

Course Outline

Course Code	RSM 329 H1 S
Course Name	Accounting for Finance Professionals
Term, Year	Winter, 2023
Course Meets	L0101: Mondays 11am-1pm in WO30 L0201: Mondays 1pm-3pm in WO30 L5101: Mondays 5pm-7pm in WO30
Web page URL	https://q.utoronto.ca

Instructor Details

Name	Email	Phone	Office Hours	Virtual Office Link
Dragan Stojanovic	dragan.stojanovic@rotman.utoronto.ca	416-978-6819	TBA	TBA

Course Scope, Mission and Learning Outcomes

Finance professionals often rely on accounting information obtained from financial statements. After all, understanding financial statements is crucial for evaluating and forecasting financial performance of any organization. Finance professionals use this information to make capital allocation decisions: whether to invest/lend and at what price/terms.

This course builds on the basic foundations provided in RSM219H1 – Introduction to Financial Accounting. It is an intermediate-level course that will help you competently read, analyze, interpret, and evaluate financial statement information. We will “learn by doing” – analyzing the financial statements of some of the most important companies in the world.

We take a global perspective and focus on both International Financial Reporting Standards (IFRS) and Generally Accepted Accounting Principles in the United States (US GAAP). By the end of the course, you will:

- understand the role of financial reporting and its relationship to finance, economics, strategy, marketing, and other business disciplines;
- be able to apply fundamental concepts and principles of financial reporting to analyze and interpret complex business transactions, events, and decisions;
- be able to interpret, analyze, and evaluate complex financial statements, including specific financial reporting issues relating to investments, revenues, operating assets, liabilities, and taxes; and
- be able to use the financial statement analysis toolkit to anticipate adjustments that are relevant to the process of forecasting and valuation.

The Chartered Financial Analyst (CFA) Program curriculum also assigns a very significant weighting to the topics covered in this course: 13-17% at the Level I exam (and 10-15% at Level II, which includes additional topics). Students pursuing the CFA designation found this course critical preparation for the financial statement analysis portion of the CFA exams.

Course Prerequisites

Course Prerequisite: RSM219H1

Exclusion: RSM212H1 (If taken Winter 2018, 2019)

Course Materials

Required Readings

- Thomas R. Robinson, et al. (2020). *International Financial Statement Analysis, Fourth Edition* (CFA Institute Investment Series). John Wiley & Sons, 2020. **NOTE: electronic access information will be provided on Quercus**



Electronic Course Materials

This course will be using the following electronic course materials:

- Wiley content for University of Toronto - Accounting for Financial Professionals - Spring '23 (purchase instructions will be provided on Quercus)

These materials will cost a total of USD \$40.00. The use of these materials complies with all University of Toronto policies which govern fees for course materials.

Evaluation and Grades

Grades are a measure of the knowledge and skills developed by a student within individual courses. Each student will receive a grade on the basis of how well they have command of the course materials, skills and learning objectives of the course.

Work	Percentage of grade	Due Date
Personal introduction assignment	2%	January 17
Group contract and team skills audit (GROUP)	2%	
Weekly quizzes	16%	Ongoing (best 8)
Analyst report 1 (GROUP)	20%	February 28
Analyst report 2 (INDIVIDUAL)	25%	March 28
Final exam	35%	During UofT final assessment period (TBA)

Course Format and Expectations

Detailed information for all assignments and deliverables is available on Quercus.

Writing Assignments or Presentations

All assignments are intended to help you develop your communication skills. How well you communicate your ideas, in writing or orally, will be considered in the evaluation of the assignment. In your written assignments, you should aim for clarity, strong organization, concision, professionalism, and correct grammar. Your presentations should reflect strong planning and organization, clarity of speech, and an engaging demeanour. Sources, whether in written or presentation assignments, should always be correctly attributed.

Support is available through the RC Centre for Professional Skills (CPS) for students who would like help or feedback on their writing or speaking (presentations). CPS offers both individual and group appointments with trained writing instructors and presentation coaches who are familiar with the RC program and common types of business assignments. You can also access your college Writing Centres for help with written assignments.

You can [book an appointment with a writing or presentation coach](#) through the RC Centre for Professional Skills Writing Centre. For more information about writing centres, student supports, and study resources, see the [Writing and Presentation Coaching academic support page](#).

Missed Tests and Assignments (including mid-term and final-term assessments)

Students who miss a test or assignment for reasons entirely beyond their control (e.g. illness) may request special consideration.

