



### Course Outline

<b>Course title</b>	Financial Statements Analysis	<b>Course code</b>	Acc 417
<b>Program</b>	Bachelor in Accounting	<b>Level</b>	10
<b>Prerequisite</b>	Intermédiat Accounting 2 (Acc 324)	<b>Credit hours</b>	4

**Main learning outcomes:** At the end of this course, the student should be able to :

- Understand the nature of financial analysis and familiarity with the accepted practical Basics in this field.
- Read and understand financial reports.
- Determine the quality of financial reports.
- Understand the technical analysis , the market index and how to calculate this indicator.
- Analyze financial ratios, and analyze risks and discovering weaknesses and strengths in the performance of companies.
- Identify the indicators of financial hardship for companies.
- Know the methods of evaluating companies and determining the fair value of the stock.
- The impact of changing accounting methods and policies on the results of financial analysis.

#### Topics to be covered:

- Introduction to financial reporting analysis.
- Market Index.
- The quality of financial reports, and the impact of earnings management (changing accounting methods and policies) on financial analysis and investment decision-making.
- Vertical and horizontal analysis of the income statement and the statement of financial position.
- Analysis of Cash flow statement.
- Analysis of liquidity ratios, solvency ratios analysis, profitability ratios analysis, and efficiency ratios analysis.
- Analysis of risks.
- Evaluating companies, determining the fair value of the stock, and making investment decisions.

#### Required textbooks:

##### 1: The main reference required:

- Al-Salman, Ahmed Muhammad Suleiman, "Analysis of the Financial Statements - Introduction to How to Evaluate the Financial Performance of Companies" - Qassim University, 1437 AH.

##### 2: Additional references:

- Al-Sahli, d. Muhammad bin Sultan Al-Qabbani: Financial Analysis - An Accounting Perspective, Saudi Accounting Association, Riyadh, third edition, 1436 AH - 2015 AD.
- Reports and financial statements of Saudi joint contribution companies, and reports issued by the Saudi Capital Market Authority.
- Some bulletins and publications of the Saudi Organization for Certified Public Accountants (SOCPA).

#### Grading:

Participation	Assignment	Mid.1	Mid.2	Final exam	Total
5	5	25	25	40	100