

# Financial Analysis and Accounting

Module 1, 2023-2024

**Alena Shigoreva**

Visiting Lecturer  
New Economic School

ashigoreva@nes.ru

**TAs:** Anna Airapetian, aairapetian@nes.ru  
Paulina German, pgerman@nes.ru

## Course description

---

This course provides students with a basic understanding of the broad accounting principles, concepts, and the role of financial information in a decision-making process. The content of the course is applied to the real economic, financial and accounting issues, therefore, in class we discuss financial statements of established companies and articles on the related accounting topics. Upon successful completion of this course, students should be able to prepare financial statements, analyze accounting information, and draw conclusions for effective business decisions.

## Course requirements, grading, and attendance policies

---

The course grade is based on an exam, a project, quizzes and home assignments. The maximum weights (used in estimating the course final grades) for each of the components are the following:

	Weight
Home Assignments	10%
In-Class Quizzes	15%
Final Project	15%
Closed-Book Final Exam	60%
<b>Total</b>	<b>100%</b>

To pass the course students must:

- complete and hand-in the final project (individually or in small groups of up to two people);
- score at least 35% out of 100% for the final exam;
- receive at least 55% out of total 100% (the scale is weighted and relatively adjusted) for the course.

Submission deadlines are to be specified in the instructions to the projects and home assignments.

Assignments and projects handed/uploaded within one hour after the deadlines are graded with 15% discount.

Assignments and projects handed/uploaded after the set time limits are considered failed and get zero score.

## **Course contents**

---

The content of individual lectures below is tentative, some minor changes are possible and might be considered upon requests submitted by enrolled students.

- 1. Accounting Framework. Balance Sheet**  
Key Concepts, Financial Statements, Balance Sheet
- 2. Income Statement**  
Revenues, Expenses, Earnings
- 3. Cash Flow Statement**  
Operating, Investing, and Financial Cashflows, Direct and Indirect Methods, Cash vs. Earnings
- 4. Financial Analysis**  
Common-Size (Vertical) Analysis and Trend (Horizontal) Analysis, Profitability, Liquidity, Solvency
- 5. Financial Analysis**  
Factor Analysis, DuPont Analysis, Operating leverage, Financial leverage, Break-even point
- 6. An Introduction to Consolidated Financial Statements**  
Consolidation procedures, Goodwill, Non-controlling Interests
- 7. Taxation**  
Income tax, Value-added tax, Corporate tax treatment

## **Course materials**

---

1. Harrison, W.T., Horngren, C.T., Thomas C.W. (2013) Financial Accounting, 9th ed.

Additional learning materials may be provided throughout the course.

## **Academic integrity policy**

---

Cheating, plagiarism, and any other violations of academic ethics at NES are not tolerated.