



ACCG350

Financial Statement Analysis

MQC3 Day 2014

Dept of Accounting & Corporate Governance

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Disclaimer

Macquarie University has taken all reasonable measures to ensure the information in this publication is accurate and up-to-date. However, the information may change or become out-dated as a result of change in University policies, procedures or rules. The University reserves the right to make changes to any information in this publication without notice. Users of this publication are advised to check the website version of this publication [or the relevant faculty or department] before acting on any information in this publication.

General Information

Unit convenor and teaching staff

Unit Convener

Charles Koh

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Contact via charles.koh@mqc.edu.au

MQC

Moderator

Charlene Chen

Credit points

3

Prerequisites

39cp including (ACCG253(P) or ACCG252(P) or AFIN252(P) or AFIN253(P))

Corequisites

Co-badged status

Unit description

This unit aims to equip students to undertake financial analysis and valuation of listed companies. Students are taught the steps in financial analysis: examining the state of the economy, the industry and the company on a descriptive level, analysing the company's accounting policies, evaluating its financial position using financial ratios and other analytical tools, forecasting the company's financial statements, and finally using a variety of techniques to value the company on the basis of the preceding steps so that an investment decision can be made. In this unit students develop graduate capabilities in a range of areas, including: analytical skills in information management and analysis; problem-solving skills in sourcing and identifying relevant information and interpreting output; and communication skills through the presentation of group reports. This unit is relevant for students interested in careers in areas such as investments, portfolio management, financial and business analysis, and auditing.

Important Academic Dates

Information about important academic dates including deadlines for withdrawing from units are available at <https://www.mq.edu.au/study/calendar-of-dates>

Learning Outcomes

On successful completion of this unit, you will be able to:

Apply the fundamentals and principles: basic relations in financial accounting, spreadsheet usage, discounting, equity valuation, cost of capital and the Efficient Market Hypothesis.

Analyse the macroeconomic, industry and firm-specific factors that constitute the context in which financial statements are produced and interpreted.

Assess the extent to which the analyst can rely on financial statements, and related firm-initiated disclosures, for the purpose of financial statement analysis and valuation.

Interpret key ratios and indicators to enable evaluation of a listed company's profitability, efficiency, leverage and liquidity, using data in statutory format and re-cast financial statements.

Forecast the re-cast versions of the three principal financial statements, for each year up to the forecasting horizon, for listed companies. Students need to argue and substantiate their forecast assumptions and approach to estimating forecast parameters.

Perform equity- and asset-based valuations of a listed company. Most of the valuation approaches involve discounting forecasts of future expected flows. Students need to investigate the sensitivity of their valuations to changes in the key input parameters.

Assessment Tasks

Name	Weighting	Due
<u>Assessed Coursework</u>	10%	Ongoing
<u>In- Class Tests</u>	10%	Weeks 4 and 11
<u>Major Assignment</u>	20%	Tuesday 3 February, 2015
<u>Final Examination</u>	60%	Final Examination Period

Assessed Coursework

Due: **Ongoing**

Weighting: **10%**

Tutorial Assignments

During the session, **four** of your weekly tutorial assignments will be collected for the purpose of assessing your ongoing effort in the unit. Advance notice will NOT be given that a particular tutorial assignment is to be collected. You should note that it is only possible for you to submit your tutorial assignment in the tutorial in which you are enrolled and to which the tutorial assignment relates.

For each of these **four** tutorial assignments, **2.5 marks** will be awarded for a satisfactory attempt. Where the student has made a moderate attempt of the tutorial questions, **1 mark** will be awarded. **0 marks** will be awarded for a non-satisfactory attempt or a non-submission. The tutorial assignments will be marked for effort, rather than correctness.

Extensions

Not applicable. The only exception will be where you were prevented from attending the tutorial through illness or misadventure and at the next tutorial you present to your tutor adequate documentation (such as a medical certificate, or copy of the police report where you were involved in a motor vehicle accident) indicating that you were medically unfit or otherwise unable to attend the missed tutorial. Where you do this, your tutor will do another random collection of tutorial assignment for grading. Where at your next tutorial you fail to present such documentary evidence you will forfeit the marks allocated to the tutorial assignment.

