

# **Analyzing Financial Statements (FINA6A31) University of Houston Spring 2023**

## **I. Basics**

We will meet for class on Tuesday evening from 6:00 to 9:00 in MH138. Please see “COVID-19 Related Policies” below for more information specific to the pandemic.

### **My contact information is:**

James D. Woods, Ph.D.  
713 487 8841 Office  
281 782 8219 Cell  
[woodsjd@icloud.com](mailto:woodsjd@icloud.com)

### **Virtual office hour:**

Monday, 4:30 to 5:30 via Teams

Feel free to contact me whenever necessary. During the day, please call my office. I do not have an office on campus, but can speak on the phone or arrange an in-person meeting as needed. Please use the cell phone only for matters needing immediate attention.

## **II. Textbook and Supplementary Materials**

- Easton, Peter, D., Mary Lea McAnally and Gregory A. Sommers, **Financial Statement Analysis & Valuation**, 6<sup>th</sup> edition, Cambridge Business Publishers, LLC, 2021 (ISBN 978-1-61853-360-9).
- Various articles provided by instructor.
- Access to Microsoft Excel for homework assignments.

## **III. Course Description**

My primary goal in this course is to provide you with the basic tools required to be an educated user of financial statements prepared under generally accepted accounting principles.

This course provides a structured approach to the analysis of financial statements. We will meet for seven evenings. The course format includes free-form lectures, group discussions, problem-solving and discussion of recent events related to the analysis of financial statements.

## IV. Grading and Related Policies

Grades will be based upon preparation and submission of:

- assigned homework,
- two problem sets, and
- an examination.

Your final grade will be calculated based upon the following information.

### Grading Scale:

Homework assignments	100	No late submissions accepted
Problem sets	100	No late submissions accepted
Examination	<u>125</u>	
Total	<u>325</u>	

Students earning at least 308 points will receive the grade of “A” for the course.

Students earning at least 276 points will receive at least the grade of “B” for the course.

Students earning at least 243 points will receive at least the grade of “C” for the course.

The “plus/minus” grade modifiers will be used at my discretion.

At the end of the course, I may award points to everyone in the class to adjust the overall average grade in the course and I may adjust the breakpoints between letter grades. Any decision to adjust scores will reflect the assumption that students earned 100 homework assignment points.

## V. Homework Assignments

The homework assignments will help you understand concepts, apply your knowledge, and enhance your skills. Completing assignments in a timely manner will help you keep up with the tight class schedule.

Homework assignments are an important part of your grade in this class and I encourage you to spend the time required to complete each assignment. I expect graduate level work on each assignment. I will grade the assignments primarily on effort, not accuracy. All homework assignments are to be submitted to

[UHFinStmntClass@outlook.com](mailto:UHFinStmntClass@outlook.com)

and are due at the beginning of class. I will not accept late assignments. I will use the system clock to determine if assignments are late. Please, do not submit assignments in class or to the wrong email account. Be sure to name the files you submit with enough information for me to determine who submitted them and which assignment they pertain.

## VI. Problem Sets

The problem sets provide an opportunity for you to increase your understanding of the course material. There are two types of problems on each set. The first type of problem is designed to increase your ability to use Excel and to allow you to learn financial

analysis skills by first understanding the material in the text and then applying that understanding to new data. The second type of problem is designed to deepen your understanding of the course material by working through challenging material not directly covered in the text or class.

The problem sets are opportunities for you to combine your general business knowledge with the material being covered in class. While there is a “correct” answer to each of the problems on the problem set, the main purpose of the problem sets is to develop your skills. Therefore, grades on the problem sets will be based more on effort than accuracy.

**Do not underestimate the time required to complete the problem sets.** Be sure to allow enough time to complete these tasks thoroughly. The problem sets will be posted on Blackboard during the first week of the course. Be sure to start working on the sets immediately.

