



COLORADO STATE UNIVERSITY
— **GLOBAL** —

FIN400: ANALYZING FINANCIAL STATEMENTS

Credit Hours: 3

Contact Hours: This is a 3-credit course, offered in accelerated format. This means that 16 weeks of material is covered in 8 weeks. The exact number of hours per week that you can expect to spend on each course will vary based upon the weekly coursework, as well as your study style and preferences. You should plan to spend 14-20 hours per week in each course reading material, interacting on the discussion boards, writing papers, completing projects, and doing research.

Faculty Information: Faculty contact information and office hours can be found on the faculty profile page.

COURSE DESCRIPTION AND OUTCOMES

Course Description:

This course introduces the study of accounting principles to give students an understanding of the theory and logic that underlie basic accounting procedures and practices. It then focuses on reading, interpreting, and analyzing financial statements. Major topics include the underlying framework of Generally Accepted Accounting Principles (GAAP) and comparison with the International Financial Reporting Standards (IFRS), the accounting cycle, preparation of the four principal financial statements, and financial statements analysis as well as ratio analysis for strategic planning and decision making.

Course Overview:

In this course you will explore advanced components of financial statement analysis. You'll review the elements of the income statement, balance sheet, and statement of cash flows to calculate various financial ratios used in financial analysis and reporting. In the Interactive Lectures and assignments, including readings, you will learn the perspective from users of financial reporting and specialized industries.

Course Learning Outcomes:

1. Identify the underlying framework of Generally Accepted Accounting Principles.
2. Describe the interrelationship of the four principal financial statements and how they are derived from the recording of business transactions.
3. Explain the components of the income statement.
4. Describe the components of the balance sheet and the statement of stockholders' equity.
5. Discuss the components of cash flow statements.
6. Prepare a simplified version of the four principal financial statements from an adjusted trial balance.
7. Perform basic financial statement analysis including profitability, liquidity, and solvency ratios.
8. Perform expanded financial statement analysis for forecasting and management decision making.

PARTICIPATION & ATTENDANCE

Prompt and consistent attendance in your online courses is essential for your success at CSU-Global Campus. Failure to verify your attendance within the first 7 days of this course may result in your withdrawal. If for some reason you would like to drop a course, please contact your advisor.

Online classes have deadlines, assignments, and participation requirements just like on-campus classes. Budget your time carefully and keep an open line of communication with your instructor. If you are having technical problems, problems with your assignments, or other problems that are impeding your progress, let your instructor know as soon as possible.

COURSE MATERIALS

Required:

Gibson, C. H. (2011). *Financial reporting & analysis: Using financial accounting information* (13th Ed.). Mason, OH: South Western/Cengage. ISBN-13: 9781133188797

Suggested:

Wahlen, J. M., Baginski, S. P., & Bradshaw, M. T. (2015). *Financial reporting, financial statement analysis and valuation* (8th Ed.). Mason OH: South-Western/Cengage.

NOTE: All non-textbook required readings and materials necessary to complete assignments, discussions, and/or supplemental or required exercises are provided within the course itself. Please read through each course module carefully.

COURSE SCHEDULE

Due Dates

The Academic Week at CSU-Global begins on Monday and ends the following Sunday.

- **Discussion Boards:** The original post must be completed by Thursday at 11:59 p.m. MT and Peer Responses posted by Sunday 11:59 p.m. MT. Late posts may not be awarded points.
- **Opening Exercises:** Take the opening exercise before reading each week's content to see which areas you will need to focus on. You may take these exercises as many times as you need. The opening exercises will not affect your final grade.
- **Mastery Exercises:** Students may access and retake mastery exercises through the last day of class until they achieve the scores they desire.
- **Critical Thinking:** Assignments are due Sunday at 11:59 p.m. MT.
- **Live Classroom:** Although participation is not required, Live Classroom sessions are held during Weeks 1 and 5. There are two total sessions.

WEEKLY READING AND ASSIGNMENT DETAILS

Module 1

Readings

- Chapter 1 in *Financial Reporting & Analysis*

Opening Exercise (0 points)

Discussion (25 points)

Live Classroom (0 points)

Critical Thinking: (60 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1: Accounting Standards, A Political Aspect

After reading case 1-1 Standard Setting: “A Political Aspect” in the textbook, write an essay that includes the following elements:

1. A formal introduction,
2. Answers to questions (a) through (d) of the case, focusing on the role of accounting standard setting in the private sector, and
3. A conclusion.

