

DESCRIPTION OF STUDY COURSE

Course unit title	Financial Analysis	
Programme	Bachelor International Finance	
Year of study	2	
Level of course unit (e.g. first, second or third cycle)	First, Bachelor's study	
Course unit code	BFa026	
Name of lecturer(s)	Tatjana Mavrenko	
Credit points	2 CP, Latvian credit points are multiplied by 1,5 to get ECTS	
Number of ECTS allocated	3 ECTS	
Language of instruction	English	
Type of course unit (compulsory, optional)	compulsory	
Semester when the course unit is delivered	3	
Mode of delivery	face-to-face	
Aim of Course	To provide students with practical skills and knowledge about modern methods of financial analysis of company's operation and financial condition.	
Preliminary knowledge (prerequisites and co-requisites)	Financial Accounting I, Mathematics, Microeconomics, Macroeconomics	
Course contents	<ol style="list-style-type: none"> 1. Financial analysis and its role in financial management. 2. Financial reports as a source of financial analysis; financial position, profit or loss account, cash flow statement and its appendix. 3. Financial analysis methods and ways of application. 4. Horizontal and vertical analysis of financial accounts. 5. Guidelines for financial ratios' analysis. 6. Liquidity analysis; working capital. 7. Business activity analysis. 8. Company's capital assessment and analysis. 9. Profitability analysis. 10. Cash flow ratios analysis 11. Company's valuation ratios 12. Company's risk analysis 13. Company's investment projects analysis 14. Analysis of company's financial sources and their costs. 	
Planned learning activities and teaching methods	Student attends lectures, participates in seminars, fulfils practical works, writes final exam. Final grade consists of: active in-class participation 20%, 40% practical works, 40% written final exam.	
	Teaching methods	Student work load (1 CP = 40 hours of student work)

	Lectures	15%			
	Practical works	15%			
	Case studies	10%			
	Independent work preparation	10%			
	Work at the library, independent studies	50%			
		Total 80 hours			
Study outcomes of the course unit	<ol style="list-style-type: none"> 1. Competence to assess information about organization, factors impacting financial situation in organization; read financial reports; apply different methods of company financial analysis. 2. Competence to interpret the results of financial analysis, identify problems, prepare information and suggestions in accordance with the needs of the target audience. 3. Competence to identify and assess business and financial risks of organization; develop and ensure suggestions for risks' minimization. 4. Competence to assess results of investment projects. 				
Assessment methods and criteria	Study outcomes	1.	2.	3.	4.
	The form of assessment	1.	2.	3.	4.
	Practical in-class room	●	●	●	●
	Analysis of case study	●	●	●	●
	Independent written work	●	●	●	●
	Written examination	●	●	●	●
Recommended or required reading	<p>Required literature:</p> <ol style="list-style-type: none"> 1. CFA Level 1 Book 3: Financial Reporting and Analysis, Kaplan Inc, 2018. <p>Recommended literature:</p> <ol style="list-style-type: none"> 1. Needles, B.E., Crosson, S.V., Powers, M., Financial and Managerial Accounting Principles, South-Western Cengage Learning, 2014. 2. Palepu, K.G., Healy, P.M., Peek, E., Business Analysis and Valuation, IFRS edition, Cengage Learning, 2013. 3. Revsine, L., Collins, D.W., Johnson, W.B., Financial Reporting and Analysis, Pearson Prentice Hall, 2017. 4. Stolowy, H., Lebas, M.J., Ding, Y., Financial Accounting and Reporting: a Global Perspective, Cengage Learning, 2017. 5. GAAP. 6. IFRS. 7. LGS. 				
Recommended optional programme components	To be agreed at the start of the course				