



EFFECTUS
University of Applied
Sciences

DESCRIPTION OF THE COURSE

GENERAL INFORMATION		
Course Holder	Doc.dr.sc. Aljoša Šestanović	
The name of the college	Financial Statements Analysis	
Study program	Professional Graduate Study of Business Management - MBA	
Status of the College	Mandatory	
Year	Year 1	
Point value and method of teaching	ECTS coefficient of student workload	8
	Number of hours (P+V+S)	28+28+0

DESCRIPTION OF THE COURSE
1.1. <i>Objectives of the course</i>
Students are expected to develop: a) General competencies <ul style="list-style-type: none">• The development of professional integrity• independent decision-making in the field of financial statement analysis• Recognizing the importance of linking financial statements with the quality of financial management b) Specific competencies <ul style="list-style-type: none">• application of appropriate techniques for the analysis of financial statements• interpretation of calculated financial indicators• making judgments about the financial position and business success of the company
1.2. <i>Requirements for enrolment in the course</i>



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1.3. *Expected learning outcomes for the course*

Students should be able to:

- 1. Explain the role and meaning of financial statement analysis for different groups of users.**
- 2. Interpret the elements of each individual financial statement**
- 3. To valorize the role of accounting policies in the valuation of financial statement positions.**
- 4. Apply a variety of analytical tools and techniques in the analysis process**
- 5. Interpret different groups of indicators of financial statement analysis.**
- 6. Assess the condition of the analyzed company and diagnose potential problems.**

1.4. *Course content*

Purpose and objective of the analysis of financial statements

- The concept, goal and meaning of the analysis of financial statements
- Users of Financial Statements and Their Motives for Analyzing Financial Statements
- Application of Financial Statement Analysis in Practice - Examples in Current Practice

The Role of Accounting Policies and Estimates in the Analysis of Financial Statements

- Concept, Meaning and Examples of Accounting Policies
- The Impact of Accounting Policies on the Quality of Financial Statements
- The Role and Impact of Accounting Estimates on the Analysis of Financial Statements

Taxonomy of methods of analysis of financial statements

- Taxonomy of methods of analysis of financial statements
- Groups of methods of analysis of financial statements - possible approaches

Vertical and horizontal analysis of financial statements

- The concept of vertical and horizontal analysis of financial statements - reasons
- Application of vertical and horizontal analysis of financial statements on examples

Preparation for the 1st intermediate exam

Analysis of financial statements using financial indicators

<ul style="list-style-type: none"> • Groups of financial indicators - classifications • Profitability, cost-effectiveness and coverage of interest and principal payments • Liquidity and indebtedness indicators • Activity and profitability indicators <p>Application of the DuPont Analysis Technique in the Analysis of Financial Statements</p> <ul style="list-style-type: none"> • Introduction to DuPont Analysis - Meaning and Elements • The DuPont Analysis is an Example <p>Application of synthesized (aggregated) indicators in the analysis of financial statements</p> <ul style="list-style-type: none"> • Aggregate Indicators in the Analysis of Financial Statements - Role in Practice • Z-Score indicator - elements and calculation example • Kralicek indicator - elements and calculation example • BEX - elements and calculation example <p>Preparation for the 2nd intermediate exam</p>		
<p>1.5. <i>Types of teaching (put X)</i></p>	<input checked="" type="checkbox"/> lectures <input type="checkbox"/> seminars and workshops <input checked="" type="checkbox"/> exercises <input type="checkbox"/> Distance education <input type="checkbox"/> Field Teaching	<input checked="" type="checkbox"/> Independent tasks <input type="checkbox"/> Multimedia & Network <input type="checkbox"/> laboratory <input type="checkbox"/> Mentoring work <input type="checkbox"/> Other
<p>1.6. <i>Student obligations</i></p>		
<p><i>The obligations of students are prescribed in detail by the Statute, Study Regulations, and Student Obligations Guidelines. The key obligations of students are:</i></p> <p>ATTENDANCE AT CLASSES: <i>students are obliged to attend classes, actively follow lectures and exercises, and participate constructively in classes, and in order to acquire the right to take the exam, it is necessary to attend classes in the percentages prescribed by the Study Regulations. For each student, their presence in class is recorded through the Infoeduka digital office system. The minimum obligations are;</i></p> <ul style="list-style-type: none"> • <i>Full-time students must attend at least 70% of the total number of classes to be eligible to sign.</i> 		



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- *Part-time students need to attend at least 50% of the total number of classes to be eligible to sign.*

PASSING EXAMS: in order to achieve a positive grade in the subject, it is necessary to achieve at least 54 points in the subject, but also at least 50% of points for each learning outcome. The method of taking the exam is described in more detail in the item Assessment and evaluation of students' work during classes and at the final exam.

**FINAL EXAM – a student who has not met the conditions for passing the exam during the continuous examination of knowledge (has achieved a total of at least 54 points in the course and has met the lower point threshold of adoption of each learning outcome, i.e. a minimum of 50% of the points of each learning outcome), may take the learning outcomes of the course at the final exam.*

WRITTEN EXAM: *the student is obliged to take a written exam that verifies the acquisition of theoretical knowledge and practical application of techniques for the analysis of financial statements.*

**CONTINUOUS EXAMINATION: In order to make students progress more efficiently in class, continuous examinations of knowledge (2 intermediate exams) are carried out. In this way, students acquire smaller teaching units and master the subject material more easily.*

1.7. Student Work Tracking (Add X to the appropriate tracking format)

Attending classes	x	Teaching activity		Seminar paper		Experimental work	
Written exam	x	Oral exam		Essay		Research	
Project		Continuous Knowledge Assessment		Report		Practical work	
Portfolio							

1.8. Assessment and evaluation of students' work during classes and at the final exam

Evaluation and evaluation of students' work during classes and at the final exam is carried out on the basis of the Regulations on Studying of the EFFECTUS University of Applied Sciences.