On successful completion you will be able to:

- Analyse the macroeconomic, industry and firm-specific factors that constitute the context in which financial statements are produced and interpreted.
- Assess the extent to which the analyst can rely on financial statements, and related firm-initiated disclosures, for the purpose of financial statement analysis and valuation.
- Interpret key ratios and indicators to enable evaluation of a listed company's profitability, efficiency, leverage and liquidity, using data in statutory format and re-cast financial statements.
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- Perform equity- and asset-based valuations of a listed company. Most of the valuation approaches involve discounting forecasts of future expected flows. Students need to investigate the sensitivity of their valuations to changes in the key input parameters.

In- Class Tests

Due: **Weeks 4 and 11**

Weighting: **10%**

Nature and Content of the Tests

In-class tests will be distributed in tutorial classes in Week 4 and 11 for the purpose of providing you with feedback on your progress in the unit. Each test is worth five percent of the total assessment.

The test in Week 4 will be of 30 minutes' duration. The test will be revisionary, covering the four aforementioned topics from 200-level finance units. Past experience has shown that students tend to neglect revising 200-level finance. They tend to forget that this action should be an integral part of their study program, even though the material is assumed knowledge and hence not the focus of lectures and tutorials.

The second test will be of one-hour's duration. The test will be quantitative, requiring students to forecast financial statements for a hypothetical company, using data and assumptions provided. The purpose of the test is to help students become familiar with basic principles and approaches for forecasting. Prior experience suggest that students do forecasts and valuations poorly.

Questions in both tests are closed book, and answered under examination conditions. You will receive feedback from your tutor in the following weeks. Further details about the tests will be announced in due course on the unit iLearn website.

Extensions

You must sit for the tests in your assigned tutorial. If your Application for Disruption to Studies is approved, you will be required to sit a supplementatry in-class test.

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Major Assignment

Due: **Tuesday 3 February, 2015**

Weighting: **20%**

The major assignment is a sell-side report for a listed Australian company. The assignment is to be completed in syndicate groups of three or four students. The students take the viewpoint of sell-side analysts. The markers of the major assignment take the viewpoint of shareholders educated in accounting and finance but not necessarily intimately familiar with the company subject to analysis. Detailed information will be released on iLearn. There are two components to this assessment task: the presentations and the report.

Presentations

During the tutorials in Weeks 8 and 9, students will deliver presentations of work-in-progress on their major assignments. The presentations are worth 5% of the total assignment. The presentations will be on the strategic and business analysis, accounting analysis and financial analysis. There are two principal purposes of the presentation. The first purpose is to enable students to obtain feedback, on their work to date, from the tutor and their fellow students. The second purpose is to discipline the students to work of the major assignment.

Each presentation should last for 12 – 15 minutes. All members of the group are required to contribute. After each presentation, there will be a short group discussion, to provide the presenters with feedback. It would be a practical impossibility to adequately cover all aspects of the aforementioned topics during the time allocated. Hence, each group should select up to four issues for which they would most like feedback. Their presentation should focus on these issues. Students are welcome to use visual aids.

The presentations will be marked out of 20. The marking criteria for the presentations are as follows: explanation of the issues for which the group would like feedback (10 marks), presentation and communication skills (4 marks), structure (4 marks) and timing (2 marks). Marking templates will be provided on iLearn.

Extensions Not applicable. No extensions will be granted.

Reports

Each group is required to submit a report of their sell-side analysis. The report for the major assignment is worth 15% of the total assessment. The reports are to be submitted, via Turnitin, in iLearn, by dead line specified in the iLearn. The report should canvass all stages of sell-side analysis covered during the semester: strategic and business analysis, accounting analysis, financial analysis, forecasts, valuations and recommendation. The report is to be approximately 20 – 25 double-lined spacing pages in length, excluding references and appendices. The reports will be marked out of 100. Further details will be provided on iLearn.

Extensions Extensions will not be granted, without prior consultation with the Unit Convener.

Penalties

- A report that exceeds 25 pages will be penalised.
- A deduction of 25% of the total assignment mark will be imposed each day for late submission. This penalty does not apply for cases in which an application for Disruption to Studies is

made and approved.

Students who do not submit the group assignment will be awarded a mark of 0.