## VII. Examination

The examination will contain short-answer questions and problems that are similar to the homework problems. The examination will be open book / open notes. You may bring in any material you like for the examination, but you may not perform internet searches or refer to online materials, other than the textbook, during the examination. Several questions on the examination will be focused upon determining if you can apply what you have learned to new situations.

## VIII. Excused Absence Policy

Regular class attendance, participation, and engagement in coursework are important contributors to student success. Absences may be excused as provided in the University of Houston [Graduate Excused Absence Policy](#) for reasons including: medical illness of student or close relative, death of a close family member, legal or government proceeding that a student is obligated to attend, recognized professional and educational activities where the student is presenting, and University-sponsored activity or athletic competition. Under these policies, students with excused absences will be provided with an opportunity to make up any quiz, exam or other work that contributes to the course grade or a satisfactory alternative. Please read the full policy for details regarding reasons for excused absences, the approval process, and extended absences. Additional policies address absences related to [military service](#), [religious holy days](#), [pregnancy and related conditions](#), and [disability](#).

## IX. Recording of Class

Students may *not* record all or part of class, livestream all or part of class, or make/distribute screen captures of course content. If you have or think you may have a disability such that you need to record class-related activities, please contact the [Center for Students with DisABILITIES](#). If you have an accommodation to record class-related activities, those recordings may not be shared with any other student, whether in this course or not, or with any other person or on any other platform. Classes may be recorded by the instructor. Students may use instructor’s recordings for their own studying and notetaking. Instructor’s recordings are not authorized to be shared with *anyone* without the prior written approval of the instructor. Failure to comply with

requirements regarding recordings will result in a disciplinary referral to the Dean of Students Office and may result in disciplinary action. All recordings and other items posted on Microsoft Stream and Blackboard will be removed shortly before issuance of the final examination.

## X. Syllabus Changes

I may need to make modifications to the course syllabus and may do so at any time. Notice of such changes will be announced as quickly as possible through the email address students supply after the first day of class and on my Blackboard site.

## XI. Resources for Online Learning

The University of Houston is committed to student success, and provides information to optimize the online learning experience through our [Power-On](#) website. Please visit this website for a comprehensive set of resources, tools, and tips including: obtaining access to the internet, AccessUH, and Blackboard; requesting a laptop through the Laptop Loaner Program; using your smartphone as a webcam; and downloading Microsoft Office 365 at no cost. For questions or assistance contact [UHOnline@uh.edu](mailto:UHOnline@uh.edu).

## XII. Honor Code Statement

Students will be asked to sign an honor code statement as part of their submission of any graded work including but not limited to projects, quizzes, and exams:

*"I understand and agree to abide by the provisions in the [University of Houston Graduate Academic Honesty Policy](#). I understand that academic honesty is taken very seriously and, in the cases of violations, penalties may include suspension or expulsion from the University of Houston."*

Most textbook publishers provide answer guides for the questions provided in the textbooks. For this course, many of the assigned problems are drawn from questions in textbooks where the publisher has expressly stated the answer guides are for instructors' use only. **Students' use of an answer guide is a violation of the Honor Code and I will refer any evidence of such use consistent with the *Graduate Academic Honesty Policy*.**

## XIII. COVID-19 Related Policies

### Required Daily Health Self-Assessment

Your presence in class each session means that you have completed a daily self-assessment of your health/exposure and you:

- Are NOT exhibiting any [Coronavirus Symptoms](#);
- Have NOT tested positive for COVID-19; and
- Have NOT knowingly been exposed to someone with COVID-19 or suspected/presumed COVID-19.

If you are experiencing any COVID-19 symptoms that are not clearly related to a pre-existing medical condition, do not come to class. Please see [COVID-19](#)

[Diagnosis/Symptoms Protocols](#) for what to do if you experience symptoms and [Potential Exposure to Coronavirus](#) for what to do if you have potentially been exposed to COVID-19. Consult the (select: [Undergraduate Excused Absence Policy](#) or [Graduate Excused Absence Policy](#)) for information regarding excused absences due to medical reasons.