



American University of Ras Al Khaimah

AURAK Syllabus

Course & Instructor Information

Course Title: Financial Analysis, Forecasting, and Valuation

Course Code: FNAN 303

Credit Hours: 3.0

Methods of Instruction *(See Syllabus Guide for additional information that should be added here):*

Face-to-face

Prerequisite course(s) and/or co-requisite courses, if applicable:

ACCT 204

Faculty Name: Baliira Kalyebara

Contact Information and Office Hours:

Building H, Office No. H324; email: baliira.kalyebara@aurak.ac.ae; Office Hours: 10:00 am to 1:30 PM (M/W), 2:00 -4:30 PM (T/Th) or by appointment

Course Description:

This course teaches students a range of techniques for examining, analyzing and interpreting financial statements, and applying the information for both forecasting and making operational or a strategic financial decisions that maximize a firm's value. The course aims at providing comprehensive understanding of the role of financial statements play and their impact on financial decision-making. Topics covered in this course include financial statement analysis, analysis of risk and return, development of financial models, financial forecasting and firm valuation.

Additional Information about the course:

This course will be delivered as **two 75-minutes sessions** per week with emphasis on analysis, forecasting and valuation of financial statements and their application in financing and investment decision making. All the information and resources required to learn this course including PowerPoint lecture slides, practice questions and

answers, and other supplementary reading materials will be posted on the Blackboard. It is expected that students will spend at least ten hours per week studying this Course (including the three hours of lectures on campus). This time should be made up of reading, doing research, and working on exercises. In periods where you need to prepare for tests, the workload may be greater than usual.

Course Textbooks and Materials:

- Easton, P. D., McAnally, M. L., Sommers, M. A., and Zhang, X. (2021). Financial Statements Analysis and Valuation, 6th Ed., Cambridge Business Publishers.

Other Resources:

Supplementary books:

- Wahlen, Baginski & Bradshaw, (2018). Financial Reporting, Financial Statement Analysis and Valuation: A Strategic Perspective, 9th Edition.
- Hussein Al Tamimi and Al Anood Kalli (2009) Financial Literacy and Investment Decision of UAE Investors, Journal of Risk Finance, 10 (5) 500-516.
- Rashid Sbia & Salel Alrousan (2016) Does financial development induce economic growth in UAE? The role of capitalization and foreign direct investment, International Journal of Economics and Financial Issues, 6 (2) 703-710.
- Bakr Al Ganrh, Ku Nor Ku, Ismail Tanveer Ahsan (2020) Investment opportunities, corporate governance quality and firm performance in the UAE, Journal of Accounting in emerging economics, 10 (2) 261-276.

Web Resources:

- Arabian Business <https://www.arabianbusiness.com/gcc/uae>
- Dubai Financial Markets <https://www.dfm.ae/>
- Abu Dhabi Securities Exchange <https://www.adx.ae/English/Pages/default.aspx>

Course Learning Outcomes (CLOs)

Course Learning Outcomes At the end of this course, students should be able to:	
CLO 1	Understand the basic concepts of financial forecasting, valuation and forecasting and apply them to real life financial decision making.
CLO 2	Comprehend the techniques that financial managers use to value equity securities and apply them to real world financial decision-making.
CLO 3	Use the various valuation techniques that financial managers often utilize in determining the intrinsic value of the firm.
CLO 4	Analyze, explain and evaluate the role of the information in financial statements in financial decision-making.
CLO 5	Develop a comprehensive Excel spreadsheet that incorporates data collection, analysis, forecasting, and valuation using the concepts and tools taught in this course.

Program Learning Outcomes (PLOs) and Mapping Course to Program Outcomes

Please see the APPENDIX for the Course to Program Learning Outcomes Mapping.

Assessment Activities

The dates for quizzes, exams, and submission of assignments are specified in the schedule. You will be graded in this class based on the number of points you earn for quizzes, exams written assignments, or other activities, including your class participation. Keep track of your scores in Blackboard.

Assessment Activities and Grading Weight	Quiz 25%	Mid Term Exam 25%	Assignment 25%	Final Exam 25%
CLO 1	X	X	X	X
CLO 2	X	X	X	X
CLO 3		X	X	X
CLO 4			X	X
CLO 5				X
Instructor Feedback on Assessments	Instructor will be providing sufficient timely written (or recorded) feedback on student work within 1 to 2 weeks of completion of this assessment to enable students to improve their knowledge, skills, and abilities.		Instructor will be providing sufficient timely written (or recorded) feedback on student work within 72 hours on completion of this assessment to enable students to improve their knowledge, skills, and abilities	Instructor will be providing sufficient timely written (or recorded) feedback on student work within 48 hours of completion of this assessment to enable students to improve their knowledge, skills, and abilities

To ensure higher standards of academic integrity, the assignment will be submitted through Blackboard. The SafeAssign will be used to assess the originality of students' submissions. The quiz, midterm, and final exam will be closed book exams, and they will be conducted face-to-face in the classroom.