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Final Examination

Due: **Final Examination Period**

Weighting: **60%**

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

The Macquarie University examination policy details the principles and conduct of examinations at the University. The policy is available at: <http://www.mq.edu.au/policy/docs/examination/policy.html>. The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Disruption to Studies. The University's policy on Disruption to Studies is available at http://www.businessandconomics.mq.edu.au/current_students/undergraduate/how_do_i_disruption_to_studies

If a Supplementary Examination is granted as a result of the Disruption to Studies process, the examination will be scheduled as per the Supplementary Examination timetable of the Faculty. Please note that the supplementary examination will be of the similar format as the final examination.

Examination conditions

- Closed book
- Non-programmable calculators with no text-retrieval capacity are permitted.
- No dictionaries permitted
- The duration of the examination will be three hours plus 10 minutes reading time

On successful completion you will be able to:

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Delivery and Resources

Classes

There are 3 hours of face-to-face teaching per week consisting of one 1.5 hour lecture and one 1.5 hour tutorial. It is a requirement that students attend both lectures and tutorials.

The timetable for classes can be found on the University web site at: <http://student.mq.edu.au/>

Consultation Times

The consultation timetable will be posted on the unit iLearn webpage at the beginning of the session.

You are encouraged to seek help at a time that is convenient to you from a staff member teaching on this unit during their regular consultation hours. In special circumstances, an appointment may be made outside regular consultation hours.

Students experiencing significant difficulties with any topic in the unit must seek assistance immediately.

Required Texts

Palepu, Healy, and Peek, Business Analysis and Valuation, IFRS Edition, Text and Cases, 3rd Edition, Cengage Learning, 2013.

The prescribed textbook can be purchased from the Macquarie University Co-op Bookshop. Copies are also available in the Macquarie University Library.

Technology Used and Required

During lectures, the WWW, PowerPoint and Microsoft Excel will be used to facilitate delivery. Students are expected to be proficient at locating publicly available information on the WWW. Proficiency at using Microsoft Excel is assumed. Students should also be au fait with a Windows-based word processor, such as Microsoft Office Word.

Unit Web Page

Course material is available on the learning management system (iLearn).

The web page for this unit can be found at: <https://ilearn.mq.edu.au/> from where you need to login to iLearn.

Learning and Teaching Activities

Each weekly lecture and the accompanying lecture notes provide a broad outline of the unit material for that week.

Students are required to attempt the tutorial assignment in advance of each week's tutorial. The tutorials are forums for small-group learning, in which material and concepts from the lectures, textbook and readings are discussed.

The group assignment for this unit requires students to also apply theories and techniques to a current Australian company, in groups of three or four. Students will form groups within the first three weeks of the semester, and will work on the group assignment throughout the semester in those groups, facilitating their learning in a practical way.

A unique feature of the unit is that much of the delivery (from the lectures, textbook, case studies and tutorials) is directed at the major assignment, in addition to the final examination. It would be impossible to effectively teach a unit on Financial Statement Analysis without a group assignment of this nature.

Students are expected to remain abreast of the financial news and developments in the Australian corporate sector.

Unit Schedule

Week	Commencing	Lecture Topic	Reading (from Palepu et al. (2013) unless otherwise advised)	Assessment Tasks
1	10 Nov	Introduction for Business Analysis and Valuation	Chapter 1	
2	17 Nov	Strategic and Business Analysis	Chapter 2	
3	24 Nov	Accounting Analysis	Chapters 3 and 4	
4	1 Dec	Financial Analysis	Chapter 5	In-Class Test 1
5	8 Dec	Financial Analysis [CONT'D] Review of Cost of Capital	Chapter 5 and 8	
6	15 Dec	Forecasting	Chapter 6	
7	22 Dec	Forecasting [CONT'D]	Chapter 6	
			Mid-Session Break (25 Dec - 1 Jan 2015)	

8	5 Jan	Valuation Theory and Concepts	Chapter 7	Group presentations
9	12 Jan	Valuation Implementation	Chapter 8	Group presentations (Contd.)
10	19 Jan	Market-Based Ratios	Chapter 7	
11	26 Jan	Equity Security Analysis	Chapter 9	In-Class Test 2
12	2 Feb	Mergers and Acquisitions	Chapter 11	Group assignment due by 4pm Tuesday, 3 Feb
13	9 Feb	Revision		