Your submitted paper should be at least 2-3 pages long and written according to *CSU-Global Guide to Writing and APA Requirements*, following APA style, and properly referenced.

Note that the textbook author is citing a source in this case, which must be considered when forming your references and citations.

Option 2: Politicization of Accounting Standards

After reading case 1-2 Standard Setting: “Politicization of accounting standards – A necessary act?” in the textbook, write an essay that includes the following elements:

1. A formal introduction
2. Answers to questions (a) through (e) of the case, focusing on the possible erosion of the independence of the accounting standard-setting process
3. A conclusion.

Your submitted paper should be at least 2-3 pages long and written according to *CSU-Global Guide to Writing and APA Requirements*, following APA style, and properly referenced.

Note that the textbook author is citing a source in this case, which must be considered when forming your references and citations.

Mastery Exercise (10 points)

Module 2

Readings

- Chapter 2 in *Financial Reporting & Analysis*

Opening Exercise (0 points)

Discussion (25 points)

Critical Thinking: (60 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1: Managing Earnings

After reading case 2-2 in your text, "The Dangerous Morality of Managing Earnings," write an essay that includes the following elements:

1. A formal introduction
2. Discussion of the five generalizations from the findings in this study relating to managing earnings. **Note:** Do not simply restate the generalizations. You are being asked to discuss each in the context of professional experiences or examples given in the case itself
3. Discussion of management's ability to manage earnings in the long term given the operational manipulations discussed in the case.

Your submitted paper should be at least 2-3 pages long and written according to *CSU-Global Guide to Writing and APA Requirements*, following APA style, and properly referenced.

Note that the textbook author is citing a source in this case, which must be considered when forming your references and citations.

Option 2: Management Earnings Responsibility

After reading Case 2-6 "Management Responsibility" in the textbook, write an essay that includes the following elements:

1. A formal introduction,
2. Answers to questions (a) through (d) of the case, focusing on the company's earnings, internal control, and financial reporting, and
3. A conclusion.

Your submitted paper should be at least 2-3 pages long and written according to *CSU-Global Guide to Writing and APA Requirements*, following APA style, and properly referenced.

Note that the textbook author is citing a source in this case, which must be considered when forming your references and citations.

Mastery Exercise (10 points)

Module 3

Readings

- Chapter 4 in *Financial Reporting & Analysis*
- Selected pages in Chapter 8 in *Financial Reporting and Analysis*:
 - The net profit margin (p. 324)
 - The operating income margin (pp. 327-328)
 - The gross profit margin (pp. 333-334)

Opening Exercise (0 points)

Discussion (25 points)

Critical Thinking: (60 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1: Income Statements and Profitability Ratios

In this module, you were introduced to the income statement and profitability ratios. In this assignment, you will use this information to create an income statement and then analyze it for profitability. Selected accounts for Jackson, Inc. are listed below along with their balances before closing the year of 12/31/12.

Jackson, Inc. is a firm that manufactures wireless mouse systems for laptops. Use this information to complete the required elements below.

Interest expense	2,000
Sales revenue	297,000
Selling expenses	38,200
Administrative expenses	16,700
Cost of goods sold	162,300
Dividends ¹	12,200
Gain on sale of equipment	3,600
Loss from fire	7,500
Retained Earnings (1/1/12 balance)	335,000
Tax expense	22,800

¹Dividends were declared and paid to Jackson, Inc. stockholders

Directions:

1. On a spreadsheet, prepare a multistep income statement for the year ending 12/31/12 with proper heading. See link below for sample income statement. Near the bottom of your income statement should be a subtotal for income before taxes and then you should subtract taxes to compute net income. Net income should have a double underline.
2. On the same spreadsheet, prepare a statement of retained earnings for the year ending 12/31/12 with proper heading. See link below for sample statement of retained earnings. There are no adjustments to retained earnings and ending retained earnings should have a double underline.
3. On the same spreadsheet, compute the gross profit margin, operating income margin, and net profit margin for 2012, showing the numerator and denominator for all ratios. Take ratios out to the nearest hundredth of a percentage (e.g., 33.33%).
4. On the same spreadsheet, write a paragraph analyzing each of the profitability ratios for Jackson, Inc. given the following information from previous years and competitors.