In such cases, students must:

1. Notify the instructor AND the Rotman Commerce Program Office **on the date** of the missed course deliverable, e.g. missed test, final assessments, assignment or class (in the case of participation marks).
2. Complete a [Request for Special Consideration Form](#) and submit it along with your Absence Declaration on [ACORN](#) (please read the instructions on how to use the Absence Declaration in ACORN) within **2 business days** of the originally scheduled course deliverable.

Students who do not provide this information will be given a grade of 0 (zero) for the missed course deliverable.

Missed weekly quiz marks will be allocated to remaining quizzes. **Missed Midterm Exam** marks will be allocated to the Final Assessment. In the event of a missed Final Assessment, an alternative deliverable will be assigned at the discretion of the instructor.

Late Assignments

Late assignments will not be accepted and will receive a mark of zero as all assignments will be debriefed immediately after their deadline.

Students who, for reasons beyond their control, are unable to submit an assignment by its deadline must obtain approval from the instructor for an extension or an alternative assignment (at the discretion of the instructor). Supporting documentation will be required as per the policy on missed tests and assignments.

Statement on Equity, Diversity and Inclusion

The University of Toronto is committed to equity, human rights and respect for diversity. All members of the learning environment in this course should strive to create an atmosphere of mutual respect where all members of our community can express themselves, engage with each other, and respect one another's differences. U of T does not condone discrimination or harassment against any persons or communities.

Commitment to Accessibility

The University is committed to inclusivity and accessibility, and strives to provide support for, and facilitate the accommodation of, individuals with disabilities so that all may share the same level of access to opportunities and activities offered at the University.

If you require accommodations for a temporary or ongoing disability or health concern, or have any accessibility concerns about the course, the classroom or course materials, please [email Accessibility Services](#) or [visit the Accessibility Services website for more information](#) as soon as possible. Obtaining your accommodation letter may take up to several weeks, so get in touch with them as soon as possible. If you have general questions or concerns about the accessibility of this course, you are encouraged to reach out to your instructor, course coordinator, or Accessibility Services.

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Normally, students will be required to submit their course essays to the University's plagiarism detection tool for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the tool's reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University's use of this tool are described on the [University's Plagiarism Detection Tool FAQ](#) page from Centre for Teaching Support & Innovation.

Academic Integrity

Academic Integrity is a fundamental value essential to the pursuit of learning and scholarship at the University of Toronto. Participating honestly, respectfully, responsibly, and fairly in this academic community ensures that the U of T degree that you earn will continue to be valued and respected as a true signifier of a student's individual work and academic achievement. As a result, the University treats cases of academic misconduct very seriously.

[The University of Toronto's Code of Behaviour on Academic Matters](#) outlines the behaviours that constitute academic misconduct, the process for addressing academic offences and the penalties that may be imposed. You are expected to be familiar with the contents of this document. Potential offences include, but are not limited to:

In papers and assignments

- Using someone else's ideas or words without appropriate acknowledgement.
- Submitting your own work in more than one course without the permission of the instructor.
- Making up sources or facts.
- Obtaining or providing unauthorized assistance on any assignment (this includes collaborating with others on assignments that are supposed to be completed individually).

On test and exams

- Using or possessing any unauthorized aid, including a cell phone.
- Looking at someone else's answers.
- Misrepresenting your identity.
- Submitting an altered test for re-grading.

Misrepresentation

- Falsifying institutional documents or grades.
- Falsifying or altering any documentation required by the University, including (but not limited to) medical notes.

All suspected cases of academic dishonesty will be investigated by the procedures outlined in the *Code of Behaviour on Academic Matters*. If you have any question about what is or is not permitted in the course, please do not hesitate to contact the course instructor. If you have any questions about appropriate research and citation methods, you are expected to seek out additional information from the instructor or other U of T or RC resources such as the RC Centre for Professional Skills, the College Writing Centres or the Academic Success Centre.

Email

At times, the course instructor may decide to communicate important course information by email. As such, all U of T students are required to have a valid UTmail+ email address. You are responsible for ensuring that your UTmail+ email address is set up and properly entered on ACORN. For more information visit the [Information Commons Help Desk](#).

Forwarding your utoronto.ca email to a Gmail or other type of email account is not advisable. In some cases, messages from utoronto.ca addresses sent to Gmail accounts are filtered as junk mail, which means that important messages from your course instructor may end up in your spam or junk mail folder.

Recording Lectures

Lectures and course materials prepared by the instructor are considered by the University to be an instructor's intellectual property covered by the Canadian Copyright Act. Students wishing to record a lecture or other course material in any way are required to ask the instructor's explicit permission, and may not do so unless permission is granted. Students who have been previously granted permission to record lectures as an accommodation for a disability are excepted. This includes tape recording, filming, photographing PowerPoint slides, Quercus materials, etc.