Policies and Procedures

Macquarie University policies and procedures are accessible from [Policy Central](#). Students should be aware of the following policies in particular with regard to Learning and Teaching:

Academic Honesty Policy http://mq.edu.au/policy/docs/academic_honesty/policy.html

Assessment Policy <http://mq.edu.au/policy/docs/assessment/policy.html>

Grading Policy <http://mq.edu.au/policy/docs/grading/policy.html>

Grade Appeal Policy <http://mq.edu.au/policy/docs/gradeappeal/policy.html>

Grievance Management Policy http://mq.edu.au/policy/docs/grievance_management/policy.html

Disruption to Studies Policy http://www.mq.edu.au/policy/docs/disruption_studies/policy.html *The Disruption to Studies Policy is effective from March 3 2014 and replaces the Special Consideration Policy.*

In addition, a number of other policies can be found in the [Learning and Teaching Category](#) of Policy Central.

Student Code of Conduct

Macquarie University students have a responsibility to be familiar with the Student Code of Conduct: https://students.mq.edu.au/support/student_conduct/

Grades

Macquarie University uses the following grades in coursework units of study:

- HD - High Distinction

- D - Distinction
- CR - Credit
- P - Pass
- F – Fail

Grade descriptors and other information concerning grading are contained in the Macquarie University Grading Policy which is available at:

<http://www.mq.edu.au/policy/docs/grading/policy.html>

For further information, please refer to the following link:

<http://universitycouncil.mq.edu.au/legislation.html>

Grade Appeals and Final Examination Script Viewing

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes a valid grounds for appeal before appealing your grade.

<http://www.city.mq.edu.au/reviews-appeals.html>

Special Consideration Policy

The University is committed to equity and fairness in all aspects of its learning and teaching. In stating this commitment, the University recognises that there may be circumstances where a student is prevented by unavoidable disruption from performing in accordance with their ability. A special consideration policy exists to support students who experience serious and unavoidable disruption such that they do not reach their usual demonstrated performance level. The policy is available at: http://www.mq.edu.au/policy/docs/special_consideration/policy.html

The University defines serious and unavoidable disruption to studies as resulting from an event or set of circumstances that:

- could not have reasonably been anticipated, avoided or guarded against by the student; **and**
- was beyond the student's control; **and**
- caused substantial disruption to the student's capacity for effective study and/or the completion of required work; **and**
- substantially interfered with the otherwise satisfactory fulfilment of unit or course requirements; **and**
- was of at least three (3) consecutive days duration within a study period and/or prevented completion of the final examination.

A Special Consideration application is deemed to be valid if all the following criteria have been satisfied:

- The Special Consideration application is completed by the student and submitted online through www.ask.mq.edu.au within five (5) working days after the due date of the associated assessment task / final examination.
- The application contains supporting evidence to demonstrate the severity of the circumstance(s) and that substantial disruption has been caused to the student's capacity for effective study. (The University will not follow up on outstanding evidence, nor contact any person or body on behalf of the student. The application will be considered as submitted.)
- The original supporting documentation has been sighted by MQC reception staff within five (5) working days after the due date of the associated assessment task.
- Where the particular circumstances are medical in nature, a *Professional Authority Form* including the health professional's Medicare Provider Number is included. (If a *Professional Authority Form* cannot be obtained, an original medical certificate indicating the severity (serious / not serious) and impact of the circumstances must be included with the application.)
- Where the particular circumstances are non-medical in nature, appropriate supporting evidence indicating the severity (serious / not serious) and impact of the circumstances is included with the application.
- The student was performing satisfactorily in the unit up to the date of the unavoidable disruption. (If a student's work in the unit was previously unsatisfactory, subsequent unavoidable disruption will not overcome the fact that the earlier work was unsatisfactory).

Unacceptable grounds for Special Consideration

The University has determined that some circumstances are not acceptable grounds for claiming Special Consideration. These grounds include, but are not limited, to:

- routine demands of employment
- routine family problems such as tension with or between parents, spouses, and other

people closely involved with the student

- difficulties adjusting to university life, to the self-discipline needed to study effectively, and the demands of academic work
- stress or anxiety associated with examinations, required assignments or any aspect of academic work
- routine need for financial support
- routine demands of sport, clubs and social or extra-curricular activities.