Quiz 25%: The quiz will include chapters covered in the first 4 weeks of the semester. It will comprise twenty (25) Multiple Choice Questions (MCQ) of one (1) mark each. The exam aims at assessing students' conceptual, quantitative and analytical skills.

Midterm 25%: The midterm exam will include chapters covered through the first half of the course. It will comprise of five questions worth 25 marks. The exam aims to assess students' conceptual, quantitative, and analytical skills.

Assignment 25%: The assignment will include topics covered up to week nine in the semester. It aims to assess students' critical and analytical skills.

Final Exam 25%: The final exam will cover all topics in the course. It aims to assess students' conceptual understanding, computation, interpretation, and forecasting skills. The exam will include five questions that focus on both quantitative and conceptual issues.

Assessment Rubrics:

The assessment instruments with the key answer, marking scheme/ assessment rubric will be included for all assessment instruments for this course in the Course File and uploaded on the Course File Component of the IDAP system.

Grading Scale

The grading system and scale for AURAK, as established by the Board of Trustees, is as follows:

AURAK Grading System and Scale		
Grade	Percentage Scores	Grade Points
A	95-100	4.00
A-	90-94	3.70
B+	86-89	3.30
B	83-85	3.00
B-	80-82	2.70
C+	76-79	2.30
C	73-75	2.00
C-	70-72	1.70
D+	66-69	1.30
D	60-65	1.00
F	0-59	0.00

An "S" grade reflects satisfactory, or passing, work in a course (i.e., equivalent to grade of C or higher for graduate students). A "U" grade reflects unsatisfactory, or failing, work in a course. S/U will have no effect on the GPA.

Weekly Course Information

Schedule of Course Topics, Required Reading, and Assignments and Assessments (Including scheduling of laboratory, studio, external visit, and other non-classroom meeting sessions, as appropriate)				
Week	Topic	Required Readings and in-class activities	Assignment, Assessment (with grade weighting) & Due Date	Mapping of CLSLO's to Assessments
1	Framework for Analysis and Valuation	Easton et al. (2021), Chap. 1		1
2	Review of Business activities and Financial Statements Part I	Easton et al. (2021), Chap. 2		1, 2
3	Review of Business activities and Financial Statements Part II	Easton et al. (2021), Chap. 2		2
4	Profitability Analysis and Interpretation	Easton et al. (2021), Chap. 3		3
	Quiz		Quiz 25%	1, 2
5	Credit risk Analysis and Interpretation	Easton et al. (2021), Chap. 4		3, 5
6	Forecasting Financial Statements Part I	Easton et al. (2021), Chap. 11		2, 3
7	Forecasting Financial Statements Part II	Easton et al. (2021), Chap. 11		2, 3
8	Midterm Exam	All readings to date	Mid-term 25%	1, 2, 3
9	Cost of Capital and Valuation Basics Part I	Easton et al. (2021), Chap. 12		3, 4
10	Cost of Capital and Valuation Basics Part II	Easton et al. (2021), Chap. 12	Assignment 25%	1, 2, 3, 4

11	Cash-flow-based valuation (Cont'd)	Easton et al. (2021), Chap. 13		1, 2, 3
12	Operating-income-based valuation	Easton et al. (2021), Chap. 14		3, 4
13	Market-based valuation: Part I	Easton et al. (2021), Chap. 15		3, 4, 5
14	Market-based valuation: Part II	Easton et al. (2021), Chap. 15		3, 4, 5
15	Market-based valuation: Part II	Easton et al. (2021), Chap. 15		3, 4, 5
16	Final Exam		Final Exam 25%	2,3

Based on previous semester recommendations, an in-class activity and a take home assignment to determine and analyze the intrinsic value of a company using the discounted cash flow method and their implication in real world financial decisions will be given to students to ensure that CLO 2 & CLO 3 are met in the future. In addition, end of chapter practice questions and in-class case study discussion will be used to improve the knowledge of students on the applications of different types of valuation models applicable in real life financial decisions.

Attendance Policy

Regular student attendance and class participation are essential for students to meet course expectations and to succeed in their studies. The following are benefits associated with attending classes:

- Opportunity to participate in active learning
- Opportunity to demonstrate preparation for class
- Opportunity to engage with the faculty member teaching the course, classmates, and the course material

The following are requirements of the university's attendance policy:

- Students must provide a satisfactory reason for being absent from class, to the course instructor, in advance of missing a class.