	Gross profit margin	Operating income margin	Net profit margin
Jackson, 2011	47.22%	26.52%	17.75%
Jackson, 2010	48.87%	25.43%	17.03%
Competitor, 2012	43.22%	31.20%	21.14%

The following links (linked in assignment) provide sample formatting for income statements and statements of retained earnings.

- <http://www.accountingcoach.com/online-accounting-course/04Xpg04.html#income-statement-multiple-step>
- <http://accountingexplained.com/financial/statements/retained-earnings-statement>

Submit your spreadsheet in the Module 3 folder. Ensure your work is accurate and reflects *CSU-Global Guide to Writing and APA Requirements*, following APA style, and properly referenced.

Option 2: Income Statements and Gross Profit

After reading case 4-5 “Celtics” in the textbook, write an essay that includes the following elements:

1. A formal introduction,
2. Answers to questions (a) through (e) of the case, focusing on the company’s changes in gross profit for year to-year and their significance, and
3. A conclusion.

Your submitted paper should be at least 2-3 pages long and written according to *CSU-Global Guide to Writing and APA Requirements*, following APA style, and properly referenced.

Note that the textbook author is citing a source in this case, which must be considered when forming your references and citations.

Mastery Exercise (10 points)

Module 4

Readings

- Chapter 3 in *Financial Reporting & Analysis*
- Selected pages in Chapter 7 in *Financial Reporting and Analysis*
 - debt/equity ratio (pp. 285-286)
- Selected pages in Chapter 8 in *Financial Reporting and Analysis*
 - total asset turnover, return on assets, and DuPont return on assets (pp. 324-327)

Opening Exercise (0 points)

Discussion (25 points)

Critical Thinking: (60 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1: Classified Balance Sheets

The following (given in scrambled order) are accounts and balances from the accounting records of Alleg, Inc., as of December 31, 2012, after the books were closed for the year.

Common stock, authorized 21,000 share	
At \$1 par value, issued 12,000	
Shares	\$12,000
Additional paid-in capital	38,000
Cash	14,000
Marketable securities	17,000
Accounts receivable	26,000
Accounts Payable	16,000
Current maturities of long-term debt	11,000
Mortgages payable	80,000
Bonds payable	65,000
Inventory	33,000
Land and buildings	57,000
Machinery and equipment	120,000
Goodwill	13,000

Patents	9,000
Other assets	45,000
Deferred income taxes (long-term liability)	18,000
Retained earnings	33,000
Accumulated depreciation	61,000

Bonds and mortgages generally have 10-30 years until maturity. Marketable securities are short-term investments that can be converted to cash in a matter of minutes.

Directions:

1. Prepare a classified balance sheet with a proper heading on a spreadsheet. For assets, use the classifications of current assets, plant and equipment, intangibles, and other assets. For liabilities, use the classifications of current liabilities and long-term liabilities.
2. Compute the total asset turnover rate assuming that total revenues in 2012 were \$682,500. Round to the nearest hundredth, e.g., 3.33.
3. Assume that Alleg's primary competitor has an asset turnover of 2.12. What does this tell you about Alleg's asset management?

Ensure your work is accurate and reflects *CSU-Global Guide to Writing and APA Requirements*.

Option 2: Consolidated Balance Sheets

After reading case 3-1 "Convenience Foods" in the textbook, write an essay that includes the following elements:

1. A formal introduction.
2. Answers to questions (a) through (k) of the case, focusing on the company's process to consolidate its balance sheets.
3. A conclusion.

Your submitted paper should be at least 2-3 pages long and written according to *CSU-Global Guide to Writing and APA Requirements*, following APA style, and properly referenced.

Note that the textbook author is citing a source in this case, which must be considered when forming your references and citations.