Acute Problems

The University defines acute problems as those involving fewer than three (3) consecutive days within a study period. In these cases, students should not apply for special consideration via ask.mq.edu.au, but contact their Unit Convenor within 5 working days of the assessment due date so that a local solution may be discussed, except where the disruption affects completion of a final examination. (If a final examination is affected, the student should submit a special consideration application via ask.mq.edu.au.)

Prior Conditions Conditions existing prior to commencing a unit of study are not grounds for Special Consideration, except in the event of unavoidable deterioration of the condition. The student is responsible for managing their workload in light of any known or anticipated problems. Students with a pre-existing disability/ chronic health condition may contact the [Disability Service](#) for information on available support.

In submitting a request for Special Consideration, the student is acknowledging that they may be required to undertake additional work and agreeing to hold themselves available so that they can complete any extra work as required. The time and date, deadline or format of any required extra assessable work as a result of an application for Special Consideration is not negotiable.

Attendance at Macquarie City Campus

All Students are required to attend at least 80% of the scheduled course contact hours each Session. Additionally Macquarie City Campus monitors the course progress of international students to ensure that the student complies with the conditions of their visa relating to attendance.

This minimum level of attendance includes all lectures and tutorials. Tutorial attendance will be recorded weekly. If any scheduled class falls on a public holiday this will be rescheduled as advised by your Lecturer. Attendance at any mid-Session or in-class test is compulsory unless otherwise stated.

Unavoidable non-attendance due to illness or circumstances beyond your control must be supported by appropriate documentation to be considered for a supplementary test. Other non-attendance will obtain zero for the test. You should refer to the section above on Special

Consideration for more details about this.

Student Support

Macquarie University provides a range of support services for students. For details, visit <http://students.mq.edu.au/support/>

Learning Skills

Learning Skills (mq.edu.au/learningskills) provides academic writing resources and study strategies to improve your marks and take control of your study.

- [Workshops](#)
- [StudyWise](#)
- [Academic Integrity Module for Students](#)
- [Ask a Learning Adviser](#)

Student Services and Support

Students with a disability are encouraged to contact the [Disability Service](#) who can provide appropriate help with any issues that arise during their studies.

Student Enquiries

For all student enquiries, visit Student Connect at ask.mq.edu.au

Student Support at Macquarie City Campus

Students who require assistance are encouraged to contact the Student Services Manager at Macquarie City Campus. Please see reception to book an appointment.

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://students.mq.edu.au/support/>

At any time students (or groups of students) can book our Student Advising rooms on Level 6 by emailing info@city.mq.edu.au with a day and time and nominated contact person. There are additional student study spaces available on Level 1.

Macquarie University Campus Wellbeing also has a presence on the City Campus each week. If you would like to make an appointment, please email info@city.mq.edu.au or visit their website at: <http://www.campuslife.mq.edu.au/campuswellbeing>

StudyWISE provides:

- Online learning resources and academic skills workshops http://www.mq.edu.au/learning_skills
- Personal assistance with your learning & study related questions

IT Help

For help with University computer systems and technology, visit <http://informatics.mq.edu.au/help/>.

When using the University's IT, you must adhere to the [Acceptable Use Policy](#). The policy applies to all who connect to the MQ network including students.

IT Help at Macquarie City Campus

If you wish to receive IT help, we would be glad to assist you at <http://informatics.mq.edu.au/help/> or call 02 9850-4357.

When using the university's IT, you must adhere to the Acceptable Use Policy. The policy applies to all who connect to the MQ network including students and it outlines what can be done.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.

Students are expected to act responsibly when utilising Macquarie City Campus IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted.
- Material that is not related to coursework for approved unit is deemed inappropriate.
- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

If you would like to borrow headphones for use in the Macquarie City Campus computer labs (210, 307, 311, 608) at any point, please ask at Level 2 Reception. You will be required to provide your MQC Student ID card. This will be held as a deposit while using the equipment.

For assistance in the computer labs, please see a Lab Demonstrator (usually they can be found in Lab 311, otherwise ask at Level 2 Reception).

Graduate Capabilities

Discipline Specific Knowledge and Skills

Our graduates will take with them the intellectual development, depth and breadth of knowledge, scholarly understanding, and specific subject content in their chosen fields to make them competent and confident in their subject or profession. They will be able to demonstrate, where relevant, professional technical competence and meet professional standards. They will be able to articulate the structure of knowledge of their discipline, be able to adapt discipline-specific knowledge to novel situations, and be able to contribute from their discipline to inter-disciplinary solutions to problems.

