Financial Technology MSc Finance and Private Equity MSc Finance and Real Estate Investment	<b>Teaching Period</b>	Autumn

## 1. Module description

This module is designed to provide you with a solid understanding of the financial accounting principles and methods used for the preparation of financial statements as well as the use of financial statements (particularly for valuation). You will have the opportunity to critically engage with reporting and accounting policies and appreciate their effect on financial statements. This will enable you to evaluate financial statements from an investment perspective. You will see accounting “come to life” as you apply it to valuation issues. This course is directed at future finance professionals and as such the main goals are M-level mastery of financial statements for company analysis/valuation purposes.

### Aims Summary:

- Critically engage with financial accounting.
- Provide the relevant technical skills on company valuation.
- Take an in-depth look at how reporting and the choice of accounting policies by firms affect the numbers in financial statements.
- Examine how investors use financial statements to analyse companies.
- Develop a high level of critical thinking when viewing company information, specifically accounting information.
- Critically examine accounting statements and consider the assumptions that are embedded in the information provided in those statements.

## 2. Learning outcomes

**Professional Development (LO3):**

Articulate a plan which encompasses opportunities for your continuing professional development in finance.

**Digital Data and Tools (LO6):**

Appraise and utilise digital tools and complex data relevant to financial analysis.

**Discipline Skills (LO8):**

Combine and employ advanced financial knowledge, techniques and tools for practical purposes within the context financial valuation.

**3. Learning and teaching methods**

Learning and teaching for this module will be achieved through interactive workshops coupled with self-guided learning. These sessions will introduce the knowledge base and provide you with a framework to guide you in your independent study to reinforce your understanding of the principles examined. The focus will be on developing your critical thinking for the subject. Case study and journal articles will focus upon a series of issues related to the topics covered. These will assist your appreciation of the general principles and issues relating to the multifaceted aspects of financial markets, which will be placed within the context of a given economy, domestically and internationally.

Learning hours	
<b>Directed learning</b>	<b>36 hours</b>
Workshops/ seminar classes	36
<b>Guided/Self-guided learning</b>	<b>64 hours</b>
<b>Total</b>	<b>100</b>

**4. Assessment, formative feedback and relative weightings****Assessment – Project)**

**Weight (%):** 100%

**Word Count or Equivalent:** 2500 words

As a financial analyst, you are required to perform a financial valuation of current and real company applying the learnt techniques and fundamentals studied during

the semester. The ultimate objective is to find out whether the selected public company is or is not correctly appreciated by market and what you, as financial analyst would recommend to potential investors. You will need to reflect on your professional delivery as a financial analyst and how this could be developed in the future.

Assessment tasks	LO3	LO6	LO8
Project	X	X	X

## 5. Indicative resources

### Required Reading

James M. Wahlen, Stephen P. Baginski, Mark Bradshaw (2022). Financial Reporting, Financial Statement Analysis and Valuation, 10th Edition Cengage (main textbook)

Thomson Reuters Eikon Platform: [www.eikon.thomsonreuters.com](http://www.eikon.thomsonreuters.com)

### Recommended Reading

Elliott B and Elliott J (2019). Financial Accounting and Reporting, 19th Edition– Pearson

Krishna G. Palepu, Paul M. Healy, Erik Peek (2022). Business Analysis and Valuation: IFRS, 6th Edition Cengage

Financial Times Videos: [www.FT.com/video](http://www.FT.com/video)