Mastery Exercise (10 points)

Module 5

Readings

- Chapter 10 in *Financial Reporting & Analysis*

Opening Exercise (0 points)

Discussion (25 points)

Live Classroom (0 points)

Critical Thinking: (65 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1: Eat at My Restaurant – Cash Flow

Read and complete case study 10-10, "Eat at My Restaurant" in your text. Address the following elements, which are also required elements at the end of the case study:

- Comment on the difference between net cash provided by operating activities and net income. Speculate on which number is likely to be the better indicator of long-term profitability.
- Comment on the data reviewed for each firm.
- Do any of these firms appear to have a cash flow problem?
Your answers should be in an essay form with an introduction and conclusion; ensure you are addressing each element clearly and thoroughly, following these guidelines:
- Requirement (a) of the problem should be answered in general terms; you do not need to consider the 3 firms in the case. However, you do need to make a choice and rationalize that choice.
- When addressing requirement (b), you should make AT LEAST 4 observations on each firm, focusing on the cash flow ratios provided.
- All information should be considered when answering requirement (c). Even if you don't think any one company is "in trouble," you should still choose a company and support your choice.
Your submitted paper should be at least 2-3 pages long and written according to *CSU-Global Guide to Writing and APA Requirements*, following APA style, and properly referenced.

Option 2: Cash Flows – The Direct Method

After reading case 10-2 "Cash Flow: The Direct Method" in the textbook, write an essay that includes the following elements:

1. A formal introduction.
2. Answers to questions (a) through (d) of the case, focusing on the use of the direct method of calculating cash flows.
3. A conclusion.

Your submitted paper should be at least 2-3 pages long and written according to *CSU-Global Guide to Writing and APA Requirements*, following APA style, and properly referenced.

Note that the textbook author is citing a source in this case, which must be considered when forming your references and citations.

Mastery Exercise (10 points)

Module 6

Readings

- Chapters 2, 3, & 4 in *Financial Reporting & Analysis*
- Summary Analysis Nike, Inc. (following Chapter 10) in *Financial Reporting & Analysis*

Opening Exercise (0 points)

Discussion (25 points)

Critical Thinking: (65 points)

Choose one of the following two assignments to complete this week. Do not do both assignments. Identify your assignment choice in the title of your submission.

Option 1: Prepare Financial Statements from Adjusted Trial Balance Worksheet

The 2012 year-end adjusted balances taken from the general ledger of Cooperstown Services, Inc. are listed below in general ledger order.

Coopertown Suppliers, Inc.		
	<u>DR</u>	<u>CR</u>
Cash	\$12,950	
Accounts receivable	28,150	
Supplies	8,400	
Prepaid insurance	9,500	
Land	115,000	
Buildings	360,000	
Equipment	260,000	
Accumulated depreciation		\$239,900
Accounts payable		35,300
Salaries payable		7,300
Taxes payable		5,200
Common stock		31,500
Additional paid-in capital – Common		15,400
Retained earnings		427,600
Dividends	25,400	
Service revenue		475,000
Salaries expense	335,600	
Depreciation expense	25,100	
Supplies expense	12,950	
Insurance expense	8,200	
Miscellaneous expense	30,850	
Utilities expense	5,100	
Total	\$1,237,200	\$1,237,200

Transfer these accounts and balances to a spreadsheet worksheet and prepare an income statement, a classified balance sheet, and a statement of retained earnings, all in good form using proper headings for each statement. Note that Cooperstown is a service company so there is no cost of goods sold in its chart of accounts. Also, assume that all the liabilities are current liabilities. Keep in mind that you should not report any accounts without balances in your statements.

Ensure your work is accurate and reflects *CSU-Global Guide to Writing and APA Requirements*.

Option 2: Consolidated Financial Statements & The Annual Report

After reading case 4-1 “Homebuilders” in the textbook, write an essay that includes the following elements:

1. A formal introduction.
2. Answers to questions (a) through (f) of the case. Please focus on the notes to the financial statements and annual report.
3. A conclusion.

Your submitted paper should be at least 2-3 pages long and written according to *CSU-Global Guide to Writing and APA Requirements*, following APA style, and properly referenced.

Note that the textbook author is citing a source in this case, which must be considered when forming your references and citations.

Mastery Exercise (10 points)

Module 7

Readings

- Chapter 5 in *Financial Reporting & Analysis*

Opening Exercise (0 points)

Discussion (25 points)

Portfolio Deliverable Part One: (175 points)

You must complete the same assignment option this week as you will in Module 8. If you have not already done so, review the two Portfolio Project options in Module 8 to choose which assignment you wish to complete this week and next. **Do not do both assignments.** Identify your assignment/option choice in the title of your submission.