Allocation of points according to the forms of student work monitoring



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	Attending classes	Written exam	Project	Practical work	Altogether
I1		16			16
I2		16			16
I3		16			16
I4		16			16
I5		16			16
I6		16			16
OUT OF OUTCOME	4				4
ALTOGETHER	4	96	0	0	100



<i>Linking learning outcomes, teaching methods and knowledge assessment methods:</i>				
FORMS OF TRACKING	NAME OF LEARNING OUTCOMES	TEACHING METHOD	KNOWLEDGE ASSESSMENT METHOD	Maximum number of points
<i>Written exam</i>	<i>OUTCOME 1 Explain the role and meaning of the analysis of financial statements for different groups of users</i>	<i>lecture</i>	<i>Participation in a written assessment with questions of various types that include conceptual questions and calculation tasks with interpretations</i>	<i>48</i>
		<i>Asking questions</i>		
		<i>discussion</i>		
	<i>OUTCOME 2 Interpret the elements of each individual financial statement</i>	<i>lecture</i>		
		<i>discussion</i>		
		<i>Open Questions</i>		
<i>OUTCOME 3 Valorize the role of accounting policies in the valuation of financial statement positions</i>	<i>lecture</i>			
	<i>discussion</i>			
<i>Written exam</i>	<i>OUTCOME 4 Apply a variety of analytical tools and techniques in the analysis process</i>	<i>Guided training</i>		<i>48</i>
		<i>Rehearsal and feedback</i>		



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	<i>OUTCOME 5</i> <i>Interpret different groups of indicators of financial statement analysis.</i>	<i>lecture</i>	<i>Participation in a written examination of knowledge with questions of various types, which includes the application of financial statement analysis techniques</i>	
		<i>discussion</i>		
		<i>Open Questions</i>		
	<i>OUTCOME 6</i> <i>Assess the condition of the analyzed company and diagnose potential problems</i>	<i>lecture</i>		
		<i>Guided training</i>		
<i>Attending classes</i>	<i>All outcomes</i>	<i>Lectures and exercises</i>	<i>Attendance records</i>	<i>4</i>
<i>TOTAL POINTS</i>				<i>100</i>



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<i>Type of student workload</i>	<i>Student Load Hours</i>	<i>ECTS credits</i>
Attending contact classes	56	1,87
Field Trips/Visits Outside the College	0	0
Independent study/research	30	1,0
Out-of-classroom preparation and preparation of seminars/presentations	0	0
Work on an out-of-classroom project assignment	0	0
Independent preparation for exams and exam time	139	3,63
Consultation activities	15	0,5
Other	0	0
TOTAL ECTS credits	240	8

RATING:

In order to achieve a positive grade in the course, the student must cumulatively meet two conditions: achieve a total of at least 54 (fifty-four) points in the course and meet the lower point threshold for the adoption of each individual learning outcome, which is 50% of the total points of the learning outcomes.



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Grades are calculated based on the following distribution of points:

<i>SCORE</i>	<i>RATING</i>
<i>0,00 – 53,90</i>	<i>Insufficient (1)</i>
<i>54,00 – 64,90</i>	<i>Sufficient (2)</i>
<i>65,00 – 79,90</i>	<i>Good (3)</i>
<i>80,00 – 89,90</i>	<i>Very good (4)</i>
<i>90.00 and more</i>	<i>Excellent (5)</i>

Grading is carried out in a transparent manner by collecting points. The course is evaluated with 100.00 points (with the possibility of achieving an additional 8 points on the Challenge learning outcome).

CHALLENGE LEARNING OUTCOME - the student has the opportunity to earn an additional maximum of 8 points through the Challenge learning outcome; The student independently chooses one of the activities proposed in the first lesson, and has the opportunity to independently propose an activity with which he wants to increase the number of points and, with the consent of the course holder, achieves them according to the criteria of the course. Points for the Challenge learning outcome are not distributed according to the learning outcomes, but the number achieved makes an additional number of points to the total number of points achieved according to the learning outcomes.

Before taking the final written exam, each student must meet the prescribed conditions, which primarily means that they have attended the % of classes determined by the Study Regulations and that they have received an electronically encrypted permission to take the exam.



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1.9. Required reading and number of copies in relation to the number of students currently attending classes in the course		
Title	Number of copies	Number of students
1. Žager, K. et al., <i>Analysis of Financial Statements, RIF, 2017 (or later edition)</i>	5* *students receive compulsory literature in permanent ownership	60
1.10. Supplementary literature		
1. Internal materials (presentations)		
2. Examples of financial statements (Register of GFIs, FINA)		
1.11. Means of quality monitoring that ensure the acquisition of output knowledge, skills and competences		
<ul style="list-style-type: none">• analysis of exam results, achieved results, level of understanding and knowledge during exercises, practical tasks and group work,• conducting a survey among students,• The evaluation of the teacher,• achieved results and level of knowledge presented during the preparation and defense of the final thesis (students who choose a graduate thesis in this course),• analysis of the Quality Centre's reports and• Feedback from students who have already graduated and their employers on the usefulness of the content of this course in the performance of the work they do.		