If permission for recording is granted by the instructor (or via Accessibility Services), it is intended for the individual student's own study purposes and does not include permission to "publish" them in any way. It is forbidden for a student to publish an instructor's notes to a website or sell them in any other form without formal permission.

Weekly Schedule

#	WEEK	TOPIC & READINGS (required chapter sections are posted on Quercus)
1	Jan. 9	Financial analysis techniques (Ch. 6) Financial analysis process, analytical tools and techniques, common ratios, equity analysis, credit analysis, segment analysis, model building and forecasting
2	Jan. 16	Financial reporting quality (Ch. 11) & group project kick-off Context for assessing financial reporting quality, detection of financial reporting quality issues
PERSONAL INTRODUCTION (2%): due Tuesday, January 17th		
3	Jan. 23	Understanding income statements (Ch. 3) Revenue recognition, non-recurring items and non-operating items (discontinued operations, unusual or infrequent items, changes in accounting policies, non-operating items), earnings per share (simple/complex capital structures, basic EPS, diluted EPS), comprehensive income
GROUP CONTRACT AND TEAM SKILLS AUDIT (2%): due Tuesday, January 24th		
4	Jan. 30	Basic intercorporate investments (Ch. 13) Basic corporate investment categories, investments in financial assets, basics of investments in associates and JVs, basics of business combinations and consolidation
5	Feb. 6	Understanding cash flow statements (Ch. 5) Components and format, linkages and preparation, cash flow statement analysis including free cash flow to the firm and free cash flow to equity
6	Feb. 13	Mid-course review and group project work
Reading Week (NO CLASSES February 20 to February 24)		
7	Feb. 27	Inventories (Ch. 7) Inventory valuation methods with the focus on the LIFO method (LIFO reserve) and adjustments
ANALYST REPORT 1 (GROUP, 20%): due Tuesday, February 28th		
8	Mar. 6	Long-lived assets – Part 1 (Ch. 8) Acquisition (focus on intangible assets, capitalization of interest costs, capitalization of internal development costs), depreciation and amortization
9	Mar. 13	Long-lived assets – Part 2 (Ch. 8) Revaluation model, impairments, derecognition, investment properties
10	Mar. 20	Non-current (long-term) liabilities (Ch. 10) Bonds and leases
11	Mar. 27	Income taxes (Ch. 9) Accounting profits vs. taxable income, temporary and permanent differences
ANALYST REPORT 2 (INDIVIDUAL, 25%): due Tuesday, March 28th		
12	April 3	Selected topics and course wrap-up
FINAL EXAM (35%): during University Final Assessment period (April 11 - 28, 2023)		

Please note that the last day you can drop this course without academic penalty is March 19, 2023.

Other Useful Links

- [Become a volunteer note taker](#)
- [Accessibility Services Note Taking Support](#)
- [Credit / No-Credit in RSM courses](#)
- [Rotman Commerce Academic Support](#)

URL links for print

- Book an appointment with a writing or presentation coach: <http://uoft.me/writingcentres>
- Writing and Presentation Coaching academic support page: <https://rotmancommerce.utoronto.ca/current-students/academic-support/writing-and-presentation-coaching/>
- Centre for Professional Skills Teamwork Resources page: <https://rotmancommerce.utoronto.ca/teamwork-resources>
- Book an appointment with a Teamwork Mentor: <http://uoft.me/writingcentres>
- Request for Special Consideration Form: <https://rotmancommerce.utoronto.ca/current-students/forms-requests-and-appeals/forms/>
- ACORN: <http://www.acorn.utoronto.ca/>
- Email Accessibility Services: accessibility.services@utoronto.ca
- Accessibility Services website: <http://studentlife.utoronto.ca/as>
- University's Plagiarism Detection Tool FAQ: <https://uoft.me/pdt-faq>
- The University of Toronto's Code of Behaviour on Academic Matters: <http://www.governingcouncil.utoronto.ca/policies/behaveac.htm>
- Information Commons Help Desk: <http://help.ic.utoronto.ca/category/3/utmail.html>
- Become a volunteer note taker: <https://studentlife.utoronto.ca/program/volunteer-note-taking/>
- Accessibility Services Note Taking Support: <https://studentlife.utoronto.ca/service/note-taking-support/>
- Credit / No-Credit in RSM courses: <https://rotmancommerce.utoronto.ca/current-students/degree-requirements/credit-no-credit-option/>
- Rotman Commerce Academic Support: <https://rotmancommerce.utoronto.ca/current-students/academic-support/>