Option 1: Part One of Final Statement Analysis for Portfolio Project for Option 1

This Portfolio Project has two parts: Calculations due this week and a 4- to 6-page essay due next week in Module 8. While the calculation requirements of this assignment are important, equally important are your discussion and analysis of the quantitative results. You will submit two documents: 1) a spreadsheet containing your horizontal and vertical analysis (and perhaps your ratios) in Module 7 and 2) a word document containing your essay in Module 8. You will submit both parts separately. See the Portfolio Project Part One and Part Two grading rubrics, located in the Module 7 and Module 8 folders.

Directions:

Choose a publicly traded company and perform an expanded analysis on the financial statements. Use the most current 10K statements available on SEC or annual statements in Yahoo Finance. Complete the following for your chosen firm in an Excel spreadsheet:

1. Horizontal and vertical analysis of the income statements for the past three years (all yearly balances set as a percentage of total revenues for that year).
2. Horizontal and vertical analysis of the balance sheets for the past three years (all yearly balances set as a percentage of total assets for that year).
3. Ratio analysis (eight ratios of your choosing) for the past three years PLUS a measurement for the creditworthiness of your firm as measured by Altman's Z-score. Note that if you used your chosen firm for our ratio-related discussion posts, then you **MUST** also present industry-average ratios or current year competitor ratios for your ratio analysis. Comparing your firm's ratios to a close competitor or an industry-average ratio makes your analysis much more meaningful.

Much of this course has concentrated on learning the financial statements, primarily because there was not an accounting prerequisite. Because of this concentration, you may find this assignment challenging. However, if you understand the financial statements, then the horizontal and vertical analysis should be rather intuitive. For example, if you see sales rise by 20%, then shouldn't you also see net income rise by 20% or more if the managers are effective at controlling costs? If you see sales rise by 20% and assets rise by 40%, you have to ask why this is happening. It would appear that assets have risen too far given

the sales that are generated from those assets—why did this occur? You may have to research that type of question and discuss it in your analysis.

Review both videos: Performing Vertical Analysis using Excel and Performing Horizontal Analysis using Excel, which demonstrates the completion of vertical and horizontal analysis using Excel. If you would like some additional guidance on the spreadsheet requirement of the portfolio project, please watch the video. Note that the video does not discuss adding the 8 required ratios to your spreadsheet; however, you are required to submit your company ratios on this spreadsheet as well as the vertical/horizontal analysis. As always, your instructor is available for follow-up questions.

You've had some experience with financial ratios through the Discussion Board. Your instructor suggests that you start your ratio analysis with the four ratios found in the DuPont equation. If you discover a weakness in one component of the DuPont ratios, then it would make sense to look at ratios that are closely related to the troublesome ratio. For example, if you discover that the asset turnover is declining over time, then take a look at some related ratios such as the inventory turnover rate or the average collection period. If you discover that the equity multiplier is increasing (indicating greater reliance on debt), then look at some related ratios such as the debt ratio or times interest earned. These ratios are discussed in our textbook, even though you may not have been assigned to thoroughly read the chapters.

Finally, read through the Portfolio Project Part One Grading Rubric in the Module 7 folder that will be used to grade your assignment—you will get a feeling for expectations by doing so. Your instructor is here to help you through this project. If you have questions, please let your instructor know. He or she may be willing to take a quick look at your horizontal and vertical analysis to give you feedback in advance since you will not have had much experience on that calculation prior to the project. Always communicate right away with your instructor when you need assistance!

Option 2: Part One of Final Statement Analysis for Portfolio Project for Option 2

This Portfolio Project has two parts: Calculations due this week in Module 7 and a 4- to 6-page essay due next week in module 8. While the calculation requirements of this assignment are important, equally important are your discussion and analysis of the quantitative results. You will submit two documents: 1) a spreadsheet containing your horizontal and vertical analysis (and perhaps your ratios) in Module 7 and 2) a word document containing your essay in Module 8. You will submit both parts separately. See the Portfolio Project Part One and Part Two grading rubrics, located in the Module 7 and Module 8 folders.

Directions:

For this assignment you will select to work on *either* Polaris or Arctic Cat. Depending on which you choose, access the firm's financial statements for fiscal years ending after December 31, 2014, from the firm's website (Polaris.com & Arcticcat.com) or the SEC database (www.sec.gov). Use the most current 10K statements available on SEC or annual statements in Yahoo Finance. Complete the following for your chosen firm (Polaris or Arctic Cat) in an Excel spreadsheet:

1. Horizontal and vertical analysis of the income statements for the past two years (all yearly balances set as a percentage of total revenues for that year) for both firms.
2. Horizontal and vertical analysis of the balance sheets for the past two years (all yearly balances set as a percentage of total assets for that year) for both firms.