- Students must observe protocols for online course attendance (e.g., having camera turned on).
- Students must arrive on time for class and must not depart early from the class. Persistent late arrival at, or early departure from, class meetings may result in being counted as absent from class.

If students fail to attend 20% of the scheduled classes for the semester the following will be the consequence:

- Students will receive a notice that they have been withdrawn from the course, receiving a grade of either W or F (or U).
- W if the 20% absence is reached prior to the deadline for withdrawing from a course with a grade of W.
- F (or U) if the 20% absence is reached after the deadline for withdrawing from a course with a grade of W.

Accommodations for Students of Determination

Students of determination may find they require additional support, services, or considerations. AURAK will endeavor to support students of determination of those with special needs where resources are available. Accommodations will be provided, for students with verified needs, allowing equal access to educational facilities, programs, services, and activities at AURAK. Accommodations are never applied retroactively – only students who have previously requested and have been approved for supporting accommodations can have them apply to a given academic semester/course. Students needing support must make the request from the Office of Support Services located in Building D.

Other Relevant Policies

A. Academic Integrity

The Honor Code

The American University of Ras Al Khaimah strongly supports the concept of academic integrity and expects students and all other members of the AURAK community to be honest in all academic endeavors. The AURAK Honor Code can be found in the AURAK Student Handbook.

The role of the Honor Code and associated Academic Integrity Policy is to protect the academic integrity of the university, encourage consistent ethical behavior among students, and foster a climate of honorable academic achievement. The Honor Code is an integral part of university life and students are responsible, therefore, for understanding and abiding by the code's provisions. While a student's commitment to honesty and personal integrity is assumed and expected, this Code and associated policy and procedures provides clarity of expectations.

Expectations

Cheating, plagiarism, and all other forms of academic fraud are unacceptable; they are serious violations of university policy. AURAK expects all students to be familiar with university policies on academic integrity. The university will not accept a claim of ignorance – either of the policy itself or of what constitutes academic fraud – as a valid defense against such a charge.

Violations of Academic Integrity

Violations of academic integrity constitute academic fraud. Academic fraud consists of any actions that serves to undermine the integrity of the academic process or that gives the student an unfair advantage, including:

- Inspecting, duplicating or distributing test materials without authorization.
- Cheating, attempting to cheat, or assisting others to cheat – relevant here is the prohibition on being in possession of a mobile telephone or similar electronic device during a test or examination. In case such devices are found with a student, the student will be deemed to have attempted to cheat and will be subject to disciplinary action under the Student Academic Integrity Policy.
- Altering work after it has been submitted for a grade.
- Plagiarizing.
- Using or attempting to use anything that constitutes unauthorized assistance. **PLEASE NOTE:** Faculty members may prohibit the use of generative AI, including though not limited to, generative AI such as Open AI ChatGPT and Canva, in completing assignments. When such prohibitions have been communicated by

the faculty member, incorporating information from such sources into your assignment submission will be treated as a serious violation of academic integrity expectations.

- Fabricating, falsifying, distorting, or inventing any information, documentation, or citation.

Plagiarism

One of the most common violations of academic integrity is plagiarism. Plagiarism can be intentional or unintentional. However, since each student is responsible for knowing what constitutes plagiarism, unintentional plagiarism is as unacceptable as intentional plagiarism and thus will bring the same penalties.

Plagiarism – submitting the work of others as one's own - is a serious offense. This includes submitting work obtained from AI writers such as Open AI Chat GPT, as well as other forms of generative AI. In the academic world, plagiarism is theft. Information from sources – whether quoted, paraphrased, or summarized – must be given credit through specific citations. When a student paraphrases a work, it is still necessary to cite the original source, even when the information has been provided by generative AI writers and/or sources. Merely rearranging a sentence or changing a few words is not sufficient. The citation style should be appropriate for the discipline and should clearly indicate the beginning and ending of the referenced material. All sources used in the preparation of an academic paper must also be listed with full bibliographic details at the end of the paper, as appropriate in the discipline. **PLEASE NOTE:** Faculty members may prohibit the use of generative AI in completing assignments. When such prohibitions have been communicated by the faculty member, incorporating information from such sources into your assignment submission will be treated as a serious violation of academic integrity expectations.

While plagiarism detection software can assist identifying plagiarism, there is no “percentage of matching content” threshold for determining that content in a written assignment has been plagiarized. Indeed, the presentation of a single striking phrase originally written by another without attribution to the original source can constitute plagiarism, even though the percentage of matching content found by plagiarism-checking software might be very small.