This graduate capability is supported by:

Learning outcomes

- Apply the fundamentals and principles: basic relations in financial accounting, spreadsheet usage, discounting, equity valuation, cost of capital and the Efficient Market Hypothesis.
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- Forecast the re-cast versions of the three principal financial statements, for each year up to the forecasting horizon, for listed companies. Students need to argue and substantiate their forecast assumptions and approach to estimating forecast parameters.
- Perform equity- and asset-based valuations of a listed company. Most of the valuation approaches involve discounting forecasts of future expected flows. Students need to investigate the sensitivity of their valuations to changes in the key input parameters.

Assessment tasks

- Assessed Coursework
- In- Class Tests
- Major Assignment
- Final Examination

Critical, Analytical and Integrative Thinking

We want our graduates to be capable of reasoning, questioning and analysing, and to integrate and synthesise learning and knowledge from a range of sources and environments; to be able to critique constraints, assumptions and limitations; to be able to think independently and systemically in relation to scholarly activity, in the workplace, and in the world. We want them to have a level of scientific and information technology literacy.

This graduate capability is supported by:

Learning outcomes

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Assessment tasks

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- In- Class Tests
- Major Assignment
- Final Examination

Problem Solving and Research Capability

Our graduates should be capable of researching; of analysing, and interpreting and assessing data and information in various forms; of drawing connections across fields of knowledge; and they should be able to relate their knowledge to complex situations at work or in the world, in order to diagnose and solve problems. We want them to have the confidence to take the initiative in doing so, within an awareness of their own limitations.

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Learning outcomes

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Assessment tasks

- Assessed Coursework
- In- Class Tests
- Major Assignment
- Final Examination

Effective Communication

We want to develop in our students the ability to communicate and convey their views in forms effective with different audiences. We want our graduates to take with them the capability to read, listen, question, gather and evaluate information resources in a variety of formats, assess, write clearly, speak effectively, and to use visual communication and communication technologies as appropriate.

This graduate capability is supported by:

Learning outcomes

- Analyse the macroeconomic, industry and firm-specific factors that constitute the context in which financial statements are produced and interpreted.
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initiated disclosures, for the purpose of financial statement analysis and valuation.

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- Assessed Coursework
- Major Assignment
- Final Examination

Changes from Previous Offering

- Class participation will not be assessed this semester.
- The learning outcomes have been amended.

Advice on How to Study

In order to achieve a passing grade for the unit, students are advised to study as follows. They should allocate six to nine hours to self-study per week (i.e., excluding time spent in lectures and tutorials). They are encouraged to divide period into three roughly equal blocks:

1. Active revision from 200-level finance units, particularly the aforementioned topics.
Students should obtain and re-work examples from their 200-level textbooks. Each student should be his / her own judge as to how many examples to work through, before an adequate grasp of content is attained.
2. Re-working materials provided in lectures Throughout the semester, students will be provided with spreadsheet and Word documents, illustrating the steps of the sell-side analysis for J.B. Hi-Fi Ltd, the company that will be analysed as an ongoing lecture example. Students should save the original versions of these documents, and then use the "Save As" function to save another copy. They should re-work the analyses conducted in lectures, making notes of steps that they would have performed differently. They should then conduct a trial analysis of the same steps, for their major assignment companies.
3. Preparation for the tutorial This block should be sub-divided into two components, to be

completed prior to the tutorial:

- Actively read the prescribed textbook chapter(s). In order to adequately read the materials, students are advised to produce their own three- to four-page summary of the reading for each week.
- Attempt the tutorial exercises, using their summaries. In general, the tutorial questions are not simulated examination questions. Rather, most of the tutorial questions are designed to give the students suggestions and ideas for their major assignments.

Hence, the unit requires a total time commitment of approximately 140 hours for the semester.

Prize

Details to be provided in the iLearn.

Research and Practice

- The content of this unit has been developed, after consideration of the extant journal literature in the field of capital markets research in financial accounting.
- Full-time academic staff will utilise their knowledge of the journal literature, and skills gained from engagement in the research process, in their delivery of the unit.