3. Ratio analysis (eight ratios of your choosing) for the past two years PLUS a measurement for the creditworthiness of both firms as measured by Altman's Z-score.

Much of this course has concentrated on learning the financial statements, primarily because there was not an accounting prerequisite. Because of this concentration, you may find this assignment challenging. However, if you understand the financial statements, then the horizontal and vertical analysis should be rather intuitive. For example, if you see sales rise by 20%, then shouldn't you also see net income rise by 20% or more if the managers are effective at controlling costs? If you see sales rise by 20% and assets rise by 40%, you have to ask why this is happening. It would appear that assets have risen too far given the sales that are generated from those assets—why did this occur? You may have to research that type of question and discuss it in your analysis.

Review both videos: Performing Vertical Analysis using Excel and Performing Horizontal Analysis using Excel, which demonstrates the completion of vertical and horizontal analysis using Excel. If you would like some additional guidance on the spreadsheet requirement of the portfolio project, please watch the video. Note that the video does not discuss adding the 8 required ratios to your spreadsheet; however, you are required to submit your company ratios on this spreadsheet as well as the vertical/horizontal analysis. As always, your instructor is available for follow-up questions.

You've had some experience with financial ratios through the Discussion Board. Your instructor suggests that you start your ratio analysis with the four ratios found in the DuPont equation. If you discover a weakness in one component of the DuPont ratios, then it would make sense to look at ratios that are closely related to the troublesome ratio. For example, if you discover that the asset turnover is declining over time, then take a look at some related ratios such as the inventory turnover rate or the average collection period. If you discover that the equity multiplier is increasing (indicating greater reliance on debt), then look at some related ratios such as the debt ratio or times interest earned. These ratios are discussed in our textbook, even though you may not have been assigned to thoroughly read the chapters.

Finally, please read through the Portfolio Project Part One Grading Rubric in the Module 7 folder that will be used to grade your assignment—you will get a feeling for expectations by doing so. Your instructor is here to help you through this project. If you have questions, please let your instructor know. He or she may be willing to take a quick look at your horizontal and vertical analysis to give you feedback in advance since you will not have had much experience on that calculation prior to the project. Always communicate right away with your instructor when you need assistance!

Mastery Exercise (10 points)

Module 8

Readings

- Chapter 11 in *Financial Reporting & Analysis*

Opening Exercise (0 points)

Discussion (25 points)

Portfolio Deliverable Part Two: (175 points)

You must complete the same option number of assignment as you did in Module 7. Do not do both assignments. Identify your assignment/option choice in the title of your submission.

Option 1: Part Two of Final Statement Analysis for Portfolio Project for Option 1

This Portfolio Project has two parts: Calculations and a 4- to 6-page essay. While the calculation requirements of this assignment are important, equally important are your discussion and analysis of the quantitative results. You will submit two documents: 1) a spreadsheet containing your horizontal and vertical analysis (and perhaps your ratios) in Module 7 and 2) a word document containing your essay in Module 8. **You will submit both parts separately. See the Portfolio Project Part One and Part Two grading rubrics, located in the Module 7 and Module 8 folders.**

Directions:

In Module 7, you submitted your spreadsheet. For this module, you will take what you submitted in your spreadsheet and use that information to write your paper.

Your paper must:

- Be 4-6 pages in length, not including the required cover and references pages.
- Include a proper introduction and conclusion.
- Include 4 scholarly references. The CSU Global Library is a good place to find these.
- Provide your reader with an overall understanding of the financial health of your chosen firm including the following:
 - Discussion of the ratio analysis results, including rationale for the ratios chosen.
 - Discussion of all horizontal and vertical analysis from above.
 - Discussion of four items from the management discussion of the firm that support the conclusion formed in your discussion of the financial results.

Finally, read through the Portfolio Project Part Two Grading Rubric in the Module 8 folder that will be used to grade your assignment—you will get a feeling for expectations by doing so. Your instructor is here to help you through this project. If you have questions, please let your instructor know. He or she may be willing to take a quick look at your horizontal and vertical analysis to give you feedback in advance since you will not have had much experience on that calculation prior to the project. Always communicate right away with your instructor when you need assistance!

