



INTRODUCTION

- **Course Description:** The objective of this course is to prepare students to read interpret and analyze financial statements Specifically, we will use ratio analysis and other techniques to understand company liquidity, solvency and profitability, and to use this understanding to compare companies for valuation purposes.
- **Type of Course:** Optional
- **ECTS:** 3
- **Course and Semester:** 2 - Second Semester
- **Language:** English
- **Title:** Advanced Financial Statements Analysis
- **From 6/03/2027 to 24/04/2027**
 - **Schedule:** Fridays from 12:00-14:00
 - **Room:** 07 (Amigos)
 - **Schedule:** Fridays from 15:30-17:30
 - **Room:** 13 (Amigos)

LEARNING OUTCOMES (Competencies)

- CEOP19: Gain an in-depth understanding of the techniques used to draft financial statements and interpret them
- CEOP20: Understand important aspects of the regulation as it applies accounting and finance and understand its implications
- CEOP21: Master advanced concepts in auditing
- CEOP22: Know about and manage advanced tools and techniques to value financial assets
- CEOP23: Gain an in-depth knowledge of the workings of financial markets

PROGRAM

Topic 1: Analytical tools and techniques

- Ratios
- Common-Size Analysis
- The Use of Graphs as an Analytical Tool
- Regression Analysis
- Limitations of ratios

Topic 2: Common ratios used in Financial Analysis

- Activity Ratios
- Liquidity Ratios
- Solvency Ratios
- Differences between liquidity and solvency



Topic 3: Profitability and value creation analysis

- Analysis of long-live assets
- Return on assets (ROA)
- Return on equity (ROE) and equity analysis
- Analysis of debt
- Return on debt
- Financial Leverage
- Ratios in credit analysis
- Indicators of earnings quality
- Evaluating the earnings quality of a company

Topic 4: Analysis of Financial Statements for different sectors

- For comercial companies
- For industrial companies
- For service companies
- For financial institutions

EDUCATIONAL ACTIVITIES

I. CLASSROOM TEACHING ACTIVITIES

1. Lectures

Lectures are given by the professor on the themes indicated in the syllabus with the help of the blackboard, power point presentations, videos . The professor will post on ADI the power point presentation, the notes for each topic and some recommendations for further reading.

2. Seminars (Required)

They include:

- Lectures by experts in wealth management, financial management,...
- Oral presentations by the students on topics proposed by the professor. Class will be divided into groups. Each group will prepare an oral presentation in which each student will talk for 7-10 min. At the end of the presentation the students will have to answer questions.

3. One-to-one tutorials

Each student may have personal interviews with the professor to help him/her with personal study and learning.

4. Evaluation

Exams to assess the successful accomplishment of the objectives

II.PERSONAL WORK

Students must understand themes covered early in the course to be able to comprehend information presented later in the course, and will have to be able to integrate material learnt throughout the course. Therefore, it is important that they do not fall behind and try to set aside regular times outside of class to work on the course material on a daily basis.



Universidad de Navarra

1. Students must read the assigned reading for a subject before the lecture covering that topic. Being familiar with topics beforehand will allow students to get the most out of the lecture.
2. Students should conduct personal study using the professor's notes, notes taken in lectures and recommended books if needed.
3. Students have to prepare oral presentations in English.

Credits/hours distribution of the activities. 3 ECTS= 75 h (25 h/ECTS)

1. Lectures 0.8 ECTS 20 h (26.7 %)
2. Seminars 0.24 ECTS 6 h (8.0 %)
3. Evaluation 0.16 ECTS 4 h (5.33 %)

Total classroom activities 1.2 ECTS 30 h (40 %)

4. On-to-one tutorials 0.04 ECTS 1 h (1.3 %)
5. Personal work 1.76 ECTS 44 h (58.7 %)

Total 3 ECTS 75 h

The students will use the following databases:

- Marketline
- ORBIS
- SABI

ASSESSMENT

Class participation: **30%**

Class participation will be assessed in quality and quantity

Capstone Project: **70%**

Any attempt to cheat will be severely penalized.

Criteria to pass the course

Students whose final grade is 5 points or more will pass the course.

Students whose final grade is below 5 points will not pass the course and will be graded as *Suspense*.

Students who do not take the final exam will not pass the course and will be graded as *No presentado*.



Universidad de Navarra

Extraordinary Exam

The extraordinary exam will weight **70%**, the other 30% will be class participation.

Exams review

Students will be able to review the exams in an interview with the professor, after publication of the grades, in a day and place that will be indicated.

Special assessment

For those who do not pass the course or did not take the final exam (grades *Suspense* or *No presentado*) there will be an extraordinary exam.

Students with special learning needs

- Accommodation will be provided for students with special learning needs, either regarding the methodology and/or evaluation of the course, but they will be expected to fulfill all course objectives.

OFFICE HOURS

- Send email macasares@unav.es to arrange office hours

BIBLIOGRAPHY

- Financial Statement Analysis and corporate Issuers. CFA Institute
- Financial Statement Analysis, 11th Edition. McGraw-Hill [Find it in the library.](#)