Faculty and Student Expectations

- Every student, faculty member, and administrator is responsible for upholding the highest standards of academic integrity. Every member of the AURAK community shall honor the spirit of this policy by refusing to tolerate academic fraud.
- It is the responsibility of the instructor to provide students with additional guidelines for what constitutes “authorized” and “unauthorized” assistance.

- It is the responsibility of every student to see clarification if in doubt about what constitutes ‘authorized’ and ‘unauthorized’ assistance. In cases involving collaborative work, all students within the collaborative group may be help responsible for violating the code if any member of the group receives, accepts, or utilizes "unauthorized" assistance.
- Students are required to obtain permission prior to submitting work, any part of which was previously or will be submitted in another course. The instructor has the option of accepting, rejecting, or requiring modification of the content of previously or simultaneously submitted work.

A student who suspects that a violation of academic integrity has occurred should report the violation to the dean or to the Office of the Provost. In this report, the student should describe any action taken, such as talking with the person involved or with a faculty or staff member. Every effort will be made to preserve the anonymity of the student reporting the incident;

Possible penalties for academic fraud include: Formal warning, Reduction in grade for the assignment, Reduction in the grade for the course, A failing grade for the assignment, A failing grade (F) in the course, and/or Dismissal or Expulsion from the University.

Please refer to the relevant section in the *Student Handbook* and ensure a clear understanding of the provisions of the University Honor Code and the Student Academic Integrity Policy.

B. Concerns about grades or other course matters.

Students are responsible for their learning experiences. If you are concerned about a class matter, first discuss it with the instructor. If the matter is not resolved, the next step is to meet with the Chair of the department in which the course is taught. If you still have a concern, meet with the Dean of the school in which the course is taught. The matter is likely to be resolved before it reaches that point, but if it is not, then visit the Associate Provost for Academic Affairs. Students who decide to “jump to the top” will be referred “back” to the appropriate next step.

C. Assignments

University policy is that assignments are due on the date indicated when the assignment is made. Instructors may refuse to accept late assignments or lower the grade that would be otherwise given.

D. Mobile Phones

All mobile phones and other communication devices should be turned off before entering the classroom. Students may NOT have mobile telephone or other electronic devices in their possession while completing examinations. Any violation will be deemed as having attempted to cheat.

E. Diversity and the Use of English

English is the common language of the AURAK campus for everyone. It is the only language to be used in the classroom. AURAK brings together students and faculty from diverse cultural and linguistic backgrounds, which is one of the strengths of the university. This diversity provides an opportunity to share our different experiences and enlarge our understanding of the world.

APPENDIX

Program Learning Outcomes (PLOs) : BS IN BUSINESS ADMINISTRATION

Program Learning Outcomes At the completion of the program, students should be able to:	
PLO 1	PLO1: Critically expand on the basic principles of economics, accounting, finance, management, information systems, marketing and operations in the context of a global economy.
PLO 2	PLO2: Apply concepts and theories of ethics and social responsibility to practical business dilemmas, recognizing the implications of management decisions for the interests of key internal and external stakeholders.
PLO 3	PLO3: Demonstrate competency in presentation and writing skills using the latest business communication tools.
PLO 4	PLO4: Effectively work in teams and take the lead in team initiatives.
PLO 5	PLO5: Engage in critical self-analysis and professional reflection about potential roles in a business context.
PLO 6	PLO6: Evaluate business situations and critique managerial decisions, using financial statements, statistical tools, and other appropriate methods to organize, analyze and present data.
PLO 7	FMLO 1: Assess the salience to specific decision scenarios of the structures and regulatory frameworks encompassing financial institutions and markets.
PLO 8	FMLO 2: Evaluate, aggregate and synthesize knowledge relating to financial operations from diverse sources for the benefit of the organization.
PLO 9	FMLO 3: Formulate and craft effective solutions to finance-related business problems, based on sound application of underlying financial principles.

Mapping Course to Program Learning Outcomes : BS IN BUSINESS ADMINISTRATION

The learning outcomes of this course contribute to meeting one or more of the program learning outcomes as shown below, with the contribution designated as “high”, “medium”, or “low”:									
	PLO 1	PLO 2	PLO 3	PLO 4	PLO 5	PLO 6	PLO 7	PLO 8	PLO 9
CLO 1	high			medium			high		
CLO 2	high			medium			high		
CLO 3		high			medium			medium	

CLO 4		<i>high</i>				<i>medium</i>		<i>medium</i>	<i>medium</i>
CLO 5			<i>high</i>			<i>medium</i>			<i>medium</i>