Option 2: Part Two of Final Statement Analysis for Portfolio Project for Option 2

This Portfolio Project has two parts: Calculations and a 4- to 6-page essay. While the calculation requirements of this assignment are important, equally important are your discussion and analysis of the quantitative results. You will submit two documents: 1) a spreadsheet containing your horizontal and vertical analysis (and perhaps your ratios) in Module 7 and 2) a word document containing your essay in Module 8. **You will submit both parts separately. See the Portfolio Project Part One and Part Two grading rubrics, located in the Module 7 and Module 8 folders.**

In Module 7, you submitted your spreadsheet. For this module, you will take what you submitted in your spreadsheet, and use that information to write your paper.

Your paper must:

- Be 4-6 pages in length, not including the required cover and references pages.
- Include a proper introduction and conclusion.
- Include 4 scholarly references. The CSU Global Library is a good place to find these.
- Provide a comparative analysis of the financial health of both firms. Your paper should provide your reader with an overall understanding of the financial health of the companies including the following:

- Discussion of the ratio analysis results, including rationale for the ratios chosen.
- Discussion of all horizontal and vertical analysis from above.
- Discussion of four items from the management discussion of the firm that support the conclusion formed in your discussion of the financial results.

Finally, read through the Portfolio Project Part Two Grading Rubric in the Module 8 folder that will be used to grade your assignment—you will get a feeling for expectations by doing so. Your instructor is here to help you through this project. If you have questions, please let your instructor know. He or she may be willing to take a quick look at your horizontal and vertical analysis to give you feedback in advance since you will not have had much experience on that calculation prior to the project. Always communicate right away with your instructor when you need assistance!

Mastery Exercise (10 points)

COURSE POLICIES

Grading Scale	
A	95.0 – 100
A-	90.0 – 94.9
B+	86.7 – 89.9
B	83.3 – 86.6
B-	80.0 – 83.2
C+	75.0 – 79.9
C	70.0 – 74.9
D	60.0 – 69.9
F	59.9 or below

Course Grading

20% Discussion Participation

0% Opening Exercises

0% Live Classroom

8% Mastery Exercises

37% Critical Thinking Assignments

35% Final Portfolio Project

IN-CLASSROOM POLICIES

For information on late work and incomplete grade policies, please refer to our **In-Classroom Student Policies and Guidelines** or the Academic Catalog for comprehensive documentation of CSU-Global institutional policies.

Academic Integrity

Students must assume responsibility for maintaining honesty in all work submitted for credit and in any other work designated by the instructor of the course. Academic dishonesty includes cheating, fabrication, facilitating academic dishonesty, plagiarism, reusing /re-purposing your own work (see *CSU-Global Guide to Writing and APA Requirements* for percentage of repurposed work that can be used in an assignment), unauthorized possession of academic materials, and unauthorized collaboration. The CSU-Global Library provides information on how students can avoid plagiarism by understanding what it is and how to use the Library and Internet resources.

Citing Sources with APA Style

All students are expected to follow the *CSU-Global Guide to Writing and APA Requirements* when citing in APA (based on the APA Style Manual, 6th edition) for all assignments. For details on CSU-Global APA style, please review the APA resources within the CSU-Global Library under the “APA Guide & Resources” link. A link to this document should also be provided within most assignment descriptions in your course.

Disability Services Statement

CSU-Global is committed to providing reasonable accommodations for all persons with disabilities. Any student with a documented disability requesting academic accommodations should contact the Disability Resource Coordinator at 720-279-0650 and/or email ada@CSUGlobal.edu for additional information to coordinate reasonable accommodations for students with documented disabilities.

Netiquette

Respect the diversity of opinions among the instructor and classmates and engage with them in a courteous, respectful, and professional manner. All posts and classroom communication must be conducted in accordance with the student code of conduct. Think before you push the Send button. Did you say just what you meant? How will the person on the other end read the words?

Maintain an environment free of harassment, stalking, threats, abuse, insults or humiliation toward the instructor and classmates. This includes, but is not limited to, demeaning written or oral comments of an ethnic, religious, age, disability, sexist (or sexual orientation), or racist nature; and the unwanted sexual advances or intimidations by email, or on discussion boards and other postings within or connected to the online classroom. If you have concerns about something that has been said, please let your instructor know.